

The complaint

Mrs B complains that Next Retail Limited accused her of returning worn items and unfairly charged her an investigation fee.

What happened

Mrs B holds a credit account with Next.

In or around August 2025 Mrs B returned a dress that she'd ordered. Next received the dress at its warehouse. Its records showed that Mrs B had returned two dresses, and it automatically credited her account. When the dresses were inspected at the warehouse, signs of wear were found. Because of this, the dresses were sent for further inspection by the accounts investigation team. During the investigation, Next became aware that a similar thing had happened on Mrs B's account in 2024.

Following the investigation the dress was returned to Mrs B, and her account was re-charged for the cost of the dress along with an investigation fee of £35.

Mrs B complained to Next. She said she'd returned one dress not two dresses. She said the dress hadn't been worn and was in perfect condition when she returned it. Mrs B was unhappy that she'd been wrongly re-charged for two dresses, and she didn't think it was fair that she'd been charged an investigation fee.

Next issued a final response in which it said it had reviewed the information relating to the returns and it could see from the images that the dresses had been worn. In a further final response, Next said that one of the dresses had been disposed of at the warehouse and it agreed that this dress shouldn't have been re-charged to Mrs B's account. Next removed the charge and credited Mrs B's account with £20 by way of apology. Next said the re-charge for one dress and the investigation fee was correct and advised Mrs B that it was suspending her account.

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

Our investigator didn't uphold the complaint. He said there was a dispute about the number of dresses returned by Mrs B but because Next had credited Mrs B's account for the cost of the second dress and paid compensation for the error he didn't think there was anything more that Next needed to do in this respect. The investigator said that based on the photos of the dresses he thought that Next had acted reasonably when it rejected the return and investigated. The investigator said that the investigation fee had been applied in line with the terms and conditions of the account.

Mrs B didn't agree so 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 know it will disappoint Mrs B, but I agree with the investigator's opinion. I'll explain why.

I've reviewed the information provided by both parties. There's a dispute about the number of dresses returned by Mrs B. Mrs B says she returned one dress. Next says it received two dresses. One dress has been returned to Mrs B, and her account has been re-charged for this dress. The other dress was disposed of at the warehouse and Next has apologised for re-charging Mrs B for this dress and has reversed the re-charge and paid £20 compensation.

The essence of Mrs B's complaint is about the condition of the dress she returned and the investigation fee that she's been charged. She says the dress was returned in perfect condition, that the investigation wasn't justified and that both the investigation fee and the suspension of her account was unfair.

I've reviewed the photos of the dresses. Both dresses have deodorant marks under the arms. One dress has a split seam, and the other dress has marks all down the skirt. Looking at the photos, I don't think it was unreasonable for Next to have concerns that the dresses had been worn and for the matter to be passed to the accounts team for further investigation.

Mrs B says that Next's decision to investigate was unfair because it was influenced by a return she'd made in 2024 for which she says she wasn't at fault in any way. I've thought about this. However, the return in 2024 wasn't the reason why the matter was passed for investigation. The reason the matter was passed for investigation was due to the condition of the dresses. The 2024 return wasn't a factor in that decision and only came to light once the investigation was underway. Therefore, I can't fairly conclude that Next's decision to investigate was unfair or based on a false premise.

I've reviewed the terms and conditions of the account. These state that an investigation charge of £35 can be imposed where non faulty returns are made. Mrs B agreed to these terms and conditions when she took out the account. And because the dress she returned wasn't returned because it was faulty I can't say that Next has made an error by relying on the term and charging an investigation fee.

I understand that Mrs B is disappointed that her account has been suspended. The terms and conditions of the account allow Next to restrict or suspend the use of the account at any time. I'm unable to say that Next has done anything wrong here.

Taking everything into consideration, and whilst recognising that this matter has caused frustration and upset to Mrs B, I'm not persuaded that Next has made an error or treated Mrs B unfairly or unreasonably. I'm therefore unable to uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 5 January 2026.

Emma Davy
Ombudsman