

The complaint

Miss B complains PayPal UK Ltd limited her account, were rude to her and kept money she was paid.

What happened

Miss B's PayPal account was limited, or blocked, and Miss B complained about this.

PayPal explained Miss B's account was limited because of the number of protection claims Miss B has logged, and had been logged against her.

Miss B brought her complaint to this service and said she should be compensated because members of staff at PayPal were very abusive to her.

Miss B said she'd told PayPal about her vulnerabilities, but it was still rude to her, and this abuse made her so unwell she had to make several trips to hospital.

Miss B also said PayPal owed her some money.

An investigator looked into things but didn't think Miss B's complaint should be upheld.

The investigator didn't think PayPal should pay Miss B any compensation as the investigator didn't think PayPal had done anything wrong.

The investigator said they'd listened to the calls PayPal sent. The quality of one call was poor, towards the end of the call, so the investigator couldn't say PayPal was rude.

The investigator had asked Miss B for the recording of the call she said she had, but it had since been lost.

The investigator didn't think the emails PayPal sent were rude or harassing.

The investigator didn't think PayPal owed Miss B any money. The investigator said Miss B sold some goods for £110, and the buyer made a claim of some items not being delivered.

The investigator thought it was fair for PayPal to refund the buyer £80 for the undelivered items.

And the investigator thought PayPal was fair in limiting Miss B's account. The investigator said Miss B made 14 claims in less than four months, and this was a risk to PayPal.

Miss B disagreed and said she'd sent in lots of evidence to support her case.

Miss B said she'd never received any of the money PayPal sent her.

And Miss B said PayPal gave multiple reasons, and kept changing its mind, about why her account was closed.

Miss B asked for an ombudsman to decide things.

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.

Miss B has said PayPal discriminated against her in the way it spoke to her.

But I haven't seen any evidence to suggest PayPal treated her unfairly or unreasonably.

I've listened to the two calls PayPal's sent in, and I don't think Miss B was spoken to rudely in either call.

Miss B says she was abused in a call on 27 May 2024, but PayPal has no record of a call on this date.

Miss B said she had a recording but now doesn't have it.

Without any proof of PayPal being rude on a call to Miss B, I can't say PayPal's done anything wrong here.

I can hear the strength of feeling in Miss B's voice, on the calls I've listened to, so I've considered things very carefully.

But I still can't say PayPal was rude to Miss B in any of the calls I've heard.

I've also looked at Miss B's PayPal account and the transactions on it.

Miss B says she was told she'd get an £80 credit because of a buyer claim filed against her.

I can see Miss B received this credit, on 7 May 2024.

Miss B received £110 on 17 April 2024 and moved this money out of her PayPal account on 19 April 2024. I'm satisfied Miss B had benefit of this money.

The sender of the money then claimed they didn't receive some of the goods and asked for an £80 refund. This £80 was taken from Miss B's account on 26 April 2024.

Miss B's account went £80 overdrawn, until 7 May 2024 when PayPal paid in £80 to bring Miss B's account to zero.

It seems Miss B thought she might be able to take this £80 credit, but she couldn't, and I don't think it would be fair if she did.

Miss B had already taken the money the person sent her. When PayPal returned the £80 it didn't take this from Miss B's bank account. So, Miss B only owed PayPal this £80.

But PayPal then credited Miss B the £80, so she no longer owed PayPal any money.

I'm satisfied PayPal doesn't owe Miss B any money and credited her account with £80.

Miss B says the emails PayPal sent her were harassing and upsetting.

I've read all the information Miss B's sent this service, but I can't see any of the messages being rude.

PayPal sent Miss B an email to say it had limited her account, but I don't think this email is rude or harassing, it's a statement of fact.

PayPal has said it limited Miss B's account because she filed too many claims and received some claims against her.

Miss B has said to this service she didn't realise there was a limit to claims she could make.

And Miss B has said the type of items she was buying is from a trade well known for scammers.

But if Miss B is making purchases from people well known for scamming people, and then making claims, this is a risk for PayPal.

PayPal has to pay Miss B money for claims she makes, in the same way it paid money for the claim against her.

Numerous claims on purchases or sales are a risk factor for PayPal to consider when it thinks about who it wants to give a PayPal account to.

Miss B filed ten claims on items she bought between 15 April and 7 July 2024, a little less than three months. And this doesn't include the claim against Miss B.

I think this is a lot of claims to make in such a short time, and I think PayPal made a fair decision to limit Miss B's PayPal account.

PayPal's user agreement allows it to limit an account if it thinks the user is abusing PayPal's buyer or seller protection claim policy.

I think PayPal was reasonable in thinking Miss B was using its buyer protection policy too much, for a lot of her purchases.

I think PayPal was fair in limiting Miss B's account.

And I think PayPal was very clear about why it had limited Miss B's account.

I don't think the messages are confusing or unclear, and I don't think PayPal's changed its reasoning about why it limited her account.

I'd like to reassure Miss B I've looked very carefully at what she's said, including the effect her dealings with PayPal had on her.

And I'd like to reassure Miss B I'm an entirely impartial party.

I also know my decision is likely to be upsetting for Miss B, but I can't say PayPal has acted unreasonably in the way it dealt with her.

Because of this, I don't think PayPal needs to pay Miss B any compensation or allow her to use her PayPal account going forward.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 3 January 2025.

Chris Russ
Ombudsman