businesscompanion
trading standards law explained

Consumer contracts: distance sales

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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

The Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 apply to contracts made both on and away from business premises, as well as contracts made 'at a distance'; there are also rules for businesses providing digital content. These Regulations affect most businesses that contract with consumers, irrespective of where and how the contract is entered into. They do not apply to contracts where traders buy goods or services from consumers, nor do they apply to contracts between consumers.

The Regulations require detailed information to be given to consumers and, in certain circumstances, give them a 14-day cancellation period (sometimes known as a 'cooling off' period). In addition, the Regulations prohibit the use of premium-rate telephone helplines (for customers contacting you in connection with a contract that they have with you) and the use of so-called negative options to sell additional products to consumers that are incidental to the main contract.

Some of the Regulations' requirements were later moved (unchanged) into the Consumer Rights Act 2015.

What do the Regulations cover?

Most contracts made and negotiated between traders and consumers are covered, and the Regulations split these contracts into three types:

- **off-premises contracts.** There are four types of these contracts:
  1. A contract made where a consumer and trader are together and agree the contract in a place that is not the trader's business premises - for example, in a consumer's home or place of work
  2. A contract made where a consumer and trader are together and an offer is made by the consumer in a place that is not the trader's business premises - for example, where a consumer signs an order form during a visit to their home and the trader agrees the contract later
  3. A contract that is agreed on a trader's business premises or through any means of distance communication immediately after a meeting with a consumer in a place that is not the trader's business premises. For example, a salesperson meets a consumer in the high street and convinces them of the benefits of buying a water filter; the consumer is then taken to the local office of the trader to sign the contract for the equipment. An example of this scenario using distance communication would be if the salesperson in the high street meets the consumer and immediately enters into a contract with them using a tablet computer
  4. A contract made with the consumer during an excursion organised by the trader with the aim of selling or promoting goods or services to the consumer. The Regulations do not define an 'excursion'; however, it is possible that this will cover a situation where a trader meets a consumer on holiday and invites them to travel with the trader to a different venue to be sold goods or services
- **distance contracts.** A contract made between a trader and a consumer where they are not together, which is negotiated and agreed by one or more organised means of distance communication - for example, by phone, post or over the internet. There must be an organised distance scheme for selling goods and/or services so the Regulations are unlikely to affect a business that sells a product at a distance as a one-off. For instance, a knitting wool shop that does not normally sell at a distance would not fall within the definition of a distance contract when a consumer rings to ask for a ball of wool to be posted to them because they are unable to call into the shop; this is unlikely to be classed as an 'organised' distance selling scheme
- **on-premises contracts.** The Regulations define an 'on-premises contract' as "a contract which is neither off-premises nor a distance contract", which effectively means a contract made on business premises, whatever they may be. Please note, however, that this is designed to be a 'catch all' category and covers every contract that does not fall within the 'off-premises' or 'distance' categories; therefore, it does not necessarily relate to where the contract is made

'Business premises' includes a trader's permanent premises as well as temporary premises (such as a

market stall) where the trader usually operates. This is a key definition with regard to the above contract types, but it is not defined clearly by the Regulations.

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

This guide covers the requirements of the Regulations when you sell goods, services or digital content through distance contracts. If you also sell on or off your business premises please see our other two guides:

- 'Consumer contracts: on-premises sales'
- 'Consumer contracts: off-premises sales'

What do the Regulations not cover?

The Regulations do not cover contracts for:

- gambling, including participating in the National Lottery (covered by gambling legislation)
- financial services, such as banking, credit, insurance or personal pensions. However, credit and insurance facilities will be affected if supplied with contracts for goods or services, or when offered as an optional extra that the consumer must opt out of (see 'Effects of withdrawal or cancellation on ancillary contracts' and 'Negative options for additional charges' below)
- the construction of new buildings (or substantially new buildings by the conversion of existing buildings, such as a barn conversion) and the sale of immovable property. However, the construction of extensions to existing buildings will be covered
- residential letting contracts, but estate agency contracts for their work in connection with the sale or letting of properties are covered
- the supply of consumables by regular roundspeople, such as the delivery of milk. These visits must be frequent and regular to a consumer's home, residence or workplace
- package travel contracts
- timeshare and long-term holiday products, including resale and exchange contracts
- purchases from vending machines
- single telecom connections, such as payphones and internet café connections

Sales contracts, service contracts and digital content

The Regulations divide the content of the contract into three types:

- **sales contracts.** This includes contracts for the sale of goods and also for the supply of *goods and services* together. This therefore includes the sale of a book, a film on a DVD, the supply of software on a disc, and the supply and fitting of a patio
- **service contracts.** This covers contracts that are for *services only* - for example, the services of a personal trainer or lawyer. Supply of gas and electricity by the utility suppliers are also covered by this definition, whereas gas and electricity are classed as goods when sold in limited amounts - for example, batteries and gas in containers
- **digital content.** The supply of data through an intangible medium - for example, music and software downloads or streamed films

Information requirements

General

The Regulations require that you give certain information to consumers who buy goods, services or digital content from you at a distance. However, there are some types of contracts that are exempt from this requirement:

- medicinal products or services that are either dispensed on prescription or available free under an NHS arrangement
- a contract for passenger transport services - for example, bus, rail or flight tickets. However, you must provide the appropriate information if your contract is concluded by an electronic means, such as a 'pay now' button

You must give consumers the information listed below in a way that is clear, comprehensible and appropriate to the means of distance communication before they enter into a contract with you. In addition, if you provide this information on a durable medium you must make sure that it is legible.

A durable medium is defined as paper, email or other medium that:

- allows the information to be addressed personally to the recipient
- enables the recipient to store the information and access it for future reference (this includes you placing the information in your customer's personal account area of your website, which they can access by logging in)
- allows unchanged reproduction of this information

The information that you are required to give is as follows:

a. The main characteristics of the goods, services or digital content. You must give as much information as the means of communication allows.

b. Your identity, such as your trading name.

c. The geographical address where you are established and, where applicable, a telephone number, fax number and email address to allow consumers to be able to contact you quickly and efficiently. Online sellers must provide an email address; an online contact form is not sufficient (see below)*.

d. If you are acting on behalf of another trader, their identity and geographical address*.

e. If you, or the trader that you are acting for, have a different address for consumer complaints this must also be given*.

f. The total price of the goods, services or digital content inclusive of tax (such as VAT). If this cannot be calculated in advance you must say how this will be calculated.

g. All delivery charges or any other costs. If these cannot be calculated in advance, you must state that they are payable.

h. The monthly, or billing period, costs of open-ended contracts or subscriptions.

i. Any additional costs for using a specific means of distance communication to make the contract - for example, if you make an extra charge for buying by phone as opposed to online*.

j. The arrangements for payment, delivery or performance and the time that you will take to deliver the goods, perform the services or supply the digital content*.

k. Your complaint-handling policy, if you have one. Providers of services should have a complaint-handling policy in place as required by the Provision of Services Regulations 2009. In addition, CTSI approved codes of practice and some trade associations and professional bodies will also require a policy to be in place, which must be made available to consumers*.

l. The conditions, time limits and procedure for exercising a right to cancel, if there is one (the next section covers cancellation in detail). This information may be provided by correctly filling in and providing the 'Model instructions for cancellation' provided by the Regulations.

m. If you are expecting consumers to pay the costs of returning the goods after cancellation, you must tell them; or, if the goods cannot normally be returned by post (they are too large, for example), you must advise consumers of the cost of returning them. This information may be provided by correctly filling in and providing the 'Model instructions for cancellation' (see link above)*.

n. If you are offering a service contract that a consumer can expressly ask you to start within the cancellation period, you must tell them that they will be required to pay you the reasonable costs of the service that you have delivered up to the time of their cancellation within the cancellation period. This information may be provided by correctly filling in and providing the 'Model instructions for cancellation' (see link above)*.

o. If there are no cancellation rights for specific goods, services or digital content that you offer, or there are circumstances in which consumers will lose their right to cancel, you must inform them of this*.

p. If you are selling goods, you must remind consumers that the goods you sell must be in conformity with the contract - for example, you might say: 'It is our responsibility to supply you with goods that meet your consumer rights. If you have any concerns that we have not met our legal obligations please contact us'*.

q. If you offer any after-sales consumer assistance, services or guarantees, you must make consumers aware of this and any applicable conditions*.

r. If you are a member of a code of conduct, you must inform consumers how they can obtain a copy of the code - for example, by providing a link to the code sponsor's website*.

s. If the consumer will be entering into a contract of a fixed duration, they must be informed what this is. If the contract has no fixed length, or can be extended automatically, the consumer must be informed of the conditions under which they can terminate it.

t. You must inform consumers if there is a minimum duration under a contract - for example, a minimum period for a mobile phone contract*.

u. If consumers are required to give deposits or other financial guarantees, you must inform them of this obligation and any applicable conditions*.

v. Digital content functionality. This includes information about its language, duration, file type, access, updates, tracking, internet connection, geographical restrictions and any additional purchases required*.

w. Digital content compatibility (information regarding both hardware and other software)*.

x. The existence of any 'alternative dispute resolution' schemes that you are subject to and how to access them (for more information on these schemes please see 'Alternative dispute resolution' in Business Companion's Business in Focus section)*.

[*If the means of distance communication that you are using limits the space or the time that is available to provide the information, these items may be provided in a different but appropriate way. For example, a TV shopping channel may decide to give the detailed information on its website, during the sales call, or through a combination of the two.]

If you do not give the information items 'g', 'h' or 'm' to the consumer they will not be required to pay these charges.

In the case of a public auction (see definition below), information items 'b' to 'e' may be replaced with the equivalent details of the auctioneers.

If you need to change any of this information before entering into a contract, or at any later stage, you must agree this with the consumer. Failure to do so will mean that the consumer is not bound by the change of information.

If a right of cancellation exists, the consumer must be given, or have access to, a cancellation form, which must be in the following form (please note that this has been placed in a box for illustrative purposes):

Model cancellation form

To [here the trader's name, geographical address and, where available, fax number and email address are to be inserted by the trader]:

I / We [*] hereby give notice that I / We [*] cancel my / our contract of sale of the following goods [*] / for the supply of the following service [*],

Ordered on [*] / received on [*],

Name of consumer(s),

Address of consumer(s),

Signature of consumer(s) (only if this form is notified on paper),

Date

[*] Delete as appropriate

Failure to provide the information set out above would allow a consumer to claim that you have breached your contract with them and seek an appropriate remedy. The consumer would also be able to claim, under the Consumer Rights Act 2015, that you had breached your contract if they found that any of the above information that you had provided was incorrect.

Contracts concluded by electronic means

Where your contract is concluded by an electronic means, and places the consumer under an obligation to pay, you must ensure that information items 'a', 'f', 'g', 'h', 's' and 't' above are clearly, and prominently, brought to the consumer's attention immediately before they place their order.

You must also ensure that consumers expressly acknowledge that they are under an obligation to pay

when they place their order. If you are using a button or similar function to enable the consumer to place their order this must be labelled in an easily legible manner with the words 'order with obligation to pay'; you may use different phrases, such as 'buy now', 'pay now' or 'confirm purchase', as long as they have a similar effect. If you do not meet this requirement the consumer will not be bound by the contract.

If you are concluding a contract through a website you must indicate in a clear and legible manner, at the very latest at the beginning of the ordering process, whether any delivery restrictions apply and the payment means that you will accept.

Using telephone calls to conclude a distance contract

You must start the conversation with the following information if you are calling consumers with the aim of concluding distance contracts:

- your identity
- the identity of the person on whose behalf you are making the call, if you are calling on behalf of another business
- the commercial purpose of the call

Confirming distance contracts

Once you have entered into a distance contract, you must give the consumer confirmation of the contract on a durable medium. Your confirmation must include information items 'a' to 'x' above. You will not need to do this if you have already given this information on a durable medium prior to the conclusion of the contract.

You must give this information to the consumer no later than when the goods are delivered (so you could include it in the package with the goods), before performance of the service begins or, for digital content that is not on a tangible medium, within a reasonable time (which may mean that it has been sent, but not received, before the digital download begins).

Disputes

If there is a dispute with regard to your compliance with these information requirements, the burden is placed upon you to prove that you have done so. It is therefore important that you keep good business records.

Right to cancel

Contracts with no right to cancel

There is no right to cancel for the following contracts:

- medicinal products or services that are either dispensed on prescription or are available free under

an NHS arrangement
- a contract for passenger transport services - for example, bus, rail or flight tickets
- the supply of goods or services where prices are dependent upon fluctuations in the financial markets, which are beyond the control of the trader. Utility supplies of water, gas and electricity and district heating are excluded from this exemption (so the right to cancel remains)
- the supply of bespoke goods that are made to the customer's specification or are personalised - for example, a made-to-measure suit or pair of curtains, or a gift that has the recipient's name engraved on it. However, this exemption does not apply to items made to a customer's specification simply by combining stock items - for example, a computer put together from stocked parts or a car ordered from a fixed menu of items
- the supply of goods that are liable to deteriorate or expire rapidly, such as a delivery of fresh flowers or meat
- the supply of alcoholic drinks (such as vintage wines bought for investment purposes) where the following apply:
    - the price has been fixed by the contract
    - delivery can only take place after 30 days
    - the value is subject to market fluctuations beyond the control of the seller
- contracts where the consumer has specifically requested the trader to call to carry out urgent repairs or maintenance. However, this exemption does not apply to other goods or other services provided at the same time. An example would be a plumber who receives a call to replace a broken immersion heater, a price being agreed over the phone, and whilst there also offers to repair a dripping tap; this extra work, if done during the visit, would retain a cancellation right
- the supply of newspapers, periodicals or magazines. However, subscription contracts retain a cancellation right
- contracts concluded at a public auction. However, this exemption does not apply to eBay and other online auctions. Therefore, traders selling via so-called online auction sites will have to give consumers a right to cancel and comply with all aspects of these Regulations irrespective of whether they are selling the goods by auction or through 'buy it now' offers. A 'public auction' is defined in the Regulations as "a method of sale where:
    - goods or services are offered by a trader to a consumer through a transparent, competitive bidding procedure run by an auctioneer
    - the consumers attend or are given the possibility to attend in person
    - the successful bidder is bound to purchase the goods or services"
- the supply of accommodation, transport of goods, vehicle rental services, catering or services related to leisure activities if the contract provides for a specific date or period of performance - for example, hotel bookings, courier services, car hire, restaurant bookings and theatre tickets for specific dates

In addition, consumers will lose their right to cancel if they:

- unseal goods that are not suitable for return if they are unsealed, due to health protection or hygiene reasons
- unseal audio, video recordings or computer software that were sealed at the time of delivery
- combine goods with other goods after delivery so that they become inseparable

Cancellation period

There are two rights for consumers who decide that they do not wish to proceed with a contract. They are able to:

- **withdraw** their offer if it has not been accepted by the trader - for example, by placing an order for goods online where the terms make clear that a contract is not entered into until the goods are

despatched. This is an open-ended right, which will end when the contract is made, after which they can move to their right to cancel if appropriate
- **cancel** a contract. Within a specified period of time, the Regulations give consumers the right to pull out of a contract that they would otherwise be bound by, providing the contract is not one where there is no right to cancel (see above)

Cancellation periods are set out in the table below. The periods start from when the contract was made until the end of the period shown in the table. Reference will be made to sales contracts, service contracts and digital content and you should refer back to the definitions provided earlier.

Type of contract	Cancellation period
A service contract	14 days, starting the day after the day on which the contract was made
The supply of digital content not supplied on a tangible medium	14 days, starting the day after the day on which the contract was made*
A sales contract (goods or goods and services) *but see below*	14 days, starting the day after the day on which the goods come into the physical possession of the consumer or the person that they ask you to deliver the goods to
A sales contract consisting of an order for multiple goods that are delivered on different days	14 days, starting the day after the day on which the last of the goods come into the physical possession of the consumer or the person that they ask you to deliver the goods to
A sales contract consisting of an order for multiple lots or pieces that are delivered on different days	14 days, starting the day after the day on which the last of the lots or pieces come into the physical possession of the consumer or the person that they ask you to deliver the goods to
A sales contract for regular delivery of goods during a period of longer than one day	14 days, starting the day after the day on which the first of the goods come into the physical possession of the consumer or the person that they ask you to deliver the goods to

[*This period does not apply if the consumer has expressly requested that the download is started within the cancellation period, has acknowledged the loss of their cancellation right and has been given the required information. See 'Supply of digital content in the cancellation period' below.]

If you do not provide consumers with information about their right to cancel (information item 'l' above), their cancellation period is extended to 14 days, starting the day after the day that you do give them this information. The longest that this period can be extended to is 12 months from the day after the normal cancellation period would have ended.

A consumer can withdraw from the contract, or cancel within the cancellation period, by informing you that they wish to do so. There is no requirement for how this should be done, but in the event of a dispute the burden falls upon the consumer to prove that they did cancel within the cancellation period. Therefore, the consumer will be well advised to ensure that they have some durable proof of their cancellation, which you could ask for if there was a dispute regarding whether or when they had informed you of their decision to cancel.

The Regulations do offer some guidance on how consumers can exercise their right to cancel a contract:

- they can use the model cancellation form (shown above), but they don't have to
- they can use any other clear statement to inform you
- if you offer an online cancellation option on your website consumers do not need to use it
- if consumers do use your online option you must acknowledge receipt of their cancellation, using a durable medium, without delay
- cancellation is only effective if the communication is sent to you before the end of the cancellation period. The key time is when the communication was sent, not when you received it

Effects of withdrawal or cancellation

If a consumer withdraws from a contract or exercises their right to cancel, both your and their obligations under the contract are ended. In addition, you must reimburse the consumer all that they have paid you, including any original delivery costs. However, if a consumer has expressly requested a delivery method that is more expensive than your basic cost, you are only obliged to refund your basic delivery cost - for example, if a consumer has opted for your next-day-delivery service rather than your standard method by second class post. You may also be able to deduct the value of services that you have provided, at the consumer's express request, during the cancellation period (see 'Supply of a service in the cancellation period' below).

You must reimburse the consumer without undue delay and within 14 days from the day after they inform you of their decision. If the consumer is sending goods back to you, you need to reimburse them within 14 days of the day you get the goods back or, if earlier, 14 days from the day you receive proof from the consumer that they have sent the goods back. You must reimburse the consumer using the same payment method they used originally, but you can come to an agreement with the consumer to use an alternative method.

Finally, you have a right to deduct an amount from the reimbursement (or charge a consumer) if they have diminished the value of the goods by handling them beyond what is necessary to establish their nature, characteristics and function. The Regulations establish a test as to whether consumers have handled the goods in a way beyond what might reasonably be allowed in a shop. This is likely to be a controversial area of the Regulations for both consumers and traders and will ultimately be a matter for a court to decide. However, the following examples will attempt to illustrate this concept:

- a consumer returns a shirt that comes in a presentation box, which they had opened and removed all the pins and packaging to try it on. It is reasonable to expect a consumer to remove packaging to try on or examine an item, so you should make no deduction for this
- a consumer returns a shirt, which you can see has clearly been worn. The consumer has not acted reasonably and you can make a deduction for diminishing the value
- a consumer returns flat pack furniture, which they have clearly attempted to assemble by opening packs of screws and trying to put parts together. The consumer has not acted reasonably and you can make a deduction for diminishing the value

You are not able to make any deduction for diminishing the value of the goods if you have not provided consumers with the information about their right to cancel (information item 'l' above).

No other deductions, such as cancellation or restocking fees, can be made when a consumer exercises their legal right to cancel.

Return of the goods following cancellation

You must collect goods from a consumer, following cancellation, if you have offered to do so. In all other cases, it is the consumer's responsibility to send the goods back to you or hand them to someone that you have authorised to collect them. Consumers must send the goods back to an address that you have specified. If you haven't given an address, they can send them to back to any address that you have specified for consumers to use to contact you. Failing that, consumers can send the goods back to any place where you conduct your business.

The consumer must not delay their return of the goods and should send them back within 14 days of when they informed you of their decision to cancel.

The consumer must pay the return costs, unless you have agreed to pay them. However, this is reliant upon you giving them the information regarding this (information item 'm' above). If you have not given this information, you must pay these costs.

You must have agreed with the consumer if they are to pay for the return of the goods that you will collect (if, for example, they are too big to return by post). You must make this clear in your contract.

Supply of a service in the cancellation period

The Regulations do allow for service contracts - and for the service element of a sales contract (if there is one) - to be started within the cancellation period (and for you to charge for the services provided during that period if the customer later cancels) providing that the consumer has expressly requested this.

A consumer loses their right to cancel a service contract that has been performed fully within the cancellation period, providing they requested this and acknowledged that they would lose their right to cancel once the contract had been performed fully. This does not apply to gas or electricity utility contracts.

In the case of a sales contract involving services that have been completed, the consumer still has the right to cancel and return the goods (as described above), but will have to pay for, or receive no reimbursement for, the service element of the contract. For example, in the case of a satellite receiver (ordered online) that was delivered and fitted on the same day, the customer must pay for labour costs, but may still remove and return the receiver to the trader.

Where a service has been started within the cancellation period at the express request of the consumer, but has not been completed, the consumer still has the right to cancel. However, the consumer will have to pay for the service used during the time up to when they informed you of their decision to cancel. What they should pay will be in proportion to what has been supplied in comparison with the full contract price. The amount is to be calculated either:

- on the basis of the total price
  or
- if the total price is excessive, based upon the market price of what has been supplied, calculated by comparing the prices for similar services from other traders

A consumer will not have to pay you for services supplied in the cancellation period if you have not provided them with information items 'l' and 'n' above. Nor will the consumer have to pay if they had not expressly requested that you start within the cancellation period. Therefore, if you start to deliver a service on your own initiative during the cancellation period the consumer will not have to pay you if they decide

to cancel.

Supply of digital content in the cancellation period

You can supply digital content that is not on a tangible medium (in other words, is downloaded, streamed, etc) within the cancellation period, provided the consumer has expressly requested this and acknowledged that by doing this they have lost their right to cancel.

However, if you have not met the following criteria, the consumer will still be able to cancel within the cancellation period and will not have to pay you for any digital content supplied:

- they must have expressly requested that you begin the supply of the digital content during the cancellation period
- they must have acknowledged that their right to cancel would be lost
- you must have confirmed their express request and acknowledgement of the loss of their cancellation right as part of your confirmation of their contract

Effects of withdrawal or cancellation on ancillary contracts

An ancillary contract is one that relates to the main contract and can be provided by you or a third party with whom you have an arrangement. Financial services (generally exempted from these Regulations) are covered if they are an ancillary contract.

Where a consumer withdraws an offer or cancels a contract, any ancillary contract will also be terminated without further cost, subject to the various provisions above. You must inform any trader with whom the consumer has the ancillary contract that their contract has been terminated.

For example, if you have sold a car with a separate insurance contract and the consumer cancels within the cancellation period, they will not have to pay for the insurance (or they must be refunded the cost). If the consumer has consented to the insurance starting within the cancellation period they will have to pay the proportion of the cost up to the time of cancellation, as described above.

Negative options for additional charges

Where there are additional items linked to the main contract (for example, insurance and/or car hire with a contract for a flight, or gift-wrapping when purchasing a present), paying for these items as well must not be the default option. Consumers must always be asked to expressly consent to additional charges - for example, consumers must not have to remove a tick from a pre-ticked box to indicate they do not want optional insurance against damage to an engagement ring that they have purchased.

Consumers will not be liable for any additional payments that they have not actively consented to and they have the right to request that they are refunded for these payments.

Basic rate telephone helpline charges

If you provide a telephone line for consumers to contact you in relation to a contract that they have entered into with you, you cannot charge more than a basic rate for this service. Therefore, you can only

charge normal geographic or mobile rates. A consumer should not pay more to contact you about their purchase than they would to phone a friend or relative.

Consumers who are charged more than the basic rate are entitled to claim any overcharge back from you.

You should check carefully whether your phone line does cost consumers more than basic rates. In addition to numbers beginning 09, other revenue-sharing numbers such as 084, 0871, 0872 or 0873 would not comply. Nor would 0870 numbers, which would vary according to the consumer's own phone tariff.

The following numbers comply with the Regulations:

- geographic numbers - starting 01 or 02
- non-geographic numbers - starting 03
- Freephone numbers - starting 0800 or 0808
- mobile numbers - starting 07 (except numbers starting 070, which are not mobile numbers)

Time for delivery of goods

Unless you agree both otherwise, it is your responsibility to deliver the goods that you have sold to a consumer. If you do not agree a delivery time, you must deliver the goods without undue delay and certainly no later than 30 days from the day after the contract was made.

A consumer may treat a contract as being at an end and request a full refund in any of the following circumstances:

- you refuse to deliver the goods
- you fail to deliver within the agreed time and it is clear from the circumstances, or from what the consumer has told you, that this agreed time was essential
- the consumer has specified an appropriate delivery period, which you fail to meet

If your contract consists of a variety of goods, some of which you fail to deliver on time, the consumer has the right, as an alternative to ending the contract, to cancel that part of the order or return goods that have already been delivered. You must then reimburse them without undue delay for the goods that have been cancelled or rejected. If the goods form part of a commercial unit that would be devalued or have its character changed if they were split up, the consumer can only cancel the order for the goods or reject them as a whole.

This does not prevent consumers also seeking other remedies that they are entitled to for late deliveries. As an example, a consumer who suffers delays as the result of the late delivery of parts of a fitted kitchen may be able to claim the wasted labour costs of their fitters if they are able to quantify this.

Passing of risk

Unless a consumer arranges their own carrier, the goods that you deliver to them remain at your risk until they come into the physical possession of the consumer or the person that they ask you to deliver the goods to. Therefore, if your carrier fails to deliver the goods, or delivers them to the wrong address, this is your responsibility and not the consumer's. If you do not rectify this, you may be liable for a claim for late delivery (see above). In addition, you would be responsible if your carrier damages the goods before they have been delivered to the consumer; you must not tell the consumer that they need to make a claim for the damage with the carrier. It can be a criminal offence to mislead consumers about their rights.

If the consumer uses their own carrier, you cease to be responsible for the goods once the carrier receives

them.

Inertia selling

Finally, the Regulations repeat an important consumer protection measure. If you send unsolicited goods to consumers they are not obliged to pay for them and can keep them as an unconditional gift. Consumers do not have to take any action, such as informing you, if they receive unsolicited goods, they can just keep them.

Sending unsolicited goods and demanding payment for them is a prohibited practice, and a criminal offence, under the Digital Markets, Competition and Consumers Act 2024.

Time periods

All time periods quoted in this guidance will be extended to the next working day if they end on a Saturday, Sunday or Bank Holiday. This includes all cancellation periods and the time limits for returning goods, providing refunds, etc.

Electronic commerce regulations

Also related to distance selling are the Electronic Commerce (EC Directive) Regulations 2002. These Regulations mainly apply to traders who sell / advertise goods or services to businesses or consumers on the internet or by email. Traders must provide the following information (this is not an exhaustive list), some of which overlap with the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013:

- the full name of your business. If you are a limited company you will need to state this or if you are an individual / partnership you will need to state the name of the individual / partner(s)
- the geographic address at which your business is established
- your contact details, including email address
- details of any publicly accessible trade or similar register with which you are registered
- if your service is subject to an authorisation scheme or if you are a member of a professional body, details of the relevant supervisory authority or body
- details of any code of practice to which you subscribe
- your VAT registration number
- where you refer to prices, a clear and unambiguous indication of those prices and whether the prices include taxes and delivery costs
- details of stages involved in the ordering process, including any costs involved in distance communication if the cost is anything other than a standard rate

Delivery charges

For more information about the rules regarding the cost of deliveries to consumers - particularly related to charges you make for delivery to the Highlands and other outlying areas of the UK. Please see 'Delivery charges'.

Further information

More information on the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 is available in the *Implementing Guidance* published by the Department for Business, Innovation and Skills (a predecessor of the Department for Business and Trade).

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

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

- Electronic Commerce (EC Directive) Regulations 2002
- Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013
- Consumer Rights Act 2015
- Digital Markets, Competition and Consumers Act 2024 (Part 4, Chapter 1)

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 go to the legislation.gov.uk website. The site usually updates the legislation to include any amendments made to it. However, this is not always the case. Information on all changes made to legislation can be found by following the above links and clicking on the 'More Resources' tab.

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