

Milton Keynes Trading Standards Business Advice

The Cancellation of Contracts made in the
Consumers Home or Place of Work etc. Regulations 2008



Regulations

These regulations provide your customers with a minimum cooling off period of 7 days for most contracts entered into at their home or place of work.

The regulations apply to **any** contract made between a consumer and a trader for the supply of goods or services, if it is made during a visit by the trader to the **consumer's home or place of work** (or during an excursion organised by the trader away from his business premises).

The regulations apply to **both solicited and unsolicited visits**. Some of the contracts to which these regulations apply are:

- Home improvements including repairs, maintenance, construction of driveways, patios, fitting of double glazing, conservatories etc.
- Gardening Services
- Sale of household items including cleaning materials
- Mobility products including stair lifts and scooters
- Disability aids including hearing aids
- Nutrition or health products

Cancellation rights must be displayed on any written contract, or if no written contract exists it must be given separately in writing. The cancellation notice must be given to the consumer at the time of making the contract.

The information to be contained in the **'Notice of Right to Cancel'** and the wording on the notice must be in the correct format, an example of a notice is included in this leaflet.

There are both civil and criminal implications if a company does not comply with these regulations.

Criminally a trader will be guilty of an offence, if he enters into a contract to which the regulations apply but fails to give the consumer a notice of the right to cancel. Local trading standards departments have a duty to enforce this legislation and on summary conviction a trader who does not comply may receive a fine not exceeding level 5 on the standard scale (£5000).

Civily if a trader does not give the customer the notice of the right to cancel at the point that the contract is agreed, the contract becomes legally unenforceable. This means that a consumer could choose not to pay a trader for the work they have done and because the contract has become unenforceable it cannot be enforced, even through the courts. Any money already paid by the customer must be returned.

There are exceptions to this right to cancel and these occur when the consumer requests that the work is started before

the end of the seven day period. On these occasions the consumer must provide **in writing** a notice stating that he/she wishes the contract to begin before the end of the cancellation period.

Occasions where a consumer may wish the work to commence within the cooling off period could be:

- Goods or Service supplied to meet an emergency
- Goods where the price may be dependent on fluctuations in the market
- Goods which are consumable and would be consumed before the end of the cancellation period
- Goods and Services relating to a funeral
- Newspapers magazines and periodicals
- Perishable Goods

If a consumer expresses their wishes in writing to have the work started early and then within the first seven days changes their mind, the work must stop and the consumer is liable for the cost of the work completed to date.

The regulations **do not** apply to:

- Contracts for less than £35
- Insurance Contracts
- Agreements that are cancellable under the Consumer Credit Act 1974
- Contracts relating to food and drink supplied by regular roundsmen
- Contracts relating to shares and investments
- Contracts relating to construction, sale or rental of property (however contracts relating to the marketing of a property are caught)

Milton Keynes Trading Standards appreciate these regulations will inevitably cause some inconvenience to businesses affected by them. However, we hope you will appreciate this change in legislation is necessary to restrict the activity of a minority of rogue traders who prey on the more vulnerable members of our community.

Example 'Notice of the Right to Cancel' document:

Notice of your right to cancel this contract

Trader Name and address: _____

Date of Contract: _____

Reference number: _____ (or other information used to uniquely identify the contract or offer)

You have the right to cancel this contract if you wish and you may exercise this right by delivering, or sending (including by electronic mail) a cancellation notice to (insert your name or trading name) at any time within the period of 7 days starting with the day of receipt of this notice.

(Next, insert the name and address (including any electronic mail address as well as postal address), of a person to whom a cancellation notice may be given.)

This notice of cancellation will be deemed to have been served as soon as it is posted or sent (or in the case of an electronic communication, from the day it is sent).

If you wish to cancel this contract you may use the cancellation form provided if you wish.

You may be required to pay for the goods or services supplied if the performance of the contract has begun with your written agreement before the end of the cancellation period.

Any related credit agreement will be automatically cancelled if the contract for the goods or services is cancelled. (Only add if relevant to you.)



Cancellation Form

If you wish to cancel this contract you MUST DO SO IN WRITING and deliver personally or send (which may be by electronic mail) this to the person named below. You may use this form if you want to but you do not have to.

(Complete, detach and return this form ONLY IF YOU WISH TO CANCEL THE CONTRACT.)

To: _____ (Insert the name and address of the person to whom the notice should be sent)

I/We (delete as appropriate) hereby give notice that I/We (delete as appropriate) wish to cancel my/our (delete as appropriate) contract: _____ (you must insert the reference number, code and other details to enable the contract or offer to be identified, you may also insert the name and address of the consumer if you wish)

Signature: _____

Name and Address: _____

Date: _____

Work Starting Before End of Cancellation Period

If you agree work can start before the cancellation period ends you should sign below. If you decide to cancel within the seven day cancellation period, reasonable payment may be due for work carried out prior to cancellation.

I/We* agree (Insert business name) may commence work on _____ (date), before my cancellation period has ended. (*delete as appropriate).

I understand if I decide to cancel within seven days, I may be asked to pay for any work done before cancellation

You can join our Business Newsflash Service which would allow you to keep up to date with new legislation, details of the service and a registration form can be found on our web site. www.milton-keynes.gov.uk/newsflash

This service also runs a Buy With Confidence Scheme which is an approved trader scheme administered by trading standards, further details of the scheme are available on our web site or you can call **01908 252818** for more information on the scheme and how to join.



The information provided in this leaflet is for guidance purposes only and is intended to assist businesses to meet the requirements of the regulations but is not a definitive statement of law.

Should you require further advice or information you can contact Milton Keynes Trading Standards on **01908 252818** or look at the business section of our website at <http://www.milton-keynes.gov.uk/trading-standards/>. We can also provide bespoke training to companies based in Milton Keynes on trading standards legislation which may affect your business.



www.milton-keynes.gov.uk/trading-standards

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