

The complaint

Mr Y complains that PayPal UK Ltd won't refund payments which he says he didn't make.

What happened

Mr Y says that someone got into his PayPal account and paid for things without his permission, which he says totalled about £2,000. We repeatedly sent Mr Y his PayPal statements, and asked him to tell us which payments he thought he didn't make. But Mr Y didn't tell us.

Our investigator looked into things, and didn't find any evidence that Mr Y's account was used without his permission. So our investigator did not uphold the complaint.

Mr Y asked for an ombudsman to look at things again, so the complaint has been passed to me to decide.

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.

Despite us asking him a number of times, Mr Y has not told us which payments he thinks were made without his permission. In a separate case, he complained about two payments totalling £235. But PayPal already refunded those payments as a gesture of goodwill, and Mr Y confirmed he got that refund. So there's nothing more that needs to be done there.

I have looked at Mr Y's PayPal account more generally, to see if it's likely that anyone was using it without his permission.

Before Mr Y made this complaint, only one phone had been accessing the account – the same phone that Mr Y used for his own genuine spending. And the only phone number registered was the same phone number that Mr Y gave us. So I'm satisfied this was Mr Y's phone. Mr Y did not answer our questions about how someone else might have got access to his account. And Mr Y said repeatedly that only he had access to the account. So it does not seem likely that anyone was using Mr Y's account without his permission.

PayPal also did not find any evidence that anyone else had accessed Mr Y's account.

I might expect a thief to try to take as much money as possible, as quickly as possible, before they get found out. But the spending on the account was not especially big, the balance stayed reasonable, and it was spread out over a long time. So while this is a less important point, it does not seem likely that a thief was using the account without Mr Y's permission. Instead, the spending looks quite normal – it was for things like streaming subscriptions, an Xbox pass, small eBay purchases, and so on.

Mr Y was active on the account and used it often. So he would have been aware of his balance as it changed. And Mr Y kept in contact with PayPal. Yet he did not tell PayPal that anyone else was using his account, and he did not report £2,000 of spending as being fraud at the time. It seems unlikely that Mr Y would wait so long to report payments if they were made without his permission. It also seems unlikely that he would then choose to not tell our service which payments were not his.

So based on the evidence I have, and based on what is most likely, I do not have a good reason to think that anyone was using Mr Y's PayPal account without his permission. I think it's more likely that the payments were made with his permission. And so I cannot fairly tell PayPal to refund him.

My final decision

I do not uphold Mr Y's complaint. That means I am not telling PayPal to pay him a refund.

This decision is final, which means that our service will not consider this case any further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 25 June 2024.

Adam Charles
Ombudsman