

Your responsibilities to your customers

The Sale of Goods Act 1979 (as amended)

This leaflet has been produced to help you meet your responsibilities to your customers. It explains a customer's civil rights.

Selling goods

Every time a trader sells anything to a consumer, a contract of sale is made. Each contract includes three basic rules which always apply. These basic rules are that all goods must be:

- Of satisfactory quality – this means fit for their normal purposes, and includes their appearance and finish, freedom from minor defects, safety and durability.
- Fit for a particular purpose made known to the seller. For example, if the customer asks for a computer game suitable for a particular machine, you should not sell them one which isn't.
- As described – on the package, display sign or verbally by you. For example, a jumper described as 100% wool should not be a mixture of wool and acrylic.

These rules apply to everything you sell, including goods in sales or second-hand ones; although customers should not expect second-hand goods or 'seconds' to be perfect.

Whose responsibility?

Every time you sell something, you are making a contract with the buyer. If there is a problem with anything you sell, it is your responsibility to sort it out, not the manufacturer's. You cannot get out of these responsibilities by putting up a 'No Refunds' sign. In fact, it is illegal to put up this type of sign.

What to do if someone makes a complaint

If any of the basic rules described above are broken, you are in breach of contract and the buyer is entitled to claim from you. Exactly what the buyer is entitled to depends on whether the goods have been 'legally accepted'.

Acceptance

The buyer can accept goods by telling you that he has accepted them or by doing something to them which shows that he no longer regards you as being the owner, such as altering them in some way. The buyer must have a reasonable opportunity to examine the goods although he should not keep them for more than a reasonable time without telling you that he has rejected them.

Before legal acceptance, the buyer is normally

Please turn over...

For help and advice on complying with consumer protection laws

Nottingham City Council Trading Standards

Lawrence House, Talbot Street, Nottingham NG1 5NT

Tel: 0115 915 6559 Fax: 0115 915 6120

Email: trading.standards@nottinghamcity.gov.uk

Website: www.nottinghamcity.gov.uk/trading_standards

TSBI 14 – September 2008



Nottingham
City Council

entitled to reject the goods and claim a full refund of money, if any of the three basic rules have been broken. After this point, the buyer is entitled to claim damages which, in many cases, will be equal to the cost of a repair. In either case the buyer is entitled to claim other losses he may have suffered as a direct result of the breach. For example, if a customer bought a washing machine which proved defective and damaged clothing, the customer could claim for the damaged items.

You do not have to give a refund where buyers simply change their minds about the goods.

Pointing out a fault

If someone returns an item for a fault which was pointed out to them at the time of sale they are not entitled to a refund. But if they return something for a different problem they have the same rights as if the item was sold as perfect. For example – if you sell a TV with a scratch on the screen which is pointed out to the buyer, or which should have been easily noticed, they cannot expect to bring it back for that scratch. But if the TV does not work they have the same rights as if it was not scratched.

The Sale and Supply of Goods to Consumers Regulations 2002

These regulations came into force on 31 March 2003.

In addition to their long-established right to reject goods and to claim compensation as described above, consumers now have the right to choose a repair or replacement instead. Such repair and replacement must be carried out within a reasonable time and without significant inconvenience for the consumer; you will bear any costs involved in fulfilling these obligations, eg, transportation costs. If neither repair nor replacement is realistically possible or is disproportionately costly, then consumers can instead request a partial or full refund, depending upon what it is reasonable for them to expect.

The burden of proof - the first six months

If the consumer requests one of the remedies afforded by the new Regulations, then the law reverses the burden of proof in the consumer's favour for a 6-month period. This means that the goods are presumed to be faulty and it is

for you to prove that they were satisfactory at the time of sale.

Fair wear and tear

Consumers cannot hold you responsible where the problem with the goods is due to fair wear and tear. There needs to be a fault that was present on the day of sale, even though it might only become apparent later.

Public statements

Any public statements made, for example in adverts and on labels, by manufacturers, importers, producers and you/your staff now form part of your contract with the consumer. A limited number of defences are available.

Free guarantees

You do not have to offer a free guarantee but, if you do, any offered since 31 March 2003 will now be legally binding. They must be written in plain English; available in durable form; and available for viewing by consumers before purchase. They must include a statement to explain that the consumer has statutory rights in relation to the goods and that the guarantee does not affect those rights.

Auctions

The implied terms in the Sale of Goods Act as to description, quality and fitness can no longer be excluded in respect of new goods purchased by consumers at auction or in respect of second-hand goods sold at auctions that consumers cannot attend in person. The four new remedies of repair, replacement, partial or full refund will also be available for such goods.

Looking after your customers

To get a good reputation, you can do more for your customers than you have to under the law – for example you can give a refund or exchange for items which are unwanted. But you cannot do less – the customer always has rights if anything you sell breaks any of the three basic rules.

This leaflet is a brief summary of the civil law regarding retail sales. It is not an authoritative document on the law and is only intended for guidance. For further information please contact Consumer Direct on 08454 040506. Consumer Direct works in partnership with Nottingham City Council Trading Standards.