# **business** companion

# trading standards law explained

# **Delivery charges**

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In this guide, the words 'must' or 'must not' are used where there is a legal requirement to do (or not do) something. The word 'should' is used where there is established legal guidance or best practice that is likely to help you avoid breaking the law.

#### This guidance is for England, Scotland and Wales

When a trader sells goods at a distance (for example, through a website or internet marketplace, or by mail order), the goods have to be delivered to, or collected by, the consumer. In some cases, traders will arrange delivery of goods even if the consumer makes a purchase in person - for example, because the goods are bulky or because they have to be specially obtained or made to the customer's requirements.

Wherever a charge applies for delivery or collection arrangements, that charge must be made clear to the consumer, and statements about charges and arrangements must not be misleading. For sales made at a distance, there are rules that apply to the cost of outward and return delivery when the consumer cancels the contract, and there are also rules about loss or damage in transit.

## Information to be given to consumers

Where a delivery charge applies, you must inform the consumer of this fact, as well as stating the amount of the charge. You must also provide information about the arrangements for delivery, including the time by which you will deliver the goods.

For distance contracts (online, over the telephone, etc) and off-premises contracts (those agreed away from the trader's business premises - for example, in a consumer's home) where the consumer has the right to cancel, you must provide information about the procedures for exercising the right to cancel.

In cases where you cannot reasonably calculate delivery charges in advance, you need only inform the consumer that there will be a delivery charge. However, such cases are likely to be rare - for example, where a trader does not normally arrange delivery but agrees to do so as a one-off arrangement with an individual consumer.

For more information on the requirements for distance and off-premises contracts, see '<u>Consumer</u> contracts: distance sales' and '<u>Consumer contracts: off-premises sales</u>'.

#### When and how the information must be given

If most or all consumers will have to pay a delivery charge (because you do not offer free collection, for example, or you only offer this service from a limited range of locations), then the price of the goods is the price including delivery.

Where the delivery charge is fixed for a particular item, it is best practice for that charge to be included in the advertised price of the goods and not stated as a separate charge, just as for any other non-optional extra charge (such as VAT).

However, if you calculate delivery charges differently (for example, by making a charge per order regardless of how many items are purchased), you may state those charges separately from the price of the goods. If you do this, the delivery charges must be stated clearly and unambiguously - for example, on a page on your website that is clearly linked to from every page containing the description and price of goods.

Consumers must be able to access information about delivery charges, including the amounts of those charges, as soon as they see the invitation to purchase (the product description and price). Where the delivery charges cannot reasonably be calculated in advance, you must state that such charges may be payable.

Consumers must be able to see full pricing information, including delivery charges, without taking any steps toward making a purchase (such as adding items to a basket, providing personal details or creating an account). If they have to take such steps (known as 'transactional decisions'), the pricing of the goods would be considered misleading under Part 4, Chapter 1 of the Digital Markets, Competition and Consumers Act 2024 (DMCCA). See 'Protection from unfair trading (criminal law)' for more information on the DMCCA. For the time being, consumers' rights of redress are still covered by the Consumer Protection from Unfair Trading Regulations 2008 (CPRs); information on these rights can be found in 'Protection from unfair trading (consumers' rights of redress)'.

It is, however, acceptable to ask the consumer for limited information, such as the country of delivery or the first part of the postcode, if this will help to provide them with information that is relevant to their requirements.

You must provide the additional information about arrangements for delivery, and the details of how to return goods, before the contract is made (in other words, before the consumer has purchased the goods). If those arrangements are unusual, they must be explained to the consumer before any transactional decision is made.

## Delivery locations, including the Highlands and other outlying areas of

#### the UK

Some traders make the same charge for delivery to any customer, regardless of where that customer lives or where the goods are to be delivered. Other traders charge different rates depending on the delivery location; in some cases, they exclude certain locations from delivery entirely.

You must not mislead consumers about the locations to which goods can be delivered, either for a certain price (including 'free' delivery) or at all. You must therefore take care to describe delivery locations or zones correctly.

If a consumer sees delivery advertised to 'the UK', they are entitled to assume that this means the whole of the UK, not just part of it. Unless you clearly inform them otherwise, they are entitled to assume that it includes the whole of Scotland, Northern Ireland and islands that are not part of mainland Great Britain. Some common location descriptions used by traders are explained below.

Common locations	
Location	Area covered
UK / United Kingdom	The whole of England, Scotland, Wales and Northern Ireland, including the mainland, all islands and the Scottish Highlands
GB / Great Britain	The whole of England, Scotland and Wales, including the mainland, all islands and the Scottish Highlands
Mainland GB	England, Scotland and Wales, including the entire landmass of Great Britain and land connected by road / rail (such as Skye and Anglesey), but not including islands accessible only by water / air transport. Do not use 'Mainland UK' unless Northern Ireland is included
Highlands and Islands	There is no single definition of 'Highlands and Islands', so you must state clearly which areas are included / excluded - by postcode, for example

You must be as clear as possible when giving details of delivery locations. If your standard delivery rates do not cover the whole of the UK, state exactly which areas are covered by which rates, rather than assuming that consumers will understand a short description in the way that you intend it to be understood.

#### **Cancellation by the consumer**

Where the consumer buys at a distance or makes an off-premises contract, they usually have the right to cancel the contract without giving a reason. The cooling-off period, during which this right can be exercised, is 14 days from delivery. Where the consumer uses the right to cancel, the trader must refund the price paid, plus the standard outward delivery charges. Detailed information on cancellation periods for different types of contracts can be found in the 'Cancellation period' section of '<u>Consumer contracts: off-premises sales</u>' and '<u>Consumer contracts: distance sales</u>'.

If the consumer has paid for a premium delivery service (to receive the goods quickly, for example), you need only refund the amount that would have been charged for the least expensive type of 'standard' (in other words, common and generally acceptable) delivery available to that consumer.

If the consumer had to pay a higher delivery charge than your least expensive method, solely because of the delivery location, then the whole of that delivery charge must be refunded.

If a consumer has the right to cancel an order because there is something wrong with the goods (for example, they are faulty or not as described), they are entitled to a full refund of all delivery charges, including premium delivery charges.

#### **Return delivery charges**

The consumer must pay the return costs, unless you have agreed to pay them. However, this is reliant upon you having given them information regarding this before the contract was made. If you have not given the correct information, you must pay the costs. For more detail on the information that must be given to consumers before they enter into a contract with you, see the 'Information requirements' section of '<u>Consumer contracts: distance sales</u>'.

If you do make it the consumer's responsibility to return goods on cancellation, it is recommended that you provide clear instructions about how the return can be done. However, you must not impose unreasonable restrictions or requirements. For example, you can recommend a courier, but you cannot stop the consumer using their own choice of courier.

If you arrange collection or return postage yourself, you can only charge the direct cost of this. Consider carefully whether you ought to offer to arrange returns and collection yourself, as doing so can offer several advantages. You may be able to offer the service at a lower cost than would be available to an individual consumer and you will have more control over the process. Where the goods are bulky, or for some other reason are not normally carried by the postal or courier services available to consumers, there may be no reasonable alternative but for you to arrange collection and returns.

Where the consumer has the right to return goods because - for example - they are faulty or misdescribed, they are entitled to have the goods collected free of charge or to be reimbursed for the reasonable costs of returning them.

#### Loss or damage in transit

When you agree to deliver goods to a consumer, the risk of loss or damage in transit lies with you. You must not offer consumers protection against loss or damage (such as 'insured delivery') at an extra cost. However, you are free to protect your business against these risks at your own cost - for example, by using a tracked and/or insured delivery service as standard.

The law is less clear about the risk of loss or damage when goods are being returned to you. In some cases, the consumer may be responsible, but in other cases the risk may lie with you. If you take responsibility for arranging the return process, you are likely to be better able to manage these risks than if you simply require the consumer to make their own arrangements.

#### **Further information**

The <u>Delivery Law UK</u> website explains the law around delivery charges and has separate sections for consumers, businesses and practitioners. The site is run by The Highland Council and funded by Trading Standards Scotland, on behalf of the Consumer Protection Partnership.

The Advertising Standards Authority / Committee of Advertising Practice (ASA / CAP) have published

guidance on delivery charges and have also issued *Enforcement Notice: Advertised Delivery Restrictions and Surcharges*.

### **Trading Standards**

For more information on the work of Trading Standards services - and the possible consequences of not abiding by the law - please see '<u>Trading Standards: powers, enforcement and penalties</u>'.

#### In this update

Changes made to reflect the coming into force of the Digital Markets, Competition and Consumers Act 2024 (Part 4, Chapter 1: 'Protection from unfair trading').

Last reviewed / updated: April 2025

#### Key legislation

- Consumer Protection from Unfair Trading Regulations 2008
- Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013
- Digital Markets, Competition and Consumers Act 2024

#### Please note

This information is intended for guidance; only the courts can give an authoritative interpretation of the law.

The guide's 'Key legislation' links may only show the original version of the legislation, although some amending legislation is linked to separately where it is directly related to the content of a guide. Information on changes to legislation can be found by following the above links and clicking on the 'More Resources' tab.

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