Business Information Factsheet October 2015

Consumer Rights Act 2015

This factsheet provides information to businesses on the main changes to consumer rights legislation in the sale of goods, services and digital downloads that come into effect on 1 October 2015. The new provisions are part of the Consumer Rights Act 2015 that consolidates previous consumer rights legislation, including the Sale of Goods Act 1979.

What the changes mean for consumers

The law still says that any goods that a trader sells to a consumer must be of satisfactory quality, fit for purpose and match the description given by the trader. The following changes apply to all sale of goods, services or digital content from UK traders to consumers on or after 1 October 2015.

Sale of goods

The Consumer Council

- Consumers have 30 days to reject a faulty item and ask for a refund;
- Traders get one chance to repair or replace a faulty item before the consumer can ask for a full or partial refund;
- Goods must also be installed correctly if that is part of the contract; and
- Traders may have to pay compensation to consumers for any losses they may have suffered as a result of faulty goods.

Provision of services

- The law says traders must provide services:
 - With reasonable care and skill;
 - At reasonable cost; and
 - > Within reasonable time.
- If a service is unsatisfactory, the trader is obliged to carry out the service again free of charge or to give a price reduction; and



The Consumer Council

 Where the service cannot be repeated (e.g. wedding photography) the trader may have to give a price reduction – up to 100% of the total cost depending on the circumstances.

Digital downloads

- For the first time ever the law sets out specific rules for selling digital content such as e-books, phone apps, downloaded computer software or games, streamed films or music etc. Any digital content you sell must be:
 - Of satisfactory quality;
 - Fit for a particular purpose; and
 - As described.
- If you sell faulty digital content, you may have to provide a repair, replacement, price reduction or refund; and
- Occasionally, a digital content purchase can corrupt the operating system, device or other content such as photos. In those instances the trader is obliged to repair the damaged equipment or content or pay compensation even if the content was a free download.

Unfair contracts

These new provisions make it easier for consumers to challenge unfair contracts, including hidden charges.

Additional information and disputes

The Consumer Rights Act also obliges the trader to provide the consumer with a statement saying that it cannot resolve the complaint. If the consumer wishes to pursue the complaint, the trader must provide the name and website address of an organisation (called an Alternative Dispute Resolution Provider) that could assist them with their complaint. The trader must also inform the consumer whether they are prepared to work with that provider to resolve the complaint.

Businesses can visit <u>www.nibusinessinfo.co.uk</u> for more information on the Consumer Rights Act 2015 and Alternative Dispute Resolution or contact Consumerline for free impartial advice on 0300 123 6262 or by visiting <u>www.nidirect.gov.uk/consumerline</u>