

# Consumer Rights Act 2015

## **2015 CHAPTER 15**

#### PART 1

CONSUMER CONTRACTS FOR GOODS, DIGITAL CONTENT AND SERVICES

## **CHAPTER 4**

#### **SERVICES**

What services contracts are covered?

# 48 Contracts covered by this Chapter

- (1) This Chapter applies to a contract for a trader to supply a service to a consumer.
- (2) That does not include a contract of employment or apprenticeship.
- (3) In relation to Scotland, this Chapter does not apply to a gratuitous contract.
- (4) A contract to which this Chapter applies is referred to in this Part as a "contract to supply a service".
- (5) The Secretary of State may by order made by statutory instrument provide that a provision of this Chapter does not apply in relation to a service of a description specified in the order.
- (6) The power in subsection (5) includes power to provide that a provision of this Chapter does not apply in relation to a service of a description specified in the order in the circumstances so specified.
- (7) An order under subsection (5) may contain transitional or transitory provision or savings.

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(8) No order may be made under subsection (5) unless a draft of the statutory instrument containing it has been laid before, and approved by a resolution of, each House of Parliament.

What statutory rights are there under a services contract?

## 49 Service to be performed with reasonable care and skill

- (1) Every contract to supply a service is to be treated as including a term that the trader must perform the service with reasonable care and skill.
- (2) See section 54 for a consumer's rights if the trader is in breach of a term that this section requires to be treated as included in a contract.

## 50 Information about the trader or service to be binding

- (1) Every contract to supply a service is to be treated as including as a term of the contract anything that is said or written to the consumer, by or on behalf of the trader, about the trader or the service. if—
  - (a) it is taken into account by the consumer when deciding to enter into the contract, or
  - (b) it is taken into account by the consumer when making any decision about the service after entering into the contract.
- (2) Anything taken into account by the consumer as mentioned in subsection (1)(a) or (b) is subject to—
  - (a) anything that qualified it and was said or written to the consumer by the trader on the same occasion, and
  - (b) any change to it that has been expressly agreed between the consumer and the trader (before entering into the contract or later).
- (3) Without prejudice to subsection (1), any information provided by the trader in accordance with regulation 9, 10 or 13 of the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (SI 2013/3134) is to be treated as included as a term of the contract.
- (4) A change to any of the information mentioned in subsection (3), made before entering into the contract or later, is not effective unless expressly agreed between the consumer and the trader.
- (5) See section 54 for a consumer's rights if the trader is in breach of a term that this section requires to be treated as included in a contract.

#### Reasonable price to be paid for a service

- (1) This section applies to a contract to supply a service if—
  - (a) the consumer has not paid a price or other consideration for the service,
  - (b) the contract does not expressly fix a price or other consideration, and does not say how it is to be fixed, and
  - (c) anything that is to be treated under section 50 as included in the contract does not fix a price or other consideration either.

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- (2) In that case the contract is to be treated as including a term that the consumer must pay a reasonable price for the service, and no more.
- (3) What is a reasonable price is a question of fact.

#### 52 Service to be performed within a reasonable time

- (1) This section applies to a contract to supply a service, if—
  - (a) the contract does not expressly fix the time for the service to be performed, and does not say how it is to be fixed, and
  - (b) information that is to be treated under section 50 as included in the contract does not fix the time either.
- (2) In that case the contract is to be treated as including a term that the trader must perform the service within a reasonable time.
- (3) What is a reasonable time is a question of fact.
- (4) See section 54 for a consumer's rights if the trader is in breach of a term that this section requires to be treated as included in a contract.

#### Relation to other law on contract terms

- (1) Nothing in this Chapter affects any enactment or rule of law that imposes a stricter duty on the trader.
- (2) This Chapter is subject to any other enactment which defines or restricts the rights, duties or liabilities arising in connection with a service of any description.

What remedies are there if statutory rights under a services contract are not met?

#### Consumer's rights to enforce terms about services

- (1) The consumer's rights under this section and sections 55 and 56 do not affect any rights that the contract provides for, if those are not inconsistent.
- (2) In this section and section 55 a reference to a service conforming to a contract is a reference to—
  - (a) the service being performed in accordance with section 49, or
  - (b) the service conforming to a term that section 50 requires to be treated as included in the contract and that relates to the performance of the service.
- (3) If the service does not conform to the contract, the consumer's rights (and the provisions about them and when they are available) are—
  - (a) the right to require repeat performance (see section 55);
  - (b) the right to a price reduction (see section 56).
- (4) If the trader is in breach of a term that section 50 requires to be treated as included in the contract but that does not relate to the service, the consumer has the right to a price reduction (see section 56 for provisions about that right and when it is available).

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- (5) If the trader is in breach of what the contract requires under section 52 (performance within a reasonable time), the consumer has the right to a price reduction (see section 56 for provisions about that right and when it is available).
- (6) This section and sections 55 and 56 do not prevent the consumer seeking other remedies for a breach of a term to which any of subsections (3) to (5) applies, instead of or in addition to a remedy referred to there (but not so as to recover twice for the same loss).
- (7) Those other remedies include any of the following that is open to the consumer in the circumstances—
  - (a) claiming damages;
  - (b) seeking to recover money paid where the consideration for payment of the money has failed;
  - (c) seeking specific performance;
  - (d) seeking an order for specific implement;
  - (e) relying on the breach against a claim by the trader under the contract;
  - (f) exercising a right to treat the contract as at an end.

## **Right to repeat performance**

- (1) The right to require repeat performance is a right to require the trader to perform the service again, to the extent necessary to complete its performance in conformity with the contract.
- (2) If the consumer requires such repeat performance, the trader—
  - (a) must provide it within a reasonable time and without significant inconvenience to the consumer; and
  - (b) must bear any necessary costs incurred in doing so (including in particular the cost of any labour or materials).
- (3) The consumer cannot require repeat performance if completing performance of the service in conformity with the contract is impossible.
- (4) Any question as to what is a reasonable time or significant inconvenience is to be determined taking account of—
  - (a) the nature of the service, and
  - (b) the purpose for which the service was to be performed.

## **Right to price reduction**

- (1) The right to a price reduction is the right to require the trader to reduce the price to the consumer by an appropriate amount (including the right to receive a refund for anything already paid above the reduced amount).
- (2) The amount of the reduction may, where appropriate, be the full amount of the price.
- (3) A consumer who has that right and the right to require repeat performance is only entitled to a price reduction in one of these situations—
  - (a) because of section 55(3) the consumer cannot require repeat performance; or

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- (b) the consumer has required repeat performance, but the trader is in breach of the requirement of section 55(2)(a) to do it within a reasonable time and without significant inconvenience to the consumer.
- (4) A refund under this section must be given without undue delay, and in any event within 14 days beginning with the day on which the trader agrees that the consumer is entitled to a refund.
- (5) The trader must give the refund using the same means of payment as the consumer used to pay for the service, unless the consumer expressly agrees otherwise.
- (6) The trader must not impose any fee on the consumer in respect of the refund.

Can a trader contract out of statutory rights and remedies under a services contract?

## 57 Liability that cannot be excluded or restricted

- (1) A term of a contract to supply services is not binding on the consumer to the extent that it would exclude the trader's liability arising under section 49 (service to be performed with reasonable care and skill).
- (2) Subject to section 50(2), a term of a contract to supply services is not binding on the consumer to the extent that it would exclude the trader's liability arising under section 50 (information about trader or service to be binding).
- (3) A term of a contract to supply services is not binding on the consumer to the extent that it would restrict the trader's liability arising under any of sections 49 and 50 and, where they apply, sections 51 and 52 (reasonable price and reasonable time), if it would prevent the consumer in an appropriate case from recovering the price paid or the value of any other consideration. (If it would not prevent the consumer from doing so, Part 2 (unfair terms) may apply.)
- (4) That also means that a term of a contract to supply services is not binding on the consumer to the extent that it would
  - (a) exclude or restrict a right or remedy in respect of a liability under any of sections 49 to 52,
  - (b) make such a right or remedy or its enforcement subject to a restrictive or onerous condition.
  - (c) allow a trader to put a person at a disadvantage as a result of pursuing such a right or remedy, or
  - (d) exclude or restrict rules of evidence or procedure.
- (5) The references in subsections (1) to (3) to excluding or restricting a liability also include preventing an obligation or duty arising or limiting its extent.
- (6) An agreement in writing to submit present or future differences to arbitration is not to be regarded as excluding or restricting any liability for the purposes of this section.
- (7) See Schedule 3 for provision about the enforcement of this section.