

businesscompanion

trading standards law explained

Distance sales

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Distance selling covers the sale of goods, services or digital content where there is no face-to-face contact with consumers

For example:

- online
- phone
- mail order
- TV shopping channel
- interactive TV

This is a complicated area and more detail is provided in the In-depth Guide below.

If you sell on or away from your business premises, you will also need to read the 'On-premises sales' and 'Off-premises sales' Quick Guides

This downloadable scenarios document will help you decide where contracts are made.

Broadly speaking:

- you must provide consumers with certain information before the contract is made
- you must obtain the consumer's clear agreement if you want to charge for additional items (no pre-ticked boxes in the contract)
- customer helplines must cost no more than the basic rate
- you have obligations on delivery, including the point at which the consumer becomes responsible for the goods

Obligations apply if you sell or supply consumers with goods or digital content that are not of satisfactory quality, not as described or not fit for purpose, or if you provide services that are below standard. You can find out more in the following Quick Guides: 'Goods', 'Digital' and 'Services'

What's not covered?

The Regulations are broad, but they don't cover all contracts. Typically these concern package travel, timeshare and consumables that are regularly delivered to the customer's home. You will need to check the In-depth Guide for a full list.

Information you must give

There is some very specific information you must give to consumers, including your trading address, pricing, complaint-handling policy and cancellation rights. It must be clear, legible and understandable, and be appropriate for the way you distance sell. This information must be given before you enter into an agreement with the customer. If you do not give certain parts of this information the consumer does not have to pay.

The In-depth Guide contains a table with detailed information on the requirements.

Electronic contracts

Where a contract is completed electronically and also places the customer under an obligation to pay, you must make sure that they are aware of this obligation - for example, by using 'pay now', 'buy now' or similar wording at the point where they click to pay. If you don't do this, the contract is not legally binding on the customer.

If you ring the consumer to complete the contract, you must first give your identity and the reason for your call.

After the contract is made you must give the consumer confirmation of the contract in a durable form (paper or email). This must include all the information indicated above, unless you provided it in a durable form before the contract was concluded. Note that this information forms part of the contract you have with the consumer.

Cancellation rights

There are certain contracts that a consumer does not have the right to cancel, and a consumer's actions can affect their right to cancel.

For other contracts, generally speaking, consumers have the right to cancel a contract at any time and for any reason within a 14-day cancellation period.

The rules on cancellation are much more detailed than this, however, so you will need to read the In-depth Guide to get the full picture.

If the consumer handled the goods more than was necessary to decide if they were suitable, you may be able to recover compensation from the consumer up to the contract price

Additional payments

You must always get the consumer's clear agreement if you want to charge an additional payment for something that is linked to the main contract - for example, gift-wrapping or quick delivery.

This means that you can't have a default option, such as a pre-ticked box on a website, that consumers have to un-tick to avoid payment. Consumers who have not agreed will not have to pay; and if they have paid, they can claim a refund from you.

Helpline phone charges

If you provide a telephone helpline for consumers to contact you about goods or services they have bought, you can only charge the 'basic rate'. This means the normal geographic or mobile rate. Consumers who have paid more than the basic rate can claim the extra from you.

Delivery and risk

Unless you both agree otherwise, you must deliver the goods to the consumer. This should be on the agreed delivery date, without undue delay, or not more than 30 days from the day the contract was made, depending on the contract.

You remain responsible for the goods until the consumer, or someone they have nominated, takes possession of them.

Unsolicited goods

If you send goods to a consumer that they didn't request, they're entitled to keep them as an unconditional gift and do not have to pay you for them.

And you can't assume just because the consumer doesn't contact you after receiving the goods that they are agreeing to pay for or return them. This is called inertia selling, and is a banned practice under the Consumer Protection from Unfair Trading Regulations 2008.

For more detailed information please see the In-depth Guides below. Once you've finished, make sure you look at the full range of Quick Guides to see whether there are any other areas of law that affect your business.

Before you start

Make sure you choose your location using the drop-down list at the top of the page. The In-depth Guides provide country-specific information as some laws are different in England, Scotland and Wales, and some are enforced differently

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