

## The complaint

Mr S complains about PayPal UK Ltd's actions surrounding payments where he says he didn't receive the goods he paid for.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In December 2024 Mr S says he made two payments of £200 and £2,000 through his PayPal account to a company 'K' Ltd who supplied what he'd ordered. Leading on from that he then made the below payments (again to K) through his PayPal account to the recipients PayPal account.

<b>Date / Time</b>	<b>Amount</b>
24 December 2024 - 12.20pm	£3,000
27 December 2024 - 10.15pm	£5,000
27 December 2024 - 10.17pm	£4,650

I understand K were intended to supply and install a garden building for Mr S. Mr S says that after his final payment, K didn't turn up as agreed and when they ceased all contact, he concluded he'd been scammed.

He is seeking reimbursement from PayPal for a variety of reasons which include that he believes that by processing his payments (as 'friends and family'), they acted outside of their own published guidance. In essence, he doesn't believe he's been treated fairly and is seeking to be reimbursed.

PayPal didn't agree they'd done anything wrong. The matter was referred to our service and one of our Investigators didn't think we could consider all of Mr S' complaint under our jurisdiction rules. And for what she could consider, she didn't recommend that the complaint should be upheld.

Mr S disagreed and asked for an Ombudsman to review his complaint. I've already issued a jurisdiction decision setting out the extent to which I can consider Mr S' complaint. With a view to resolving matters informally, I then emailed Mr S explaining why I wasn't minded to uphold his complaint. In summary I said that I wasn't able to place much weight on his testimony as I felt that he had said different things at different times and that there were discrepancies in some of the evidence provided. In summary these were:

- The evidence from Mr S' credit card company 'A' (which funded his PayPal transactions) suggests that initially the payments from 24 and 27 December 2024 were reported as 'unrecognised' as opposed to goods not being delivered.
- An email to PayPal from February 2025 initially said that goods weren't received for all five payments to K that took place in December 2024, before this later being clarified to only being the final three.

- Mr S' same email to PayPal indicated that it was 'A' who told him about PayPal's policy around personal payments to a business account. But he later told our service he was aware of the policy at the time of the payments.
- An email chain Mr S provided between him and K didn't make sense chronologically. It appeared to show an email from him to K saying they didn't turn up as agreed (albeit this was on the day before delivery was expected). The email was also out of sync with others in the same chain.
- There was a further £5,000 payment attempted to K on the evening of the failed delivery, when the invoices provided as evidence had been settled in full and no reason had been provided for the further attempted payment.

Mr S responded with some comments that I'll address below and asked that I issue my final decision. My email was also shared with PayPal who didn't respond.

### **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 haven't changed my mind from the outcome I've explained previously. In bringing his complaint, Mr S is in effect asking that I uphold the complaint and issue a legally binding decision to direct PayPal to pay him around £12,650. Before I can fairly do so, I'd need to be satisfied both that there has been a loss and that the loss is something PayPal were fairly responsible for.

So whilst I acknowledge Mr S feels there has been undue scrutiny on his own actions, they are still something I need to consider to fulfil the requirement that I reach an outcome that is fair and reasonable in all the circumstances.

Mr S has sought to explain some of the points I set out in my email. He's said that different organisations have different dispute categories, taxonomy and terminology. For example he says the change from five to three payments being in dispute was due to his evolving understanding of events, rather than unreliability. He also said that an unrealistic evidential threshold is being applied to the dates on the emails. He says that emails weren't the only form of communication and that expecting a high standard of record keeping and then drawing an adverse inference isn't fair or reasonable. He says the key fact is that goods were not delivered, not the order in which the emails appear. Mr S has also said that the attempted £5,000 payment reflected the human situation of him trying to resolve matters commercially, rather than immediately assuming fraud. He's also pointed out that he had a busy work and home life at the relevant time, which shouldn't be held against him.

Ultimately, having thought carefully about all Mr S has said, due to what I believe to be inconsistencies, I'm not placing much weight on his testimony as reliable and credible. It follows that I don't think it would be fair and reasonable for me to uphold this complaint and to make an award against PayPal.

I'm not persuaded by what Mr S said about his 'evolving understanding' with regard to initially five and then three payments being disputed. In an email to our service in April 2025 he said *"Initially I purchased some building materials – cement, gravel, hardcore – through PayPal (invoice attached). The transactions went smoothly: the payment was made, and the goods were delivered without any issues. Following that, the seller mentioned they had a garden office available at cost price. They sent a link showing the item, and given how well the first transaction had gone, I had no immediate concerns. An invoice was issued covering both the deposit and the full balance, which I duly paid."* Invoices were also provided in line

with this; one dated 3 December 2024 and the other 24 December 2024. But this earlier email doesn't support an evolving understanding, the two invoices are presented as distinct events and not part of the same overall 'job'. Indeed, the emails provided indicate that the second invoice and the garden building followed the successful delivery of the initial order. So, I find it unlikely that Mr S would've needed to have ever disputed the first order, which his own testimony supports as having been successfully fulfilled.

Similarly, Mr S said the further attempted £5,000 payment on the evening of 28 December 2024 which was the agreed delivery date and at which time according to Mr S, no delivery had been made, was him trying to resolve matters commercially. He's recently suggested there were phone calls, reassurances and shifting explanations about timing. But the other evidence he's provided doesn't support this. The invoice provided agrees the same value for the garden building as the emails where this is initially discussed. And this had already been settled in full prior to the proposed delivery date. It seems unlikely that Mr S would attempt to send a further £5,000 when in dispute with the seller who hadn't arrived as agreed. The emails provided also don't support that there was other communication ongoing at the same time. They include Mr S saying, *"You didn't show today, and I can't raise you on the phone... Still not been able to get hold of you..."* And Mr S also told our service previously that *"Unfortunately, after payment, the seller stopped responding. Despite multiple chaser emails from me I received no further communication."* This again is in contrast to him now suggesting that further promises and assurances were given.

I also discovered a potential link between Mr S and the director of the company that he said he paid, it appeared that they might have previously worked together. I asked Mr S to confirm he hadn't been refunded directly by this person and I didn't receive a response.

Overall, I'm still not persuaded that events unfolded as Mr S has said they did. I find his evidence to be inconsistent and contradictory and accordingly it isn't something I feel I can place sufficient weight on to uphold the complaint or to direct that PayPal make a payment to him.

### **My final decision**

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 10 February 2026.

Richard Annandale  
**Ombudsman**