

The complaint

Mrs B complains that Next Retail Limited didn't refund her account for an item she'd returned.

What happened

Mrs B purchased an item in Next on in November 2024 for £7.00 on her NextPay account. She returned the item in December 2024.

Mrs B contacted Next several times in December 2024 and queried why the refund for the returned item hadn't been actioned on her account. Mrs B says she was initially refused the refund on the grounds that it had been issued in November. She was then asked to send the return receipt. Mrs B was then advised that the item was showing as returned but that due to a technical issue the refund hadn't been completed. The refund was completed on 21 December 2024 whilst Mrs B was on the call and was credited to her account on 23 December 2024.

Mrs B was unhappy that she'd had to make several calls to Next to sort things out. She raised a complaint.

Next issued a summary resolution letter on 21 December 2024 confirming that the complaint had been resolved by way of refund.

Mrs B remained unhappy and brought her complaint to this service.

Following the referral of the complaint to this service Next made an offer of £50 to settle the complaint. Mrs B said she wasn't happy to accept this because of the number of calls she'd had to make to Next to sort out the refund.

Our investigator upheld the complaint. He said the refund should've been issued when Mrs B returned the item on 18 December 2024 and that she had been caused distress and inconvenience in having to call several times to obtain the refund. The investigator recommended that Next pay compensation of £100.

Mrs B didn't agree. She said she wanted more compensation.

Because Mrs B 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've reviewed the history of the account. I can see that Mrs B purchased a T shirt on 13 November 2024 with a unique identification number (UPOS) ending in 103. This item was returned and refunded on 15 November 2024. Mrs B purchased the same T shirt on 23 November 2024. The exact same item was sent to her and was returned on 18 December 2024.

Next has explained that it is aware of a system issue whereby if a UPOS has already been refunded to an account once, it won't duplicate the refund. Whilst the chances of a customer getting the exact same item with the same UPOS is rare, this is what happened in Mrs B's case and is why the refund wasn't issued when she returned the item.

Next has acknowledged that the agent could have handled the call better and explained to Mrs B why the refund wasn't automatically issued, instead of telling her that the issue was a technical issue.

The essence of Mrs B's complaint is about the number of calls she had to make to Next to get the refund issued. Mrs B has told this service that her first call to Next was on 20 December, and that there were further calls on 21 December, 22 December and 23 December. Mrs B has also said that she received incoming calls from Next in addition to the calls she made out, because she asked for caller request so that she didn't have to wait in the call queue.

Next has said that not all the calls were about the refund. It said that Mrs B contacts Next a lot and sometimes this is about her partners account.

I've reviewed the calls that took place between 20 – 23 December 2024. Based on my review, I'm satisfied that Mrs B called about the refund on 21 December 2024. She also mentioned the refund towards the end of a call on 23 December 2024 although the call started off in relation to another matter. It's not in dispute that Mrs B made other calls to Next during this period but having listened to these I'm satisfied that they were in relation to other matters.

Taking everything into consideration, I appreciate that the issue with the refund not being made on the day when the item was returned has caused Mrs B some concern. I also appreciate that Mrs B has been inconvenienced by having to call Next twice about this matter. On the first call the agent could've provided a better explanation to Mrs B about the reason why the refund hadn't been issued.

I understand that Mrs B believes that she should receive significantly more compensation than the investigator has recommended. However, on balance, I'm persuaded that the sum of £100 is fair and reasonable for the impact of the late refund and the inconvenience caused to Mrs B.

Putting things right

To put things right Next Retail Limited must pay compensation of £100 to Mrs B.

My final decision

My final decision is that I uphold the complaint. Next Retail Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 6 May 2025.

Emma Davy
Ombudsman