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trading standards law explained

Providing price information

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This guidance is for England, Scotland and Wales

Where goods are offered for sale to consumers they must have their price clearly indicated and be inclusive of VAT. This is controlled by the Price Marking Order 2004, which applies to goods only and is limited to sales between traders and consumers. It does not apply to services or to goods supplied in the course of the provision of a service; nor does it apply to sales by auction or sales of works of art or antiques.

However, the Consumer Protection from Unfair Trading Regulations 2008 (CPRs, which control unfair practices used by traders when dealing with consumers) are broader in scope and cover both goods and services. Therefore, although the Price Marking Order does not apply to services or to goods supplied in the course of providing a service, there is a requirement under the CPRs to make sure pricing information is given clearly if it would affect a consumer's decision to buy. The CPRs also prohibit giving misleading information to consumers about prices.

In essence, sufficient information about the price of goods and services should be given to consumers in order for them to decide whether to buy. If the price information is not supplied, or is misleading to the extent that the consumer would not have bought the goods or had the service provided if they had known the correct price, the trader commits an offence.

See 'Consumer protection from unfair trading' for more information.

There are separate regulations called the Business Protection from Misleading Marketing Regulations 2008,

which prohibit advertising that misleads traders about the price of goods or services. These Regulations are covered in more detail in <u>'Business-to-business marketing'</u>.

CTSI pricing guidance

<u>Guidance for Traders on Pricing Practices</u>, produced by the Chartered Trading Standards Institute (CTSI), contains information for traders on good practice regarding giving information about prices, price promotions, reference prices, etc.

It applies to goods, services and digital content.

What does the Price Marking Order require?

Where goods are offered for retail sale, the selling price and - where appropriate - the unit price (for example, 65p per 100 g) must be given to consumers in writing (including prices in catalogues, shops and online). Small shops that have a retail area of less than 280 m^2 do not need to display a unit price.

How should price indications be given?

When selling to the general public, all pricing information must be clearly legible, unambiguous, easily identifiable, in sterling, and inclusive of VAT and any additional taxes.

Pricing information must be given close to the goods, or in the case of distance contracts (for example, online or mail order sales) and advertisements, close to a picture or written description of the goods. In relation to sales by telephone, price indications must be clearly audible and linked to the subject of the transaction.

Prices can be shown:

- on the goods themselves
- on a ticket or notice near to the goods
- grouped together with other prices on a list or catalogue in close proximity to the goods. If counter catalogues are used there should be sufficient copies for consumers to refer to

Pricing information must be available and clearly visible to consumers without them having to ask for assistance in order to see it.

Legibility refers to a consumer with normal sight. Traders must also comply with the Equality Act 2010 and take account of the special needs of the elderly and disabled groups.

Goods that are kept out of the consumer's sight are exempt from price marking until an indication is given that they are for sale.

What about goods in shop windows?

Items displayed for sale in a shop window should display pricing information as per the above requirements. Exceptions to this are jewellery, precious metal or watches where the individual selling price is more than £3,000. These goods need not bear pricing information in close proximity to the item. However, the pricing information must still be given elsewhere - for example, by means of a price list instore.

Window displays that do not contain goods that are removed and sold to consumers may be regarded as being purely promotional. They will fall within the definition of 'advertisement' and be exempt. Traders are advised to contact their local trading standards service for guidance on this matter.

Can price indications be in a foreign currency?

If traders indicate that they are willing to accept foreign currency for the purchase of goods, in addition to the required price indications in sterling they must also:

- give the price in the foreign currency together with any commission to be charged
- clearly give the conversion rate together with the commission to be charged
- indicate that these do not apply to transactions via a payment card for a non-sterling account

What about VAT and other charges?

All price indications that can be seen by consumers must include VAT and any other compulsory charges or taxes. Postage, packing or delivery charges may be shown separately as long as they are unambiguous, easily identifiable and clearly legible.

If the rate or application of VAT or any other tax changes:

- general notices in-store may be used for up to 28 days after the change takes effect, indicating that prices will be adjusted at the till to reflect the change in tax
- catalogues and sales literature may continue to be distributed as long as:
 - a label is attached indicating prices will be adjusted to reflect the change
 - there is sufficient information to allow adjusted prices to be established; or a supplement accompanies the catalogue / sales literature that enables consumers to establish the selling price

By law, surcharges for customers using debit or credit cards are restricted or banned. See <u>'Payment surcharges'</u> for more information.

What are the unit-pricing requirements?

A unit price must be given when goods are either:

- sold loose from bulk for example, fruit and vegetables, meat and fish
- required by the Weights and Measures Act 1985 to be marked with an indication of quantity or to be made up in a prescribed quantity for example, wine. See 'Relevant units of quantity ...' below for a summary of the requirements under weights and measures legislation

A list of goods that are included in the requirements to have quantity indications is given below in the section headed 'Non-exclusive list of goods ...'.

A unit price must be given in adverts only where the selling price of goods is indicated.

The unit price for most goods is the price per kilogram, litre, metre, square metre or cubic metre, and the unit 'one' for goods sold by number. Certain items, identified in the 'Relevant units of quantity ...' list below are exempt from this requirement and the unit price should be given for an alternative quantity - for example, price per 100 g for sweets. Similar goods should use the same unit for unit pricing purposes to

allow consumers to readily compare prices between them.

For solid foods in a liquid medium (that is, water, brine, vinegar, syrups and fruit or vegetable juice) the unit price must refer to the net drained weight of the food.

Traders can give the imperial equivalent unit price as long as the metric unit price is given greater prominence and the imperial equivalent equates to the metric price.

Where the unit price falls below £1 it must be given to the nearest 0.1p. If it is above £1 it may be given to the nearest 1p or 0.1p.

The following do not require an indication of selling price:

- advertisements (this exemption does not apply to catalogues or to advertisements that are intended to encourage distance contracts for example, via the internet or mail order adverts in newspapers)
- goods sold loose from bulk (these will require unit pricing; selling price refers to the final price payable for a given quantity of goods)

The following do not require an indication of the unit price:

- advertisements by radio, television, cinema or in a small shop
- goods that have had the price reduced due to damage or danger of deterioration
- an assortment of different items sold in a single package
- goods whose unit price would be 0.0p by virtue of the rounding provisions
- where the item's selling price is equal to its unit price
- packaged goods sold from a shop with a floor area not exceeding 280 m²

Promotions

Promotional offers should be unit-priced to reflect the single standard item.

Retailers may give additional information if they wish (for example, the 'reduced unit price if purchasing a multi-buy' offer may be shown) as long as it is clear to which goods it relates.

Limited period promotions (such as 10% extra free) that relate to individual product lines may retain the unit price of the standard item or pack for the period of the offer. Retailers may give additional information if they wish - for example, they may show the unit prices of both the standard and promotional items but they must be absolutely clear to which items they relate.

Precious metals

In the case of goods where the selling price varies from day to day according to the price of the precious metals contained in them, the requirement to indicate the selling price may be complied with by indicating both of the following:

- the weight, type and standard of fineness of each precious metal contained in the product with a clearly legible and prominent notice stating the price per unit of weight for each of these
- any element of the selling price that is not referable to weight

Relevant units of quantity for the 'unit price'

Food and drink

Product	Units
Biscuits and shortbread (except where sold by number)	100 g
Bread (except where sold by number)	100 g
Breakfast cereal products (except where required to be quantity-marked by number)	100 g
Chocolate and sugar confectionery	100 g
Coffee	100 g or ml
Cooked or ready to eat fish, seafood and crustacea	100 g
Cooked or ready to eat meat, including game and poultry	100 g
Cream and non-dairy alternatives to cream	100 ml
Dips and spreads, excluding edible fats	100 g
Dry sauce mixes	100 g
Flavouring essences	10 ml
Food colourings	10 ml
Fresh processed salad	100 g
Fruit juices, soft drinks	100 ml
Herbs	10 g
Ice cream and frozen desserts	100 g or ml
Pickles	100 g
Pies, pasties, sausage rolls, puddings and flans indicating net quantity (except where sold by number)	100 g
Potato crisps and similar products commonly known as snack foods	100 g
Preserves, including honey	100 g
Ready to eat desserts	100 g or ml
Sauces, edible oils	100 ml
Soups	100 g
Spices	10 g
Tea and other beverages prepared with liquid	100 g
Waters, including spa waters and aerated waters	100 ml
Wines, sparkling wine, liqueur wine and fortified wine	75 cl
Non-foods	
Product Uni	ts

Product

Ballast, where sold by the kilogram

Coal, where sold by the kilogram

Cosmetic products other than make-up products

Units

1,000 kg

50 kg

Product	Units
Hand-rolling and pipe tobacco	100 g
Lubricating oils other than oils for internal combustion engines	100 ml
Make-up products (except where sold by number)	10 g or ml
Seeds other than pea, bean, grass and wild bird seeds	10 g

Goods subject to quantity marking and unit pricing

Any package that carries an E-mark (which indicates that it has been packed following the strict requirements of average-quantity legislation) has to be marked with quantity, in terms of weight or volume, within the requirements of the Weights and Measures Act 1985. See <u>'Packaged goods: average quantity'</u> for more information.

Most packaged food and drink is required to be marked with quantity.

Non-food products (see below) have different requirements depending on the product. Detailed information can be found in the Weights and Measures Act 1985 (Schedules 4-7) and in orders and regulations made under that Act.

The following are required to carry quantity marking by net weight, volume or capacity, as appropriate (subject to certain exemptions):

- construction products (including sand and other ballast, hard-core and aggregates, ready-mixed cement mortar, ready-mixed concrete, and Portland cement)
- decorating products (including paints, enamels and lacquers, paint solvents, paint strippers and thinners, varnishes and similar products, wood preservative, rust remover, and petrifying fluid)
- fuel / oil and car products (including liquid fuel, lubricating oil, mixtures of fuel / oil, lubricating grease and anti-freeze)
- solid-fuel products (coal, coke and solid fuels derived from these)
- agricultural products (including agricultural liming materials, prepacked fertilisers, inorganic fertilisers, liquid fertilisers, seeds and rolled oats)
- aerosol dispensers
- cleaning products (including household soap, detergents, conditioners and rinse aids, bleaches, cleaning and scouring powders, polishes and similar products, and disinfectants)
- cosmetics (including perfumes, soap, talcum powder, shampoo, toothpaste and deodorants)
- household pet and bird foods
- knitting and rug yarns
- tobacco for pipes and for cigarettes rolled by hand or by use of a device operated only by hand

Various multi-packs and many-item packs containing a quantity of the same product are also required to be quantity marked.

The following are required to be marked with number:

- cheroots, cigarettes and cigars
- postal stationery (paper or cards for use in correspondence) and envelopes
- nails (or by weight)

The following have to be marked by length:

• bias binding, elastic, ribbon, tape and sewing thread

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: November 2022

Key legislation

Weights and Measures Act 1985

Price Marking Order 2004

Consumer Protection from Unfair Trading Regulations 2008

Equality Act 2010

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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