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Description automatically generatedDisplaying prices and charging for your services

Under the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and the Provision of Services Regulations 2009 it isn’t just how you advertise your products and services that come under scrutiny, but also your pricing policy too.

How you come up with your prices is your business, but how you display your prices can land you in hot water if you are not clear and transparent up front, in your advertising, about what is and what is not included.

**Information you must make available**

* A price that includes all non-optional extra charges for example booking fees and taxes
* Exactly what is included in the price for example double room for single occupancy including breakfast
* A list of the optional extra charges for example parking or breakfast

**Price variances:**

Where there are price variances it is important that the conditions applicable for the variances are also made clear before the customer attempts to book. For example:-

* where family tickets are offered – how many tickets are included within the family price and what are the maximum age for the children
* where reductions are granted for different ages – what are the age ranges
* where different terms are applied to the rates – some rates might be non- refundable and others refundable up until the day
* where guest rooms have 1 person staying or 2 people – there will likely be a supplement for the additional person
* where there are different room types – what is included in each different room type, do some rooms have desks or sofas, are some rooms larger than others
* where peak pricing applies – what days of the week and / or times of the year does this apply
* where breakfast or other meals are included – what exactly is included, is it full English breakfast or continental breakfast. If the rate is a Dinner, Bed and Breakfast rate is the dinner 2 or 3 courses and is it from the carvery or a la carte?
* where you offer early bird discounted prices, you must ensure that a reasonable number of tickets are available at the lower prices
* where a minimum stay applies – the minimum number of nights must be clearly shown
* where the price is for admission to an attraction, whether the price includes admission to all the rides, displays, activities and if not what the charges for these are
* where the price is for a ticketed event, the price details should show the location, the timing of the event, the area within the arena that the ticket price is valid for

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Description automatically generatedThe price you display must include VAT. If you do a significant amount of trade with VAT-registered business customers, you may wish to provide details of VAT-exclusive prices too, but these should never be more prominent than the VAT-inclusive prices. On a website, you can provide a facility (a button, for example) to allow users to switch between VAT-inclusive and VAT-exclusive prices, so long as the inclusive prices are the ones that appear by default.

**Overcharging**

If you charge more than your advertised price you could be guilty of giving a 'misleading price indication'. This is a criminal offence. It could also be a breach of contract.

If there is a chance that your prices could vary during the lifetime of the advertisement you should make this clear - for example, different prices for high and low seasons.

It is also illegal to charge consumers a surcharge for using a credit or debit card to pay the bill.

**Bookings/Terms and Conditions**

Once you have accepted a booking from a customer, you are entering into a legally binding contract with the customer, and we recommend that you have cancellation terms and conditions in place and ensure that customers are aware of theses booking terms and conditions before they make a booking.

Your terms can appear:

* on the back of the contract
* on your website
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  Description automatically generatedin the back of your brochure

If you wish to rely on the terms of the contracts you have with consumers it is essential that those terms are 'fair'. An unfair term is not legally binding on consumers, and enforcers can also take action to stop you using it. Generally, contract terms and notices are unfair if they put the customer at an unfair disadvantage.

**Deposits, advance payment and cancellation charges**

Deposits are a customer’s way of reserving your goods or services and for larger expenditure, spreading the cost. Advance payments help you to pay your business’s actual costs during a contract.

**Cancelling a contract: when and how**

You may want to include terms in your contract that allow both you and your customer legitimate reasons for bringing the contract to an end. You must ensure that these are reasonable, lawful and fair on both sides.

We know this can sound daunting. After all your business is all about people and providing the best experience, you can – not writing contracts and terms and conditions. But there is help at hand and  this doesn’t have to be expensive. The **Gig Economy** means that there are now numerous first-class legal professionals that charge by the hour to support companies for just this type of thing.

Or you could consider a **subscription with one of the digital businesses** that offer contract templates that you can download and tailor for your business. The advantage of this type of service is that it’s generally cheaper and, whilst you are a subscriber, you will always be notified of any changes in legislation that might affect your policies. Businesses that offer these services include: -

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Description automatically generated<https://simply-docs.co.uk/>

<https://www.business-in-a-box.com/>

<https://www.thelegalstop.co.uk/>

<https://www.mylawyer.co.uk/>

But of course it's important to check the terms and conditions and that the document style matches your own business style.

**Alternative Dispute Resolution (ADR)**

If you have a dispute with a customer, the first course of action is to try and negotiate a resolution that is acceptable to both yourself and the customer.

Where you have a dispute with a consumer that you're unable to resolve, you must provide the customer with the name and web address of a certified Alternative Dispute Resolution (ADR) provider and whether you are willing to use this ADR provider to settle the dispute.

ADR providers act as independent adjudicators and make a decision on the dispute.  There is a range of options for resolving the dispute without going to court. These options can often be quicker and cheaper, and lead to a more satisfactory solution, than taking legal action.

The simplest and most common form of ADR is direct negotiation, and this often leads to a solution.

Where direct negotiation does not resolve the dispute, a range of other options may be available. In broad terms ADR can take two forms:

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* in some types of ADR, the process allows the parties to the dispute to decide their own outcome, often with the help of a neutral third party. This is typically the case for direct negotiation, conciliation and mediation
* in other types of ADR, the outcome is decided by someone who is not a party to the dispute. This is what happens in adjudication, arbitration and ombudsman schemes

**Why use ADR**

* ADR procedures are often completed more quickly than court proceedings and can be completed very quickly indeed, allowing you to get on with running your business
* costs are often lower than going to court
* ADR procedures are often completed in private and conducted confidentially, avoiding the risk of adverse publicity and reputational damage that could arise from a court case
* in some types of ADR (such as mediation) the parties to the dispute decide the outcome themselves rather than having it imposed on them
* ADR procedures can be more flexible in terms of their outcome and in terms of whether and how they apply strict rules of law. It may therefore be possible to achieve outcomes that a court could not order, or to get a result that the parties think is fairer than that dictated by law
* ADR procedures can be less confrontational or adversarial than court proceedings, failing to consider ADR can be penalised by the court

The Citizens Advice Bureau has compiled a very useful list of ADR providers, which can be downloaded [here](https://www.citizensadvice.org.uk/Global/CitizensAdvice/Consumer%20publications/Appendix%20D%20-%20Map%20of%20ADR%20Providers%20in%20the%20UK.pdf)