

The complaint

Ms G complains about several missing payments sent from her account with eBay Commerce UK Ltd ("eBay") to her bank account.

What happened

Ms G complains that she was missing a total amount of £2,761.98 from payments sent to her bank account from eBay.

These missing payments ranged from 1 May 2021 to 31 March 2023. Ms G says as well as not having the money, she has also wasted time reconciling her accounts to help eBay understand what payments were missing. So, Ms G logged a complaint with eBay. eBay looked into the complaint and initially said Ms G needed to update her bank details, and this would stop the payments bouncing back. eBay say they attempted to make the payments several times, but they weren't reaching Ms G's bank account.

So, Ms G brought her complaint to our service.

In March 2023, whilst the complaint was with our service, eBay found the cause of the problem to be Ms G using a Jersey bank account number and sort code. eBay said its payment provider at the time didn't have the function to send payments to a Jersey sort code. It changed the payment provider being used and in May 2023 Ms G confirmed the payments had finally been received.

Following the above, our investigator issued a view upholding the complaint. He said that although it was clear eBay had been trying to resolve the issue of the failed payments, he found this had taken too long. He suggested eBay pay Ms G £300 to compensate her for the time she had been without the funds.

eBay responded to the view to say it agreed with the compensation amount.

Ms G didn't think it was high enough and thought she should be paid an amount in the highest award bracket our service publishes on our website.

Our investigator wasn't persuaded to change his view, so the complaint's been passed to me for a final decision.

On 31 January 2024 I issued a provisional decision. This is what I said

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to

do this. This simply reflects the informal nature of our service as a free alternative to the courts.

The starting point here is the missing payments. Neither party is disputing that they didn't reach Ms G's account. eBay are also not disputing that it was a problem at its end causing the failed payments, rather than something Ms G was doing wrong. So, I've not found the need to investigate that point. What I do need to come to a finding on is the level of compensation Ms G should receive for the trouble and upset the delays have caused.

It's quite clear from the number of emails and statements Ms G has supplied that there were a large number of payments missing. This took some investigation by Ms G to establish how many and over what period they were missing from. I have no doubt that the level of inconvenience Ms G has said it caused her is absolutely true. Although it's also clear eBay were trying to assist in getting the payments to credit Ms G's account, it was a long time before this issue got fixed.

But I also have to consider the fact that Ms G continued to use eBay even after it was very clear the payments weren't reaching her account. I understand Ms G said there was a period where the payments did reach her Jersey account, but Ms G continued to make payments well after things started to go wrong. As Ms G didn't mitigate her losses by stopping using the service after the first few payments started to go missing, lots more failed to reach her account that could've been prevented. Our investigator asked Ms G on my request why she continued to use the service and she replied that she thought the issue would fix itself. This didn't happen and more payments failed to reach their destination into Ms G's account. So, I'm satisfied that the level of compensation Ms G thinks she is due isn't warranted in these circumstances and for those reasons.

Ms G has suggested that it wasn't her Jersey sort code that caused the issues, as she received payments before the ones that form part of this complaint. Given neither party has given any other reason why the payments may have failed, eBay have admitted the issues were at their end and the problem appears to be fixed – I see no reason to look into this any further.

Having said that, I do think Ms G's complaint and circumstances sit at the top end of the next banding up that we refer to on our website, rather than the amount the investigator awarded. I say this as it's still clear that Ms G has been without her funds for a significant amount of time, and she has also been inconvenienced by the accountancy work she's needed to do to help eBay firstly understand the issue and secondly to enable them to know what was still owed.

Our website says an award of over £300 and up to around £750 might be fair where the impact of a mistake has caused considerable distress, upset and worry – and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. Typically, the impact lasts over many weeks or months, but it could also be fair to award in this range if a mistake has a serious short-term impact.

So, after considering the information supplied by both parties and in the circumstances of this complaint, I'm satisfied eBay should pay Ms G £750 to compensate her for the trouble and upset the delayed and failed payments caused.

It's worth noting that Ms G has told our service that she thinks there may be a duplication of payments and she has potentially received £640.48 too much. We've reached out to eBay and it has confirmed that it won't be asking for any overpayments back.

Ms G has also told us she has been charged a fee for each of the payments that form part of this complaint. I'm satisfied these fees should be returned to Ms G as part of the redress, as the fees were charged for the payment service used. As the payments didn't reach Ms G's bank as intended and, on the date they should've done, I don't find it fair that Ms G pays for a service that wasn't fulfilled.

I understand Ms G has mentioned more payments have gone missing since the complaint was brought to our service. But this doesn't appear to be part of the complaint considered by eBay and was only raised by Ms G more recently, so I'm not going to make findings on this in this decision. This is something that will need to be directed back to eBay for it to investigate and provide a response on if Ms G remains unhappy.

In summary, I'm satisfied that eBay failed to make the payments as intended to Ms G's account and she should be compensated for the trouble and upset that has caused.

eBay responded to my provisional decision and agreed to pay the increased compensation

Ms G responded and said.

- There was no alternative platform to use and had she stopped after the first few payments, she would've forfeited a sum of £10,000 in proceeds from sales.
- It was not established at the time whether the fault was with eBay or her bank.
- To suggest she should've stopped using the service whilst it was broken was unreasonable and she shouldn't be disadvantaged financially or otherwise due to the error.
- She had no idea the issue would take two years to fix. Nor could she have foreseen the amount of work it would take to resolve.
- She thinks her complaint falls within the £1500-£5000 compensation banding.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I'm not persuaded to change my outcome. I'll explain why.

I understand the point Ms G is making regarding the loss of income she may have incurred had she used a different provider linked to this payment service to sell her goods. But I'm still satisfied she continued to use a service she was aware there was an issue with. So, although she may have made the amount of money she wanted to, this needs to be offset against the fact that the additional work it created in sorting the errors were down to her continuing to use the service.

I also understand at the time she wasn't aware of where the error was being made - but the error was only happening as a result of using eBay as a payment service. So even if it had been the bank at fault, the issue was going to keep happening whilst she used both services together.

So, in summary I'm satisfied the compensation I awarded in my provisional decision is fair and reasonable in the circumstances of this complaint.

Putting things right

- Pay Ms G £750 compensation.
- Return the fees for the payments that make up the £2,761.98.

My final decision

My final decision is that I uphold this complaint and instruct eBay Commerce UK Ltd to pay Ms G in line with the above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 27 March 2024.

Tom Wagstaff
Ombudsman