

Cancelling goods or services: Tips for consumers

Have you...

- Agreed to buy goods or services, but now changed your mind or are you unable to go ahead with the contract?
- Lost all or some of the payments you've made in advance?
- Been asked to pay a cancellation charge?

Consumer law may help you

Did you know?

- A business can only keep the payments you've made in advance or ask you to pay a cancellation charge if it's fair to do so.
- A charge is not fair just because it's included in the contract you signed.
- Sometimes you're entitled to a full refund (although you can't always expect all of your money back if you change your mind).

Advance payments that are not refunded

Don't just accept that advance payments, including large deposits that may be described as 'non-refundable' can be kept by a business.

Cancellation charges

Don't just accept that you have to pay the charge imposed by the business.

Why?

If you cancel a contract, a business is generally only entitled to receive an amount sufficient to cover the loss (such as costs already incurred or loss of profit) they've suffered that directly results from your cancellation, although a business must take reasonable steps to reduce their losses e.g. by re-selling the goods or services. This means any cancellation charge agreed in advance must be a reasonable estimate of such an amount to be fair.

The business may be asking you for more money than it is entitled to. Just because it is in the contract doesn't mean it is always enforceable by law. Don't be afraid to check your consumer rights.

What next?

If you have concerns, ask the business to explain how they calculated the amount that they will not refund to you or the extra amount that they are charging you for cancelling.

Contact Citizens Advice consumer service (03454 04 05 06) for advice on what you can do. Find your nearest Citizens Advice at www.citizensadvice.org.uk.