

Consumer Rights Act 2015

The Consumer Rights Act 2015 (2015 Act) has received Royal Assent and will come into force on 1 October 2015.

The 2015 Act significantly reforms and consolidates existing UK consumer law. The 2015 Act gives consumers better remedies in relation to the sale of faulty goods and substandard services and introduces a new category of sales contract for the sale of digital content, such as apps and downloaded games. The 2015 Act also replaces the current law on unfair terms in consumer contracts and introduces a right for consumers to take action for breaches of competition law.

The 2015 Act has removed and consolidated consumer law provisions from various existing pieces of legislation, such as the Sale of Goods Act 1979 (1979 Act), the Supply of Goods and Services Act 1982 and the Unfair Contract Terms Act 1977 (UCTA). Contracts between businesses will remain subject to the existing legislation, so the 1979 Act will continue to apply to business-to-business contracts.

Existing implied terms, such as the requirement that goods are of satisfactory quality and fit for purpose, and that services are provided with reasonable care and skill, are replicated in the 2015 Act.

The 2015 Act is set out in three parts. Part 1 of the 2015 Act sets out new rules that apply to the sale of goods, services and digital content to consumers, including:

- For the sale of goods, consumers will have a new 30-day right to reject faulty goods and obtain a full refund from the date of purchase or delivery of the goods, whichever is latest. The 30-day period will be paused if the consumer asks for the faulty goods to be repaired or replaced during that period. When the goods are returned, the consumer will have the remainder of the 30-day period or seven days, whichever is longer, to reject the goods if still faulty.
- For the sale of goods, a trader will be able to repair or replace the goods once and, after that, the consumer can request a refund if they are still faulty. The explanatory notes to the 2015 Act say that any replacement should be the same make and model to the extent possible and, if the goods were bought new, then the replacement should be new.
- For the supply of services, the consumer will be able to require the trader to repeat a service that was not provided with reasonable care and skill or that failed to comply with the information provided to the consumer about the service.
- A new category of sales contract for digital content, such as apps and downloaded games, with quality standards and remedies if the digital content supplied is not satisfactory.
- A new remedy where digital content damages a device or other digital content. The remedy may involve repairing the damage or financial compensation.

Part 2 of the 2015 Act sets out the rules on unfair terms in consumer contracts, including:

- Replacing the current consumer protections in UCTA and the Unfair Terms in Consumer Contracts Regulations 1999 (*SI 1999/2083*).
- A right to challenge price or subject-matter terms for fairness if they are not transparent or prominent.
- An extension of the "grey-list" of terms that are potentially unfair.

Part 3 of the 2015 Act contains various miscellaneous provisions, including sections on investigatory powers, private actions in competition law, letting agents and secondary ticketing platforms.

The 2015 Act introduces significant changes to UK consumer law. Businesses selling to consumers will need to revise their terms and conditions of sale and business practices to ensure that consumers are provided

with the correct rights and remedies as required by the 2015 Act.

14/05/15 Wall James Chappell - Philip Chapman <P.Chapman@wjclaw.co.uk>