

The complaint

Miss B complains PayPal UK Ltd didn't refund her for an order she didn't receive.

What happened

Miss B placed an order with an online retailer, the seller, and was sent two parcels. Miss B didn't receive either of the parcels and it seems she took this up with the seller.

When the seller wouldn't agree to refund, Miss B asked PayPal to refund her under its buyer protection program. PayPal said it couldn't agree a refund as the seller had provided online tracking information to show the parcels were delivered.

Miss B brought her complaint to this service, and said the seller had to get a signature confirming delivery if the payment exceeded £450. Since there was no signature, PayPal should refund her.

An investigator looked into things but didn't think Miss B's complaint should be upheld. The investigator couldn't find a need for a signature anywhere in PayPal's buyer protection program, and thought PayPal had applied its terms correctly.

The investigator said PayPal could refuse a buyer protection claim if the seller supplied online tracking information, this said the parcel was delivered, the address matched the transaction details screen and this address had a city and postcode.

The investigator thought this had been proven by the seller, so they didn't think PayPal needed to refund Miss B.

Miss B disagreed and again said the seller needed to evidence a signature for the delivery, and it hadn't done this. Miss B said she never received the parcels and the evidence from the seller wasn't enough.

Miss B said it was unfair for the seller's evidence to be a generic scan of the parcel, and PayPal was free to refund her and debit the seller. Miss B asked for an ombudsman to decide her 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.

Miss B's mentioned a signature confirmation threshold table, and says this shows sellers have to get a signature for orders over £450. I've taken a look at this, and it seems this table is for use by PayPal Pte..

PayPal Pte. is a different entity to PayPal UK. Miss B holds a PayPal UK account, so I have to consider what PayPal UK's buyer protection program says. I don't think PayPal UK's

buyer protection program demands sellers get signature confirmation for deliveries.

Instead, PayPal UK's buyer protection program says her claim won't qualify for a refund if the seller provides proof of delivery. This is hyperlinked, and defines proof of delivery as:

- An online and verifiable tracking number
- Date of delivery and 'delivered' status
- An address for the recipient that matches the shipping address on the "Transaction Details" page
- An address for the recipient showing at least the city/state, city/country, or zip/postal code (or international equivalent).

I've looked at what the seller provided PayPal, and I think all these four points have been met. I think the seller's provided proof of delivery in line with PayPal's user agreement.

Miss B says she didn't get the parcels, and I accept this. But PayPal's buyer protection program isn't designed to cover every eventuality, and it isn't legislation.

PayPal facilitated the payment, it didn't provide Miss B with the goods, and it wasn't involved in the posting or delivery of the goods.

In PayPal's final response it says Miss B might be able to dispute things with her bank or take things to court. I'd recommend Miss B get some free legal advice about what her options are, she's mentioned the consumer rights act, and this might be an avenue for her.

But this claim would, I think, need to be against the seller.

Miss B's said PayPal's free to refund her and then debit the seller, and I agree it is. But I have to think about what's fair here, and PayPal's user agreement is clear.

PayPal says it won't refund Miss B if the seller's provided proof of delivery, and I think the seller's done this. Because of this, I won't be asking PayPal to refund Miss B.

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 23 September 2025.

Chris Russ

Ombudsman