

The complaint

Mr G complains that eBay Commerce UK Ltd, following a transaction he'd made, failed to release his funds.

What happened

The details of this complaint are well known to both parties, so I will not repeat them again here. The facts are not in dispute so I will focus on giving my reasons for the decision.

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 agree with the conclusions reached by the investigator for the following reasons:

- Mr G sold an item through eBay in October 2023 and was expecting to receive his funds. But eBay didn't pay the funds to Mr G and say he needs to set up a direct debit mandate before any funds can be released as this is part of its terms and conditions.
- I have seen a number of screenshots on the process Mr G would have followed when setting up his account and when listing the item for sale. And whilst eBay may say customers need to set up a direct debit to receive funds, I can't say this is particularly prominent. Mr G would have had to click through a number of screens before the information was clearly provided.
- As this seems to be a significant term, I would have expected this to have been made clearer to him at the time Mr G signed up to the account and especially at the point where he was looking to sell items through eBay.
- eBay say payments can only be made to a verified bank account as this is part of its terms, and payments cannot be made by any other method. Mr G has told us that he's had previous issues with direct debit payments and so he doesn't use this payment method anymore. Mr G says had eBay made it clear to him that he would have needed to provide direct debit details he wouldn't have used it to sell the items and I don't think that is unreasonable.
- I'm not persuaded that anything in the opening of the account or use of the service *clearly* highlighted that Mr G needed to set up a direct debit to be able to sell on the platform. If this was the only method that eBay was willing to make payments to customers, then I would have expected this to have been made clearer than it was to him before he could sell the items.
- If eBay made this clearer, I don't think Mr G would have sold on the platform. I say this because he would have known to receive his funds he would need to set up a

direct debit which he has explained he was not willing to do.

- I can't see that there are any reasons the direct debit details may now be needed as there are no fees or charges for Mr G to pay and he has asked for his account to be closed.

The circumstances here are unusual but these are ultimately Mr G's funds and almost six months have now passed. Despite what eBay has told us, it cannot hold onto these funds ad infinitum and should be taking steps to return them to their rightful owner. And I've not been provided with any reasons as to why eBay may think these funds don't belong to Mr G. There's been no evidence provided on what eBay is planning on doing with the outstanding funds.

On that basis I don't see why eBay should continue to hold on to his funds or keep his account open. And so the fair thing to do is that these funds should be returned to Mr G.

Putting things right

I now expect eBay to refund Mr G the funds it holds for him, I believe it's right they also add 8% simple interest to that amount from the date Mr G first requested the payment of his funds until the date it is paid to him.

eBay should also close the account as Mr G has requested.

My final decision

For the reasons mentioned above, I uphold Mr G's complaint against eBay Commerce UK Ltd. And it should put things right as I've mentioned above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 7 May 2024.

Jag Dhuphar
Ombudsman