



Department
for Business
Innovation & Skills

Consumer Rights Act:
Services

Guidance for Business

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Use of this Guidance

This guidance is not intended to cover every situation and you may need to carefully consider how the Act (and any other relevant legislation) apply in your specific circumstances. However, following this guidance should help you to understand how to comply with your obligations under the law.

Introduction

There are a large number of services available to buy and sell in the UK economy. Whilst there is no one standard definition of a service, if you sell something that is intangible but not digital content, or if you are selling your skill or expertise then you are likely to be providing a service. If you are selling these to consumers then you need to be aware of the Consumer Rights Act 2015.

This guidance is for traders who supply services to consumers under contracts. However, if you are subject to other legal requirements – such as sector-specific requirements – then the requirements of Consumer Rights Act regarding services do not affect any stricter such requirements and are subject to more specific requirements (that is, more specific requirements will take priority).

Examples

If you run a hairdressing salon on the high-street, you are providing a service to consumers and need to be aware of the Consumer Rights Act.

If you run a painting and decorating business for non-business customers (for example, decorating people's homes), you are providing a service to consumer and need to be aware of the Consumer Rights Act.

If you act as a consultant to other businesses, you are not providing a service to a consumer and do not need to be aware of the rules on services in the Consumer Rights Act¹.

1. What is a service?

The Services chapter of the Consumer Rights Act applies to almost all contracts for the provision of services by a trader to a consumer in the UK. There are very few exceptions to this rule:

¹ However, there are rules relevant to a business providing a service to another business. See the Supply of Goods and Services Act 1982: <http://www.legislation.gov.uk/ukpga/1982/29>

- A contract of employment is not covered². The same applies for apprenticeships³.
- In Scotland, where a service is provided free, the Services chapter does not apply (see the Explanatory notes to the Act for further detail, these are available on www.legislation.gov.uk)
- Although it is very rare, the Government can chose to exclude certain services.

What contracts does this part of the Consumer Rights Act cover?

A trader does not necessarily have to be based in the UK to be affected by the Consumer Rights Act. As a general rule, if the trader markets their services to consumers living in the UK then the provisions in the Services Chapter of the Consumer Rights Act could apply to them.

The Consumer Rights Act applies to consumer contracts for the provision of services agreed after the Act comes into force on 1 October 2015. Consumer contracts agreed before that date are covered by the Supply of Goods and Services Act 1982.⁴

Examples

- A contract for a trader to supply a service to a consumer agreed on or before 30 September 2015 is covered by the Supply of Goods and Services Act 1982.
- A contract for a trader to supply a service to a consumer agreed on or after 1 October 2015 is covered by the Consumer Rights Act.
- A services contract between a trader and another trader agreed on or after 1 October 2015 is covered by the Supply of Goods and Services Act 1982.
- A services contract between a trader and another trader agreed on or before 30 September 2015 is covered by the Supply of Goods and Services Act 1982.

The Consumer Rights Act does not contain all the law on the provision of services that you need to know about. There may be rules specific to your sector. There may also be relevant common law as well as other statutes. For help with this see:

<https://www.gov.uk/browse/business/setting-up>.

² See for more details <https://www.gov.uk/employment-contracts-and-conditions/overview>

³ See for more details <http://www.apprenticeships.org.uk/partners/policy/apprenticeship%20agreement.aspx>

⁴ Part 2 of the Supply of Goods and Services Act in relation to supply of services does not extend to Scotland.

You should also have regard for the Unfair Terms regime set out in the Consumer Rights Act. Guidance on this is available:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/398206/CMA37con_Unfair_contract_terms_guidance.pdf

2. Frequently Asked Questions (Introduction)

What is a service?

- There is no definition of “service” in the Consumer Rights Act. To know whether you are selling a service you should consider the following:
- You can look at whether your activity fits the definition in the Consumer Rights Act of “goods” which is “*any tangible moveable items, but that includes water, gas and electricity if and only if they are put up for supply in a limited volume or set quantity.*” (See the Goods Guidance for further information)
- Or of “digital content” which is “*data which are produced and supplied in digital form*” (See the Digital Content Guidance for further information)
- If what you are buying/selling does not fit into either the definition of “goods” or of “digital content” then it is very likely that it is a service.

I provide services to a consumer, but there is a tangible product at the end. Is that a good or a service?

- It depends, sometimes it could be both.
- If you are, for example, providing a service of manufacturing or producing goods (for example, making a dress or a suit), then you are supplying goods to the consumer.
- However, if the tangible product is “only” evidence of your service, then the service you provide must comply with the services rights.
- For example if you are writing a will for a consumer that is written in paper form, the consumer is paying for your skill and expertise as a provider of a will writing service, rather than paying for the quality of the paper the will is written on.

I am a public sector provider of a service; does the Services Chapter of the Consumer Rights Act apply?

- You need to consider if there is a contract for you as a trader to provide services to a consumer(s). If there is, then the Services Chapter will apply to your services.

I provide services on behalf of the public sector, does the Services Chapter of the Consumer Rights Act apply?

- If you have a contract to provide your services to the consumer, then yes,
- However, if you are funded solely by the public sector (e.g. the local council) to provide a service then it is unlikely that you have a contract with the consumer.

I employ staff and provide them with a service (access to our company gym) does the Services chapter of the Consumer Rights Act apply?

- Contracts of employment are not contracts for a service under the Consumer Rights Act.
- If access to your gym is part of your employees' remuneration then it is unlikely that the Consumer Rights Act will apply.
- If there is a separate contract for the gym, agreed between you as a trader and your employee as a consumer, then the services' rights will apply to that contract.

I sell goods and then deliver them (or arrange their delivery) as well, is that a service?

- There are specific rules in the Consumer Rights Act on delivery of goods when they are purchased by a consumer, as well as existing rules in the Sale of Goods Act – see [[link to goods guidance](#)].

I deliver other traders' goods to a consumer, is that a service?

- Yes. But you need to consider who you are providing the service to. If you are contracted by the seller of the goods to deliver the service, then that contract is not covered since it is between two businesses. However, if you are contracted by the consumer, then you are providing a service and are covered by the Consumer Rights Act.

I repair goods – is that a service?

- Yes. However if you supply replacement parts you will be using a mixed contract – there is separate guidance on this.

What is a trader? What is a consumer?

- See “The supply of services – from 1 October 2015” guide on the Business Companion for further information on the definitions of “trader” and “consumer”.

Consumer Rights

3. Overview of the rights

When you contract with a consumer to provide services, consumers have certain rights. Where these rights are not met, you will have breached your contract with the consumer and you will have to [do something to put that right](#).

There are two core consumer rights when contracting for a service.

1. The service must be performed with reasonable care and skill
2. The service must be performed in line with certain information given about it or about the trader

There are two additional rights which are important but may be less likely to be engaged:

1. The consumer should pay a reasonable price for the service, where the price or method of agreeing it has not been agreed in advance.
2. The service should be provided within a reasonable time, where the time for providing the service has not been agreed in advance.

4. Service to be performed with reasonable care and skill

You must provide your service with reasonable care and skill. This will have different meanings in different industries and only a court can ultimately decide if this has been met. However, there are common features:

The test focuses on how you perform the service, rather than the end result of the service. That is, it is “fault based”: there must be carelessness or lack of thoroughness on your part for the consumer to assert this right successfully. This means that

- Even if the end result is not as the consumer wanted, if you have done everything you can (i.e. used reasonable care and skill) then you would not have breached this right. Something could have gone-wrong with the provision of the service that was out of your control and you may still be found to have performed the service with reasonable care and skill if, for example, you did everything you could to reduce the risk of that event happening.
- Conversely, even you have reached the result that the consumer wanted, if there was carelessness or lack of thoroughness on your part (e.g. you have painted the walls but splashed paint on the floor) then this right may be breached.

- In many cases, if the end result is not as the consumer wanted, this may be an indication that reasonable care and skill was not exercised.

In looking at whether you have provided a service with reasonable care and skill a court will usually look at the standards of the industry in question, since that is the level of care and skill that is considered reasonable for everyone else in your industry. For example if there is an industry code of practice and a trader does not meet the standards set out in the code of practice, it would be very likely that a court would hold that you did not carry out the service with reasonable care and skill.

Examples

- A gardener landscapes a garden using the best practice guide provided by their trade association. However on the last day of the job, it rains and the result is not as the consumer intended, despite the gardener doing everything possible. The gardener has still completed the work with reasonable care and skill.
- A hairdresser dyes a customer's hair using their self-invented method, which is different to the industry standard and misses out a few steps that are essential to make sure the colour will be even. They don't get the customer's agreement to do this. The colour is uneven and the customer is not happy. The hairdresser has not performed the service with reasonable care and skill.

If you have not carried out the service as required by legislation (e.g. Building Regulations), again it is likely a court would hold that you did not carry-it out with reasonable care and skill.

Another factor that a court may take into account in determining the level of care and skill that needs to be exercised in order to be reasonable is the cost of the service. For example, a lower standard of care and skill might be reasonable in a quick and cheap repair service than in a more expensive and thorough one.

If there is doubt about whether a service has been provided with reasonable care and skill, you or the consumer may want to engage an independent third party to assess the service.

5. Service to be performed in line with certain information given about it or about the trader

The principle behind this requirement is very simple: if you tell a consumer something about yourself or the service, then that "something" should hold true.

You may be required to give information about the service you provide, or information about yourself under the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (see below). Once you have given that information, the

substance of it becomes a part of your contract with the consumer and cannot be changed without the consumer's express agreement (Although this may not be necessary where the pre-contract information itself reflects the fact that the particular potential changes envisaged may be made).

However, you may choose to give other information to the consumer, about the service you provide or your qualifications for example. You could give this information orally or in writing. For this right to be engaged it does not matter whether the information was given in writing or orally.

If you provide information to the consumer about yourself or the service, which the consumer then relies on when entering into the contract, or making decisions under the contract, then you should ensure that the service meets this description you gave of it. For example, this could be information about materials you will use, about a process you will use or about yourself or your business. If the consumer relied on this information and the service does not live up to that, this right has been breached. It is for the consumer to prove that they did rely on this information, but if they can then they can assert this right.

However, you can clarify information. For example, if you give a qualification to the information then the consumer cannot ignore that qualification. Similarly if the consumer agrees to any change of the information, this right is not engaged. For example, if you give information in error or circumstances change then you can contact the consumer and if they are still happy to use your services once you have explained that things are not as you thought, then they cannot assert this right for that original error.

This right covers information given by you personally as well as information given by your staff on your behalf.

Examples

- A homeowner employs a cleaning firm to send cleaners once a week to clear their home. They have strong ethical beliefs and only want to use cleaners paid the Living Wage. The cleaning firm assures the consumer that they pay the Living Wage. If it later turns out that they paid only Minimum Wage, this right would be breached.
- A painter gives the consumer a price of £100 to paint a garden fence but says that it may be more depending, on the condition of the wood. On arrival, they find the wood is old and will require more paint, so the price will in fact be £120. They explain to the consumer, who recognises the problem and agrees to the new price. This right is not breached.

6. Consumer to pay a reasonable price for the service

In most cases where you agree to provide a service you will agree the price or at least how the price will be calculated in advance with the consumer. Indeed, for services within

scope of the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013, there is a statutory obligation for you to give information about the price or how it is to be calculated before the consumer agrees to the contract and to not do so would therefore breach this statutory obligation.

However, there may still be a minority of cases where you have not set out the price in advance. This right is engaged in those few cases.

Where the price or method of agreeing it is not agreed in advance, the consumer must only pay a reasonable price for the service. Equally, the trader must be paid a reasonable price for the service.

What is a reasonable price will depend on the circumstances, the industry you are in and the service provided. You may negotiate with the consumer, using the facts of the case. Ultimate, a court can decide.

Examples

- A trader is employed to provide a maintenance service. They do not know how long the work will take, so agree with the consumer that the price will be £20 multiplied by the number of hours taken. This right is not engaged – the method for agreeing the price has been agreed.
- A web-designer agrees with a consumer to build a personal website for £100. On completion, the consumer feels that the work is not worth £100. This right is not engaged – the price was agreed in advance.

7. Service to be performed within a reasonable time

In most cases where you agree to provide a service you will agree when the service is to be provided. Again, for services within scope of the Consumer Contract Regulations 2013, there is a statutory obligation for you to give information about the time by which you undertake to perform the service. Therefore if you do not comply with this you will be in breach of this statutory obligation.

This right in the Services Chapter of the Consumer Rights Act, however, is engaged in the few cases where you have not agreed the time by which you will perform the service.

Where the time-scale for providing the service is not agreed in advance, the service must be provided within a reasonable time.

What is a reasonable time will depend on the circumstances, the industry you are in and the service provided. You may negotiate with the consumer, using the facts of the case. Ultimate, a court can decide.

Examples

- A construction firm agrees to build a garage for a customer. The firm says they will “get to it when they get to it”. Six months pass, during which time another firm builds a similar garage for a neighbour. This right will be engaged.
- An architect agrees with a consumer to design an outhouse with 6 weeks. When they see the plan, the consumer feels that 6 weeks was too long to wait for the plan. This right is not engaged – the time-scale was agreed in advance.

8. Frequently Asked Questions (Rights)

What if I have not signed-up to my industry code of practice?

- Even if you have not formally signed-up to a code of practice or an industry standard, a court may consider that standard when deciding if the level of care and skill you used was reasonable.
- There may be some specialist or particularly high standards which would not necessarily indicate reasonable care and skill.

How do I prevent a consumer claiming I said something I didn't? / How do you prove who said what?

- It is for the consumer to prove that you gave certain information but then did not comply with it. The consumer must also prove that they relied on that information.
- In general, it is advisable to make a written agreement with the consumer to avoid disputes later on.

9. Information the trader must provide

The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (SI2013/3134)⁵ require you to give or make available certain information to the consumer before the contract is entered into. The information is summarised below – the Regulations contain further details of how the information must be provided.

⁵ The Regulations are available in PDF format at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/265898/consumer-contracts-information-cancellation-and-additional-payments-regulations-2013.pdf

The Implementing Guidance for the regulations is available in PDF format at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/310044/bis-13-1368-consumer-contracts-information-cancellation-and-additional-payments-regulations-guidance.pdf

If you are a trader selling goods, services or digital content, these Regulations will apply to you - although certain trader-to-consumer contracts are excluded from the Regulations or the information requirements. The Regulations set these out.

The information requirements for on-premises transactions (in a shop or at a regular market stall, for example) are less extensive than those for distance (such as online or phone sales) and off-premises transactions (typically, contracts concluded in a location that is not the trader's business premises).

The Regulations also require you to give confirmation to the consumer of off-premises and distance contracts on a durable medium (for off-premises contracts, the confirmation should be given on paper unless the consumer agrees to another durable medium; or a copy of the signed contract can be given). A durable medium allows the consumer to access information directed personally to them, in an unchangeable format for as long as they might reasonably need it.

On-premises

The pre-contractual information required for on-premises contracts is found in Schedule 1 to the Regulations and is as follows. This information is only required if it is not already apparent from the context (e.g. there is no need to provide the trader's address if the contract is made in the shop).

- a. the main characteristics of the goods or services, to the extent appropriate to the medium of communication and to the goods or services;
- b. your identity (such as your trading name), the geographical address at which you are established and your telephone number;
- c. the total price of the goods or services inclusive of taxes, or where the nature of the goods or services is such that the price cannot reasonably be calculated in advance, the manner in which the price is to be calculated;
- d. where applicable, all additional delivery charges or, where those charges cannot reasonably be calculated in advance, the fact that such additional charges may be payable;
- e. where applicable, the arrangements for payment, delivery, performance, and the time by which you undertake to deliver the goods or to perform the service;
- f. where applicable, your complaint handling policy;
- g. in the case of a sales contract, a reminder that you are under a legal duty to supply goods that are in conformity with the contract;
- h. where applicable, the existence and the conditions of after-sales services and commercial guarantees;

- i. the duration of the contract, where applicable, or, if the contract is of indeterminate duration or is to be extended automatically, the conditions for terminating the contract;
- j. where applicable, the functionality, including applicable technical protection measures, of digital content;
- k. where applicable, any relevant compatibility of digital content with hardware and software that you are aware of or can reasonably be expected to have been aware of.

Distance and Off-premises

The pre-contractual information required for distance and off-premises contracts is found in Schedule 2 to the Regulations and is as follows. Where a right to cancel exists, you are also required to provide the cancellation form set out in Schedule 3 to the Regulations.

- a. the main characteristics of the goods or services, to the extent appropriate to the medium of communication and to the goods or services;
- b. your identity (such as your trading name);
- c. the geographical address at which you are established and, where available, your telephone number, fax number and e-mail address, to enable the consumer to contact you quickly and communicate efficiently;
- d. where you are acting on behalf of another trader, the geographical address and identity of that other trader;
- e. if different from the address provided in accordance with paragraph (c), the geographical address of your place of business, and, where you act on behalf of another trader, the geographical address of the place of business of that other trader, where the consumer can address any complaints;
- f. the total price of the goods or services inclusive of taxes, or where the nature of the goods or services is such that the price cannot reasonably be calculated in advance, the manner in which the price is to be calculated;
- g. where applicable, all additional delivery charges and any other costs or, where those charges cannot reasonably be calculated in advance, the fact that such additional charges may be payable;
- h. in the case of a contract of indeterminate duration or a contract containing a subscription, the total costs per billing period or (where such contracts are charged at a fixed rate) the total monthly costs;
- i. the cost of using the means of distance communication for the conclusion of the contract where that cost is calculated other than at the basic rate;

- j. the arrangements for payment, delivery, performance, and the time by which you undertake to deliver the goods or to perform the services;
- k. where applicable, your complaint handling policy;
- l. where a right to cancel exists, the conditions, time limit and procedures for exercising that right;
- m. where applicable, that the consumer will have to bear the cost of returning the goods in case of cancellation and, for distance contracts, if the goods, by their nature, cannot normally be returned by post, the cost of returning the goods;
- n. that, if the consumer exercises the right to cancel after having made a request for supply of a service in the cancellation period, the consumer is to be liable to pay you reasonable costs for the supply in accordance with the Regulations;
- o. where there is no right to cancel or the right to cancel may be lost, the information that the consumer will not benefit from a right to cancel, or the circumstances under which the consumer loses the right to cancel;
- p. in the case of a sales contract, a reminder that you are under a legal duty to supply goods that are in conformity with the contract;
- q. where applicable, the existence and the conditions of after-sale customer assistance, aftersales services and commercial guarantees;
- r. the existence of relevant codes of conduct, and how copies of them can be obtained, where applicable;
- s. the duration of the contract, where applicable, or, if the contract is of indeterminate duration or is to be extended automatically, the conditions for terminating the contract;
- t. where applicable, the minimum duration of the consumer's obligations under the contract;
- u. where applicable, the existence and the conditions of deposits or other financial guarantees to be paid or provided by the consumer at the request of the trader;
- v. where applicable, the functionality, including applicable technical protection measures, of digital content;
- w. where applicable, any relevant compatibility of digital content with hardware and software that you are aware of or can reasonably be expected to have been aware of;
- x. where applicable, the possibility of having recourse to an out-of-court complaint and redress mechanism, to which you are subject, and the methods for having access to it.

Note: In the case of a public auction, the information listed in paragraphs (b) to (e) may be replaced with the equivalent details for the auctioneer.

10. 14 day right to cancel for goods bought at a distance or off-premises

If you supply services to a consumer at a distance or off-premises (see above for further information on what distance and off-premises contracts are) then the consumer has a 14 calendar day period in which they may change their mind and cancel the contract (unless an exemption applies – see below)⁶. The 14 day period starts the day after the contract is entered into.

You should refund all monies received within 14 days after the day you are informed of the cancellation.

You may not begin supplying the service during the cancellation period unless the consumer requests this (for further details please see the Regulations).

Where services to which cancellation rights apply are delivered during the cancellation period (for example the provision of water, gas, electricity and district heating) you will need to take into account the nature of that service and the consequences of cancellation in that context in order to ensure that a consumer does not incur liability as a result of exercising the right to cancel. The obligations of the consumer in the event of withdrawal should not discourage the consumer from exercising his right of withdrawal.

What types of contracts are exempt from cancellation rights?

As well as contracts wholly exempted from the regulations (see also the Guidance on the Regulations⁷), a number of online and off-premises contracts do not attract cancellation rights, a number of distance and off-premises contracts do not attract cancellation rights. These include:

- ‘Investment’ type products such as vintage wines, subject to speculative purchase and where the price in the financial market may vary (utilities such as supply of gas are not covered by this exception).
- Bespoke and customised goods
- Goods which will deteriorate or expire rapidly
- Newspapers and magazines (but not subscriptions for such)
- Contracts concluded at public auction

⁶ See the guidance on the regulations available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/310044/bis-13-1368-consumer-contracts-information-cancellation-and-additional-payments-regulations-guidance.pdf

⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/310044/bis-13-1368-consumer-contracts-information-cancellation-and-additional-payments-regulations-guidance.pdf

- Contracts where the consumer has contacted the trader to effect urgent household repairs (cancellation rights do apply to additional goods (and services) provided)
- Contracts for accommodation, transport of goods, vehicle rental, catering or services related to leisure activities if the contract provides for a specific date or period of performance.

In the following situations, the right to cancel is no longer available:

- For goods received sealed for health protection or hygiene reasons, once they are unsealed
- For sealed audio, video and software products, once they are unsealed
- For goods once they have been inseparably mixed with something after delivery
- For services once they have been fully performed (i.e. completed)

You must inform the consumer before making the contract that the right to cancel may be lost in such cases (see above).

When things go wrong

11. Overview

The previous chapter of this guidance sets out a consumer's rights when contracting for a service. This chapter sets out what the consumer is entitled to if those rights are not met.

If there is no problem with the service, the consumer may still be able to change their mind and cancel the contract within a limited time⁸.

If a service is shown to be sub-standard, you as the trader can be asked to make good. What a consumer can ask you to do is set out in the Consumer Rights Act or the common law. What the consumer is entitled to as a remedy depends on which of the consumer's rights has been breached and on the nature of the service provided.

The consumer cannot be compensated for the same loss twice. The statutory remedies set out below have been designed with a pragmatic approach in mind and should reflect what you would offer a consumer anyway if the service did not meet the agreed standard. But it is still open to you to agree specific steps that you will take if the service does not

⁸ The Regulations are available in PDF format at

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/265898/consumer-contracts-information-cancellation-and-additional-payments-regulations-2013.pdf

meet the standards required, as long as these are not inconsistent with the statutory remedies.

It is also open to the consumer to claim common law remedies for breach of contract, which could include damages or in some cases the right to exit the contract. The rest of this guidance, however focusses on the statutory remedies.

The Consumer Rights Act gives two ways that the consumer can ask you to make good a service which has failed to meet the consumer's statutory rights:

- They can ask you to put the service right. This means you must bring the service up to the level it should have been, to comply with the consumer's statutory rights.
- They can ask for some money back (if they have already paid you) or a reduction in price if they haven't paid yet.

Consumers cannot however pick-and-choose which you are required to do: the availability of these remedies depends on which right is breached.

12. What the consumer is entitled to

The remedy the consumer is entitled to depends on the right that has been breached and can depend on the circumstances and the type of service being provided.

If you have not provided the service with reasonable care and skill the consumer can ask you to [put the service right](#). If that is impossible or if that cannot be done within a reasonable time or without significant inconvenience to the consumer, the consumer has the right to a price reduction. Where the consumer has already paid the full price, this will mean giving the consumer some money back.

Example

You are a photographer at a wedding, but you carelessly over expose the film in your camera and many of the pictures are too bright to be able to see anything. The consumer cannot ask you to re-do the service, as the wedding has been and gone. It would be impossible to put the service right, so the consumer can ask for money back or a reduction in price.

If you have not provided the service in line with information which the consumer relied on then what the consumer can ask for depends on what the information was. If it was information about the service then the situation is the same as if the service had not been performed with reasonable care and skill. The consumer can ask you to re-do the service until it is in line with the information you provided, and if that is impossible or would be inconvenient to them, they can ask for money back or a reduction in price.

However if you have not complied with information you gave about yourself then the consumer cannot require that you re-do the service. They are however, entitled to money back or a reduction in price.

The same applies if the service has not been provided within a reasonable time (if no time or way of calculating it was set in the contract). In this case the consumer cannot require you to re-do the service, they are however entitled to money back or a reduction in price.

Regardless of which right is breached, it is for the consumer to prove that a service is substandard (that is, it did not meet the [statutory rights](#)).

These are the statutory remedies for services set out in the Consumer Rights Act. Should you choose to, you can offer more for the consumer. For example, you could offer to re-do the service even if they consumer cannot ask you to under the Act. You cannot however refuse to do what the consumer is entitled to ask for under the Act.

The consumer could also choose to pursue a remedy under common law rather than a statutory remedy. For example, if a consumer may prefer to seek damages rather than asking you to re-perform the service.

13. Putting the service right

If you are asked to put the service right you must do so:

- At your own expense
- Within a reasonable time
- Without significant inconvenience to the consumer

What could be “reasonable time” and “significant inconvenience” will depend on the nature of the service and the purpose of the service.

Example

- You are decorating a room for a party. The consumer inspects the work the day before but tells you it is not in line with the colour scheme she had agreed with your assistant. You phone your assistant who agrees that the consumer did specify the colour scheme. The consumer asks you to re-do the decorating. Due to the purpose of the service, you would need to re-do the work before the party to have done so within a “reasonable time”.
- The consumer asks you to repaint a garden wall that you had painted previously but had missed a couple of patches. You must pay for the new paint needed to re-do those patches. You need the consumer to be in the property to give you access. If you give them a week’s notice of the time to be there, that is not a significant inconvenience to them. If you give them only a few minutes’ notice to be home, that may be a significant inconvenience and if it is you would not have met your obligations to provide the re-performance without causing the consumer significant inconvenience.

Putting the service right will not always mean you restart the work from scratch. What it means is that you bring the service up to the standard it should have been. This might mean re-doing all the work, but in many cases it will mean repeating part of the work or “touching up” one aspect that wasn’t quite right.

Example

You alter a suit for a consumer, changing the tailoring and all the hems. The consumer returns the next day complaining that one seam has come unstuck. You don’t need to repeat all the work, you can just sew-up that seam again.

14. Money back / a reduction in price

If the consumer is entitled to a reduction in price or some money back then you will need to negotiate the amount with them. This could be as much as a full refund.

The refund given, or the deduction from the price to be paid, will normally be the difference between the value of the service the consumer paid for and the value of the service as provided. This means that the reduction in price from the full amount takes into account the benefit which the consumer has derived from the service.

There may be some cases where the consumer is able to ask for a reduction in price or money back even where it may be argued that the value of the service as provided has not been reduced by the breach of the consumer’s rights. This could occur, for example, where the trader has not complied with information they gave about themselves. In these cases, you will need to negotiate an amount with the consumer.

Once you have agreed with the consumer that they are due money back, you should refund the money as soon as you are able. You must give that money back without undue delay and within 14 calendar days at the latest. The day when you agree that money back is due is day 1, so that could be June 1st and the money must reach the consumer at the very latest by midnight on June 14th, although depending on the circumstances it may represent an undue delay if you simply wait until the end of the period. This means that the clock only starts ticking after you have had an opportunity to assess the issue and confirm that the consumer’s complaint is valid, provided you do not delay unreasonably.

Example

- You agree that a refund is due and immediately ask the bank to transfer the money. However your bank takes 3 business days to do so. You have still met your obligations, that is not an undue delay.
- You agree that a refund is due but do not get round to taking any action for over a week. That could cause an undue delay; you should start the process as soon as you are reasonably able.

The refund must be in the same form as the original payment unless the consumer agrees otherwise. So for example if the consumer paid for the service by credit card the refund should be to their credit card, unless the consumer agrees that a cheque is acceptable. You cannot charge the consumer a fee for the payment of the refund.

15. Frequently Asked Questions (remedies)

What if there is still a problem after I re-do the service?

- Your obligation is to put right the service to bring it up to the standard it should have been if their rights had not been breached (for example if it had met the information given or if reasonable care and skill had been exercised). Therefore if you have re-done the work there should no longer be a problem. If the consumer can however still prove that the service is substandard, they can ask you to re-do the work again until the service is up to standard.
- Unlike other regimes, under the services regime in the Consumer Rights Act the consumer is not automatically entitled to a price reduction or money back if the first attempt to re-do the work is unsuccessful. A consumer would have the right to a price reduction or money back if a re-performance of the service was not done within a reasonable time or without significant inconvenience to the consumer.
- It is of course possible that the consumer would be significantly inconvenienced by having to have you come around and re-do the service more than once, and if this is the case, the consumer would be entitled to a reduction in the price.

The consumer is still not happy after I have given them money back and/or redone the work

- If you cannot negotiate an agreed course of action with the consumer, the consumer could go to court who will be the final judge of whether you have complied with your obligations.

We can't agree a price reduction

- You should look at the value of the service provided compared to the value received, including any benefit the consumer has had from the service. It may help to ask an independent third party to assist with this.

Can I give gift vouchers instead of “real money” back?

- No. You must give money back in the form by which the consumer originally paid for the service, unless the consumer agrees otherwise. You cannot insist on giving gift vouchers in return if the consumer did not pay with vouchers.

What has to be re-performed? The whole service?

- You must do what is needed to complete performance in conformity with the contract, which means, until it meets the relevant [statutory rights](#).

Other issues

16. Link to other legislation

The Consumer Rights Bill is not the only piece of legislation you need to comply with. In addition there is other consumer law, such as the Consumer Protection from Unfair Trading Regulations 2008⁹. There are also rules which apply to most business (e.g. tax law, employment law). There may also be specific requirements in your sector. There may also be specific rules for operating your business in your region of the UK. These other rules are out of the scope of this guidance.

Compliance with the Consumer Rights Act is required in addition to, not as an alternative to, compliance with those other regimes. However, it replaces the Supply of Goods and Services Act 1982 in relation to business to consumer contracts, however if you sell to other business you will need to comply with the Supply of Goods and Services Act 1982 for those service contracts¹⁰. Similarly, the Unfair Terms in Consumer Contracts Regulations 1999 have been replaced by the Consumer Rights Act, as well as the Unfair Contract Terms Act, in relation to business to consumer contracts.

As a general rule-of-thumb, where sector specific legislation defines or restricts the rights available to consumers, the sector specific legislation will take priority. However you should contact the relevant trade body for further guidance.

17. Limiting liability

If you are conducting business with a consumer under a contract, either a written or oral contract, you must comply the provisions in the Consumer Rights Act. You may wish to

⁹ The Regulations are at <http://www.legislation.gov.uk/ukdsi/2008/9780110811574/contents> and guidance is available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284442/oft1008.pdf

¹⁰ Part 2 of the Supply of Goods and Services Act in relation to services does not extend to Scotland.

use your contract to manage your risks and limit your liability for certain situations which may arise. You may not however use that contract to exclude your liability for complying with the Consumer Rights Act. This means for example that you cannot state in your contract that you will not perform the service in line with the Act or that you will not provide the redress provided for in the Act if your service does not meet these requirements.

The Consumer Rights Act means that in some cases the consumer can ask you for some money back [if a service is sub-standard](#). This can be as much as a full refund. The Consumer Rights Act also says that, in your contract, you cannot limit your liability for complying with it to less than the contract price.

Even if the consumer agrees to the term of a contract which excludes or limits your liability in these ways, the term is void and not binding on the consumer.

Examples

- You offer a service for a price of £100 and agree with the consumer in a written contract that if the service is sub-standard they can only ask for £90 back. You cannot do that: you have limited your liability to less than the contract price and denied the consumer their right to a full refund. The term is not binding.
- If you are a decorator you cannot ask a consumer to sign a contract to paint a room where the contract includes a term such as "the decorator accepts no responsibility if the paint work is not completed with reasonable care and skill". If this is in the contract, that term will be invalid

You should also be aware that other attempts to limit your liability may also not be allowed. There are separate rules on "Unfair Terms" which explain this¹¹.

18. Enforcement

The consumer rights in the Consumer Rights Act are "private rights". They are enforced by one party to a contract against another – so the consumer can themselves exercise their rights against you, the trader. If a dispute cannot be resolved between those parties, the consumer would have recourse to an Alternative Dispute Resolution service (if one is available for their sector) and ultimately to a court.

If there is a breach of the rights in the Consumer Rights Act on a scale which harms the collective interests of consumers, then regulators such as the Competition and Markets Authority are also able to take action. Whether they do or not will depend on their resources and priorities.

¹¹ The guidance is available at:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/398206/CMA37con_Unfair_contract_terms_guidance.pdf

19. Frequently Asked Questions (Other issues)

I think I am using a contract which limits my liability to less than the services provisions in the Consumer Rights Act.

- You should check that you are not using such terms when the Act comes into force on 1 October. You should check your terms against the rules in the Services part of the Bill and in the Unfair Terms part.
- Before the Act enters into force, you should test your terms against the current Unfair Contract Terms rules¹².

¹² For guidance see

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/284426/oft311.pdf



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