

The complaint

Ms M complains about the way Next Retail Limited (“Next”) handled its security checks following an order she placed on her NextPay credit account.

What happened

On 15 July 2025, Next emailed Ms M and asked her to call about an order she had placed using her NextPay credit account.

Ms M called the number shown in the email. During the call, Next sent her a one-time PIN by text message and Ms M repeated it back. Next then said it needed her to make a 1p card payment as a further check before it could release her order.

Ms M didn’t want to provide her card details because she wasn’t satisfied the call was genuine. She also felt the additional checks were unnecessary. Next’s agent suggested she call back using a trusted number, but Ms M declined and asked Next to cancel her order.

Next issued its final response on 31 July 2025. It said the additional checks were part of its process and that its agent had acted appropriately, including by suggesting that Ms M use a trusted number from Next to call back.

Our investigator didn’t uphold the complaint. Ms M disagreed, so the complaint has come to me for a 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.

I’ve summarised the complaint in my own words, and I won’t be responding to every argument. No discourtesy is intended by this. Our rules allow me to do this given the informal nature of our service. If I’ve not mentioned something, it isn’t because I’ve ignored it. Rather, I’m satisfied I only need to focus on what I consider key to reach a fair outcome.

It may be helpful to first explain that our service is not the regulator. So I can’t tell Next what its security processes should be or ask it to change them. Our service provides an informal dispute resolution service, and my role is to look at Ms M’s experience and decide whether Next did anything wrong or treated her unfairly. And if I thought it did, to recommend what Next needed to do to put things right as appropriate.

I can understand why Ms M was cautious. The email address Next used wasn’t one she had seen before and the email didn’t contain details of what she ordered. In the current environment, customers are right to be alert to the risk of phishing emails or scam calls. But as I’ve noted above, the question for me is whether Next acted fairly and reasonably, not whether it could have designed a better security process.

Next explained Ms M's order triggered additional checks because it was for a branded item that was to be delivered to a store some distance from Ms M's registered billing address. It explained that if Ms M had delivered the order to her home, she wouldn't have had to go through the additional checks and the order would have been released.

I acknowledge Ms M's further comments about her having lived in the same town she delivered the goods to some years ago, and that she had previously ordered goods from Next to that same town previously without issue. However, those orders would have taken place at a different time and under different circumstances. So I don't find they help determine whether Next followed its current security process for the specific order she made.

Given the circumstances of this specific order, I don't find Next acted unreasonably by carrying out additional checks, given its need to protect both it and its customers from fraud.

On the call, Next first verified Ms M's identity by sending one-time PIN to her mobile. It then asked for a 1p payment from a card registered to the same address as Ms M's NextPay account. I appreciate Ms M wasn't comfortable providing card details, but I don't think it was unreasonable for Next to ask for this additional check before releasing an order its system had flagged. On the evidence I've seen, I'm satisfied this was part of Next's security process.

I've also taken into account that Next tried to address Ms M's concerns about whether the call was genuine. It advised her to end the call and call back using a trusted number via its app. Doing so would have caused minor inconvenience to Ms M, but it would have also likely alleviated her concerns. Instead, Ms M asked Next to cancel her order. Given these circumstances, I don't think Next acted unfairly or unreasonably here.

In summary, I accept the situation was unsettling for Ms M. But taking everything into account — including the reasons the order was flagged, Next's need to carry out appropriate checks, and the steps it took to help Ms M reassure herself the call was genuine — I don't think it would be fair or reasonable for me to recommend that Next do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 20 February 2026.

Alex Watts
Ombudsman