

The complaint

Miss E complains that PayPal UK Ltd failed to credit her account with refunds she received from a merchant and that as a result the balance showing on her account was incorrect.

What happened

Miss E complains about the amount shown as owing on her PayPal Credit account. She says that PayPal has made an error in the way that refunds were allocated to the account and disputes that there is a balance owing.

The transactions all involve refunds from the same merchant. Miss E says that the following refunds haven't been credited to her account:

£49.00 on 23 October 2023

£99.00 on 12 November 2023

£55.20 on 29 November 2023

£87.00 on 29 November 2023

PayPal investigated Miss E's complaint and said it had found no error in the way the refunds had been allocated to the account and that the balance showing as owed was correct.

Miss E remained unhappy and brought her complaint to this service. To resolve the complaint, Miss E wants PayPal to credit her account with £290.20.

Our investigator didn't uphold the complaint. He said he'd reviewed all the transactions refunded by the merchant and that the transactions in dispute had been refunded to Miss E's PayPal credit account.

Miss E didn't agree. She said PayPal had failed to credit her account with the four refunds and said there was a discrepancy between her PayPal statement (which reflected the refunds) and the balance on her account (which she says did not reflect the refunds).

Because Miss E didn't agree I've been asked to review the complaint.

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.

I know that it will disappoint Miss E, but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach

what I think is the right outcome.

Miss E has identified four transactions which she says have been refunded by the merchant but not credited to her PayPal account. Having reviewed the information provided by Miss E, I'm satisfied that the transactions have been refunded by the merchant. Having reviewed the information provided by PayPal, I'm also satisfied that the transactions have been refunded to Miss E's PayPal account. All four disputed transactions are clearly shown as having been refunded on Miss E's PayPal credit account statements for the period October 2023 to December 2023.

I appreciate that Miss E has said that the discrepancy here is between her PayPal Credit account statements and the balance shown as owing on the account. However, based on the information I've seen, the four transactions in question have been refunded to the account. I haven't seen anything to suggest that PayPal has made an error in the application of the refunds to the account or with the account balance.

Miss E has said that her account balance has recently been amended to zero and that this means that the balance was previously incorrect. I understand why Miss E might think this, but I can see that the account has been defaulted for non-payment. This may be the reason for the amendment to the account balance.

For the reasons I've explained above, I'm unable to uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 27 January 2025.

Emma Davy
Ombudsman