

## Delivery charges

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### **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 made or obtained to the customer's order.

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.

### **What information must 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 and off-premises contracts (contracts agreed away from the trader's business premises - in a consumer's home, for example) 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 'Consumer

contracts: distance sales' and 'Consumer contracts: off-premises sales'.

## **When and how must the information 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, then that charge should 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 in a different way - 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 from every page containing the description and price of goods.

Consumers should 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). The consumer should not have to take any actions towards making a purchase (such as placing goods in a basket, providing personal information to you or setting up an account) in order to obtain full pricing information, including delivery charges. If a consumer does have to take such actions ('transactional decisions'), then the goods pricing would be considered misleading under the Consumer Protection from Unfair Trading Regulations 2008 (CPRs). See 'Consumer protection from unfair trading' for more information on these Regulations.

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 (that is, before the consumer has purchased the goods). If those arrangements are unusual, then 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, or in some cases they exclude certain locations from delivery.

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, and 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

<b>Location</b>	<b>Area covered</b>
UK / United Kingdom	the whole of England, Scotland, Wales and Northern Ireland, including mainland and all islands, and including Scottish Highlands
GB / Great Britain	the whole of England, Scotland and Wales, including mainland and all islands, and including Scottish Highlands
Mainland GB	includes England, Scotland and Wales, including all of the Great Britain landmass and including 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 should be as clear as possible when giving details of delivery locations. If your standard delivery rates do not cover the whole of the UK you should 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.

If the consumer has paid for a premium delivery service - for example, to receive the goods more quickly than normal - you need only refund the amount which would have been charged for the least expensive type of standard (that is, 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 - then they are entitled to a full refund of all delivery charges, including premium delivery charges.

## **Return delivery charges**

Where the consumer exercises the right to cancel, return delivery costs are your responsibility unless you informed the consumer, before the contract was made, that they would have to return goods on cancellation.

If you do make it the consumer's responsibility to return goods on cancellation, you should provide clear

instructions about how the return can be done, but 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. You should 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 - for example, because 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 Highland Council, on behalf of the Consumer Protection Partnership, runs the Delivery Law UK website, which explains the law around delivery charges and has separate sections for consumers, businesses and practitioners.

The Scottish Government has recently launched a new website - <https://fairdeliveries.scot/> - on which consumers can enter their postcode to find out how much different delivery companies charge to ship to their address.

The Advertising Standards Authority / Committee of Advertising Practice (ASA / CAP) have published guidance on their rules covering delivery charges and have also issued *Enforcement Notice: Advertised Delivery Restrictions and Surcharges*.

## **Penalties**

Failure to comply with trading standards law can lead to enforcement action and to sanctions, which may include a fine and/or imprisonment. For more information please see 'Trading standards: powers, enforcement and penalties'.

## Key legislation

Consumer Protection from Unfair Trading Regulations 2008

Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013

Last reviewed / updated: October 2020

## In this update

Link added to new Scottish Government website on delivery charges

## 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 amendments to legislation can be found on each link's 'More Resources' tab.

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