

The complaint

Mr Y complains about a buyer dispute claim he raised with PayPal (Europe) Sarl et Cie SCA ("PayPal").

What happened

Mr Y complains that he purchased a pair of shoes from a third-party website, but when they arrived, they didn't fit.

Mr Y says he tried to contact the seller to exchange the shoes but when he didn't get a response, he raised a claim through PayPal.

PayPal declined the buyer dispute, as it said the item didn't meet expectations, and this isn't covered under its buyer protection policy. Mr Y remained unhappy, so our investigator looked into the complaint.

Our investigator found the dispute had been handled fairly. PayPal offered Mr Y £50 compensation, as it says he is a valued customer. As PayPal had offered more than the cost of the item as a goodwill gesture, our investigator found this fair.

Mr Y responded to the investigator's view and said the offer wasn't high enough. Mr Y also said PayPal had broken the Equality Act.

Our investigator looked into the additional information but didn't change his view, so the complaints were passed to me for a final decision.

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.

Having done so, I agree with the conclusions reached by the investigator for these reasons:

For me to say PayPal did something wrong in relation to the claim, I'd need to be satisfied that they failed to act within the terms of the account's User Agreement. Or, if I feel like they did work within these, that it was unfair for it to decline the buyer dispute in the circumstances of this complaint. And in this situation, I don't think that's the case.

Mr Y also signed up to PayPal's User Agreement when he opened his account.

It's clear that the item Mr Y received was the correct one but didn't fit. Mr Y has confirmed this in his testimony to our service. The User Agreement that details the protection Mr Y gets as a buyer, clearly says that there is no cover for items that don't meet expectations, as is the case here.

So, I don't find it unfair or against the User Agreement when PayPal have declined to uphold a buyer dispute claim in these circumstances.

Mr Y has said that PayPal have broken the Equality Act. I've thought about this point carefully and I've taken this into account because it's relevant law. But my remit is to decide cases on a fair and reasonable basis. So, if Mr Y wants a decision that PayPal have breached or broken the Equality Act 2010, then he'd need to go to court.

I have thought about the points Mr Y has raised in relation to why he thinks PayPal have broken the Equality Act though. Mr Y appears to have come to this view because PayPal didn't respond to his emails. PayPal have confirmed that the only information they have in relation to this claim is from our Service. So, it looks like there has been a breakdown in communication and this is likely the reason for a lack of response.

PayPal did fail to log a complaint on behalf of Mr Y when his email to the business was missed. Having considered this failing, I'm satisfied that the total amount of compensation PayPal have agreed to pay compensates Mr Y for this. Mr Y brought his complaint to our service shortly after he tried to raise a complaint with PayPal. So, although I understand it must have been frustrating not to get a response, Mr Y's complaint did get dealt with a short time after.

Mr Y has also highlighted a disability that he hasn't made PayPal aware of. I'd expect PayPal to act on this information once aware of it. As PayPal weren't aware at the point Mr Y had tried to raise a claim, I'm satisfied that PayPal haven't done anything wrong here. It would also be beneficial for Mr Y to tell PayPal what adjustments he needs if any.

Putting things right

Given the only error I've seen here is PayPal not logging Mr Y's complaint, I'm satisfied that the £50 compensation it's offered fairly compensates Mr Y for any trouble or upset it caused.

My final decision

My final decision is that I uphold this complaint and instruct PayPal (Europe) Sarl et Cie SCA to pay Mr Y £50 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 13 September 2023.

Tom Wagstaff
Ombudsman