

Consumer Protection (Distance Selling) Regulations 2000

February 2011

If you sell goods or services to consumers via the Internet, digital TV, the telephone or even by fax or by mail order, these regulations are very likely to apply to your business. They came into force on 31 October 2000,

Please note though, this Fact Sheet does not constitute legal advice.

1. What do the Regulations try to achieve?

The purpose of the Regulations is to increase consumer confidence across the European Union, by providing an agreed minimum level of consumer protection.

They cover business to consumer transactions done "at a distance" - by:

- Internet
- Phone
- Fax
- Mail Order
- Digital TV

They define a distance contract as:

"any contract concerning goods or services concluded between a supplier and a consumer under an organised distance sales or service-provision scheme run by the supplier who, for the purpose of the contract, makes exclusive use of one or more means of distance communication up to and including the moment at which the contract is concluded".

More than one means of engaging with the consumer is also covered - for example, a newspaper advert leading to a web site where the actual sale is conducted would be covered.

There is a requirement **for a "cooling-off" period of at least 7 days**; this gives consumers an opportunity to examine the goods or services being offered, as they would have in a shop.

The Regulations **do not** cover business to business transactions, nor do they cover private sales between individual consumers - e.g. on eBay. (However, this **would** be covered in a business to consumer transaction.)

2. Key Features of the Regulations

- The consumer must be given clear information about the goods or services you are offering
- The consumer must be sent confirmation after making a purchase - this can be via email
- The consumer has a cooling-off period of 7 working days - you can extend this if you wish
- The Regulations gave new powers for local Trading Standards Departments and the Office of Fair Trading
- It also incorporates changes to the Consumer Credit Act 1974 and the Unsolicited Goods and Services Act 1971.

3. What does my firm need to do to comply?

You must give consumers the following information in writing before they buy:

- Your name and address
- A description of the goods and services
- The price – including all taxes

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- Any arrangements for payment
- Any delivery costs if they apply
- What arrangements you have for delivery (usually within 30 days unless you state otherwise)
- The right to cancel the order (unless there is no such right) - (see Section 4 below)
- For long-term contracts, the minimum duration of the contract
- And - for how long an offer or price is valid.

When they have bought, consumers are also entitled to:

- Written confirmation of the information detailed above (except the last two items), unless that information has already been given in writing.

This confirmation can be provided via email.

- Details of when and how customers can cancel - and who will be responsible for return postage
- A proper address for complaints (not just a PO Box number or an e-mail address)
- Details of any after sales services and guarantees you may give.
- When and how consumers can terminate any contract which lasts longer than a year or has no specified end date.

The Regulations also give consumers the unconditional right to cancel an order and any related credit agreement:

- For goods - 7 working days, starting from the day after they are received.

- For services - 7 working days, starting from the day after the contract is made.

4. Any exceptions to the above rights?

There are certain types of goods which do not have a cancellation right.

For example:

- Personalised goods - e.g. where a customer has their name embossed by you on a product
- Perishable goods - e.g. flowers or foods
- Copiable items - e.g. music CD's if they are unsealed by the consumer

You can also prevent a consumer cancelling a service contract once you have started to provide the service.

Where a consumer cancels, if they have paid in advance you must refund all the money within 30 days, though you can normally charge them for the cost of returning the goods.

These Regulations **do not** remove any rights of consumers to return faulty goods - and they would not in this case have to pay return postage.

5. Useful links:

www.offt.gov.uk -
Web site of the Office of Fair Trading

www.bis.gov.uk -
Department for Business Innovation & Skills