

Changes to the Distance Selling Regulations

Following consultation, changes to the distance selling rules have been announced.

As the law currently stands, businesses selling services over the phone, by mail order or on the Internet have to provide customers with key written details, including their cancellation rights, before the contract is agreed. For example, a consumer must receive this information before entering into an agreement such as a mobile phone service contract. However, this provision of the regulations created problems for legitimate suppliers, particularly those receiving orders over the phone where the consumer wanted the service to start straight away.

From April 2005 businesses supplying services in this way will be able to deliver this key information at any time from when an order is placed until the service finishes.

In practice, it is anticipated that many businesses will provide consumers with this written information at the point the service starts – for example, when a hire car is delivered. If the information is not made available until after the provision of the service has started, the customer will have the right to cancel the agreement for up to seven days after the information is received.

A number of products and services are exempt from the seven-day cooling-off period, including accommodation, transport, catering, website services, and perishable goods.

Other consumer rights will remain unchanged. It remains law that consumers must still be informed of all their consumer rights and relevant information when the order is made.

The consultation, Changes to Distance Selling Regulations, can be found at <http://www.dti.gov.uk/ccp/consultpdf/distselcon04.pdf>.

Updated guidance for businesses and consumers will be published ahead of the changes coming into effect.