

04

You and Your Legislation

The only way to avoid breaking the law and make sure you understand the rights that customers have, is to ensure both you and your employees have a good grasp of the relevant rules and regulations.

This section tells you about the main laws you need to understand and how you can follow the key rules of fair trading and consumer protection. A lot of it is common sense and if you make sure you are always being honest and reasonable you can't go far wrong.

Your knowledge

You need to comply with the following pieces of law:

- Consumer Rights Act
- Consumer Protection from Unfair Trading Regulations
- Consumer Contracts (Information, Cancellation & Additional Changes) Regulations

Here is a summary of the main requirements of these laws and how they apply to you and your employees:

Consumer Rights Act

While the long-established Sale of Goods Act and the Supply of Goods and Services Act still apply for business-to-business contracts, there is a relatively new law – the Consumer Rights Act – which applies when you are dealing with private customers.

The Consumer Rights Act provides different remedies for the customer when things go wrong.

Products

Any products you supply should be:

- of satisfactory quality (includes durability – how long a product is expected to last)
- fit for any common purpose (is the product right for the customer's needs?)
- fit any particular purpose made known to the seller
- meet any description, including any sample or model
- safe
- Installed correctly

These are called 'statutory rights' and you should let the customer know that these rights remain unaffected should they choose to use your complaints process. Statutory rights are also in addition to any guarantees or warranties you give.

30-day right to reject

If you have supplied a product that does not satisfy the statutory rights stated above, e.g. it is faulty, the customer can reject this within the first 30 days. This means you have to refund them. If the customer chooses not to reject the goods, they will be entitled to a repair or replacement. If such a repair or replacement fails, the customer may still reject the goods for a refund or may request a price reduction.

A refund must be given without undue delay and in any event within 14 days of the trader agreeing that the consumer is entitled to a refund. The trader is responsible for the reasonable cost of returning the goods except where the consumer is returning them to the place where they took possession of them.

During this first 30 days the burden of proof is on the customer to prove that the goods were faulty.

If a problem is found after the first 30 days the customer can claim a repair or replacement. But they can still ask for a full or partial refund/price reduction where:

- the repair or replacement is unsuccessful or impossible
- it could cause them significant inconvenience (e.g. take a long time)

If the product is ok but you have installed it incorrectly, the customer can ask for a repair, a replacement or a price reduction.

The customer may be able to claim compensation if the faulty product/ installation has caused further damage.

The first 6 months

If the fault is found within the first 6 months, the law says it will be assumed that it was there from the beginning.