

The complaint

Miss T complains PayPal UK Ltd won't refund her for a delivery she didn't receive.

What happened

Miss T bought \$2,000 worth of items from a seller online and the parcel wasn't delivered. Miss T raised a buyer protection claim with PayPal and sent it information she'd received from the courier, saying the parcel hadn't been delivered to her.

PayPal looked into Miss T's claim but declined it because the seller had provided proof of delivery. Miss T brought her complaint to this service.

An investigator looked into things and thought PayPal needed to refund Miss T. The investigator said they'd looked at the evidence the seller had sent PayPal, but was more persuaded by Miss T's evidence.

The investigator said Miss T had a letter and email from the courier saying the parcel had been delivered to the wrong place. And the photo the courier provided showed Miss T's parcel on a sofa with many other items.

PayPal disagreed with this outcome, and said it had verifiable proof of delivery, from the courier's tracking information on its website. PayPal also queried why the tracking still showed the parcel was delivered if the courier accepted it hadn't been.

And PayPal said a photo showing the parcel on a sofa wasn't proof the parcel wasn't delivered to Miss T.

Unable to reach an agreement, Miss T's complaint was 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.

Although PayPal declined Miss T's initial buyer protection claim for another reason, it's accepted the claim qualifies under this first decline, but says it fails because the seller provided verifiable proof of delivery, in line with PayPal's user agreement.

PayPal's said its buyer protection policy is an optional protection it doesn't have to offer and any successful claim needs to be in line with the terms PayPal has in its user agreement.

I agree PayPal's buyer protection policy isn't something it has to offer, it can define its own terms and not every buyer protection claim will be successful, nor will PayPal cover every eventuality a buyer might encounter.

PayPal's buyer protection policy says Miss T won't qualify for a refund for a not received item if the seller has provided proof of delivery.

Proof of delivery is further defined as an online and verifiable tracking number, a confirmation of the delivery, the date and an address matching the delivery address on the transaction details page on PayPal's systems.

I'm satisfied the seller provided this information.

There's a further line in the first part of the buyer protection, *if the seller presents evidence that they delivered the goods to you, PayPal may find in favour of the seller for an Item Not Received claim even if you claim you did not receive the goods.*

I can understand PayPal's terms being quite strict here, it isn't selling the items to Miss T so it doesn't need to provide her with any statutory protection she may have against the seller.

And I think PayPal's terms are intended to avoid successful claims for items delivered to the correct address but subsequently lost or stolen before the owner takes possession.

But I don't think this is what happened with Miss T's parcel. I don't believe Miss T's parcel was delivered to her, at her address, despite what the courier says on its tracking website.

Miss T has a photo, provided by the courier, of her parcel and several others on a sofa in what appears to be a shared hallway or reception.

And the courier said in a letter the parcel was left in the reception/concierge. I don't think this can be true of Miss T's address. Miss T appears to live in a house, there doesn't appear to be a shared reception or concierge.

Although PayPal feels a photo of Miss T's parcel on a sofa proves nothing, I disagree. I think, along with the letter and email from the courier, the photo persuades me Miss T's item wasn't delivered to her address.

And the courier confirms in the letter it can't amend the online tracking information as the parcel needs to have its barcode scanned, and the parcel's gone missing.

Miss T also has an email from the courier, again saying it can't update the tracking information, but it confirms the item wasn't delivered.

Where evidence is contradictory, as it is here, I can decide complaints on the balance of probabilities, what do I think is more likely to have happened.

The seller has proof of delivery, as per PayPal's initial requirements for its buyer protection policy. But Miss T has evidence the parcel wasn't delivered to her address, and I'm more persuaded by Miss T's evidence.

PayPal's terms say the seller has to present evidence the goods were delivered to Miss T, and I don't think the seller's proved this. The seller's proved delivery, but I don't think this is definitive proof of delivery to Miss T, at her address.

And Miss T has more evidence to show the goods weren't delivered to her.

PayPal's terms say it may find in favour of the seller even if Miss T claims non-delivery. PayPal doesn't say it will find in favour, so I think there must be scope for successful buyer protection claims even where the seller has proof of delivery.

Overall, I don't think PayPal can rely only on the seller's evidence, and a tracking screen the courier itself says is incorrect, to fairly decline Miss T's buyer protection claim.

I've thought about whether a refund of what Miss T paid for the items is enough to resolve her complaint, and I think it is. I have no doubt the lack of the parcel caused Miss T inconvenience and distress, but I think this is the fault of the courier and seller.

And PayPal wasn't entirely unreasonable in declining Miss T's buyer protection claim, my decision is quite balanced.

But I'm more persuaded by Miss T's evidence her parcel was delivered elsewhere and not to her. And whilst I haven't discounted the seller's evidence entirely, this evidence appears to rely on records the courier accepts are incorrect.

And since I don't think the seller can prove delivery of the parcel to Miss T, and Miss T can prove delivery elsewhere, I think PayPal should refund Miss T for her missing parcel.

My final decision

My final decision is I uphold this complaint and PayPal UK Ltd should pay Miss T £1,647.47.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 27 August 2025.

Chris Russ
Ombudsman