

## Unfair contract terms

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

If you wish to rely on the terms of the contracts you have with consumers it is essential that those terms are 'fair'. An unfair term is not legally binding on consumers, and enforcers can also take action to stop you using it.

The Consumer Rights Act 2015 covers the use of unfair terms in consumer contracts. Consumer contracts are those between traders and consumers (although this does not include employment contracts). As well as terms in consumer contracts the Act applies to certain consumer notices, whether or not they are in writing.

The Competition and Markets Authority (CMA) has produced various types of guidance on the subject.

### Unfair contract terms

The CMA has produced [consumer protection and unfair contract terms guidance](#) documents for businesses, which can be found on the GOV.UK website.

As well as the full guidance above the CMA has produced a series of shorter guides on [how to write fair contracts](#), which are designed to help businesses use fair and clear terms in their consumer contracts and notices.

The CMA has also produced a series of short, [animated videos](#) help businesses understand more about the law on using unfair terms and conditions with consumers.

### Care homes

The CMA's [Care Homes: Consumer law Advice for Providers](#) gives care homes advice on such matters as what information they should give to potential residents, how to ensure their contract terms are not unfair, and how to handle complaints fairly.

## Coronavirus (COVID-19)

The CMA carried out various pieces of work on [consumer law](#) and coronavirus, particularly related to refunds.

## Trading Standards

For more information on the work of Trading Standards services - and the possible consequences of not abiding by the law - please see '[Trading standards: powers, enforcement and penalties](#)'.

## In this update

No major changes.

Last reviewed / updated: March 2023

## Key legislation

[Consumer Rights Act 2015](#)

## 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 often only shows 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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