



Business in Focus



Domestic energy saving

Guidance for businesses on legislation and best practice regarding renewable energy, green heating and energy saving in domestic premises

Make sure your business complies with consumer law

businesscompanion
trading standards law explained

This guide was produced as part of a business advice project by the Department for Business, Energy and Industrial Strategy and the Chartered Trading Standards Institute.





DRAFT

Foreword

The UK's journey towards net zero will require a concerted effort on the part of every consumer and business in the country. It will require consumers to be well informed about energy-efficient ways of powering their homes; and it will require businesses operating in the domestic energy sector to adhere to high standards of technical expertise, professionalism and customer service.

The opportunities represented by net zero are plain to see. As well as the long-term environmental benefits at stake, there are substantial rewards for businesses that manage to successfully gain a foothold in the domestic energy sector. By following best practice and operating within the law, such businesses stand to benefit enormously.

As well as the potential opportunities however, there are some important things that businesses need to bear in mind. Because the domestic energy sector relies on fairly complex and expensive technologies with which the majority of consumers will be unfamiliar, it is vital that businesses are particularly careful about the information they impart and the claims they make. It is also crucial that businesses take extra care to ensure their customers understand what they are paying for when they agree to buy a new piece of technology or have it installed in their homes.

Net zero's success will rely on consumer confidence and trust. This guide sets out, in plain English, what businesses must – and must not – do if they want to demonstrate that they have what it takes to earn that trust.

Being aware of the issues around consumer vulnerability, and developing a policy to accommodate it, will help to ensure your customers are satisfied, everyone gets a fair deal, and those most in need of protection are safeguarded.

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Introduction

The legal context for renewable energy, green heating and energy saving in domestic premises

Background

The UK Government's goal for the country to achieve net zero by 2050 is a massive challenge, and facing up to this challenge cannot be left to industry alone. The only way that we stand any chance of reaching the target is through the actions of householders who consume energy to generate heat and hot water, and to operate a range of domestic appliances. Home heating alone represents around 17% of all UK carbon emissions (HM Government [Heat and Buildings Strategy](#)).

With the escalating cost of domestic gas and electricity, householders are taking much more interest in finding ways to reduce their energy consumption and to save money.

Gas appliances will eventually be phased out and homes will be predominantly electric only, placing enormous pressure on the National Grid. At present, the National Grid relies on fossil fuels to produce around 40% of our electricity but this will reduce as we move towards more non-fossil fuel generation through wind, solar and nuclear power.

In the meantime, households are being encouraged to make changes in order to reduce energy consumption, which will reduce reliance on fossil fuels, reduce carbon emissions and save money. There are a range of renewable energy, green heating and insulation measures that can be installed:

- **heat pumps.** These draw heat from a low temperature source and raise it to a higher temperature. There are two main types for domestic premises:
 - air source, where heat is extracted from the outside air
 - ground source, where heat is extracted from fluid running through pipes buried in the ground
- **home solar.** This uses energy from the sun to generate electricity (solar PV) or to heat up water (solar thermal). Solar systems are typically installed on the roofs of homes
- **battery storage.** This allows any electricity generated, particularly by solar PV, to be stored so it can be used later when it is needed and when demand on the National Grid is greatest. Home batteries, and potentially batteries installed in electric cars, will assist in ironing out the peaks and troughs in electricity demand in the future
- **insulation.** This helps to keep heat in the home and can be applied in the loft, in cavity walls, underfloor or added to solid walls. Double glazing can also be included in this category
- **biomass boilers.** These work in a similar way to a standard gas boiler but use a renewable material such as wood pellets as fuel
- **hydrogen-ready boilers.** These can be switched from natural gas to operate on hydrogen instead.



They are not currently available, but trials of hydrogen-powered boilers are underway as this technology is being developed

- **wind turbines.** These are relatively rare in domestic settings but where installed, they can be linked into battery storage in the same way as solar PV

A previous Business Companion guide was produced in 2022 focusing on '[Renewable energy](#)'. This guide included details on how to become a certified installer, current incentive schemes, some basic best practice guidance and some basic information on consumer protection law. This new guide is intended to provide much more detail on the consumer protection law that applies to those businesses installing measures in domestic premises, and will give more practical and relevant best practice guidance.

Many businesses in the renewable energy, green heating and insulation sector may already belong to a trader scheme or approved code scheme. These businesses must follow any codes applicable to their



scheme and it is anticipated that this Business Companion guidance will duplicate many of those responsibilities. However, there may be some additional legal and best practice guidance in this guide that businesses may wish to adopt.

Understanding consumer vulnerability

The most important consideration for businesses that operate in the domestic renewable energy, green heating and insulation sector is to understand how complex this market appears to the average consumer.

Technology is changing all the time and it is difficult for the majority of consumers to understand the products that are available and how they work. The sector relies on complex technical data, unfamiliar terminology and numerous acronyms.

Add to this the fact that consumers are constantly bombarded with messaging around climate change, which, combined with increasing worries about soaring energy prices, makes them feel pressurised to

‘do something’ in their home. Then add in the high costs that can be associated with installing measures – for example, £10,000 plus for an average solar PV and battery installation.

This perfect storm makes consumers particularly vulnerable to being exploited. They are reliant on businesses as the experts, and this means that they are more likely to be ripped off by unscrupulous and fraudulent traders. It is also likely that information provided by businesses may be biased towards the positives, failing to reflect some of the drawbacks such as ongoing maintenance costs.

There are laws in place to protect consumers from aggressive and misleading practices, which will be explained in this guide. These laws create criminal offences that, in the worst cases, can result in unlimited fines and prison. In order to make the transition to net zero as effective and successful as possible, consumers must have confidence in businesses that install measures in their homes.

By following the legal requirements and best practice guidance contained within this guide, it will be easier to demonstrate that a vulnerable consumer has not been taken advantage of. This will build the reputation of the sector, encouraging others to participate who may previously have been unsure about having work carried out. It is a wonderful opportunity for reputable businesses to thrive.

Structure of the guidance

This guide will set out the preferred consumer journey for having measures installed in the home and will set out legislative requirements and best practice guidance at each stage. Business Companion already contains detailed guidance on a vast range of Trading Standards legislation and there will be links to this where needed.

There are three main stages to the consumer journey, which are reflected in the three parts of this guide:

- **Part 1.** How businesses promote their products and services
- **Part 2.** The engagement with consumers by businesses before, during and after the purchase and installation of any measures
- **Part 3.** The complaints and redress process if things go wrong

Part 1. Promotion

How businesses promote their products and services

Product performance claims

Inevitably, a major selling point used by businesses in the renewable energy, green heating and insulation sector is the claim that purchasing and installing a particular product will save the consumer money by reducing their domestic energy costs. Provided that a product is fit for purpose and properly installed, it is likely that it will save money on energy costs.

The real difficulty here is exactly how much money will be saved and whether any projected savings will be realised. No two households are the same, and there are many variables – for example, construction and layout of property, prevailing weather conditions, number of occupants and their individual preferences, and the current domestic energy tariff being paid. To illustrate this point, projections about future energy savings when the current domestic tariffs are very high could be completely inaccurate if the tariffs were to drop in the future.

Businesses supplying and installing measures must take great care when making claims about them. There are two main pieces of criminal legislation that apply: the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and the Fraud Act 2006.

Offences under this legislation can be committed by sole traders,

partnerships and limited companies. Importantly, offences can also be committed by senior managers and directors, so even if a limited company is dissolved, criminal cases can still be pursued by Trading Standards or the Police.

CONSUMER PROTECTION FROM UNFAIR TRADING REGULATIONS 2008

These Regulations cover a range of activities, including aggressive practices and misleading omissions, which will be covered in part 2.

In terms of making false claims, regulation 5 of the CPRs prohibits businesses from giving false information to, or deceiving, consumers. A misleading action occurs when a practice misleads through the information it contains or its deceptive presentation (even if the information is factually correct) and causes, or is likely to cause, the average consumer to take a different transactional decision.

A wide variety of information may be considered as misleading and regulation 5 includes detailed lists of what is included – for example, the main characteristics of the product and its benefits. Business Companion covers these Regulations in great detail in '[Consumer protection from unfair trading](#)'.



FRAUD ACT 2006

If a business makes a false representation that was dishonest, and by making the false representation intended to gain for themselves or another (or cause loss to another), then they may commit an offence under the Fraud Act 2006 (the Fraud Act does not apply in Scotland; instead, it is the common law offence of fraud). In relation to fraudulent trading by people working for, or on behalf of, a limited company, the offence is under section 993 of the Companies Act 2006.

Product marketing

Businesses need customers and, in the renewable energy, green heating and insulation sector, this means using a wide variety of channels, including paid-for advertising, direct mail, email, telephone calling, leaflet distribution, cold calling on the doorstep, and social media. Some types of marketing cause concern to Trading Standards officers because of their intrusive nature and there



“Some types of marketing cause concern because of their intrusive nature”

are some controls in place that businesses need to be aware of.

Cold calling on the telephone is not against the law but there are controls that have evolved to protect consumers. The most **well known** is the **Telephone Preference Service** (TPS), which allows consumers to register. Basically, it is an official ‘do

not call’ register for landlines and mobile numbers. It allows consumers to opt out of unsolicited live sales and marketing calls. If a number is registered with the TPS, businesses are legally required – by the Privacy and Electronic (EC Directive) Regulations 2003 – to refrain from calling it. In the UK, the Information Commissioner’s Office enforces the law and has power to fine firms that break it.

The use of direct mail to promote products is probably less significant than it used to be but there is still a system called the **Mailing Preference Service** (MPS), which allows consumers to opt out of receiving direct mail. There are currently around three million consumers signed up to the MPS.

Cold calling on the doorstep is a major problem encountered by Trading Standards. It is very intrusive and catches householders unawares, putting some people into a ‘hot

state’, which can lead to hasty and unwise decisions. The usual Trading Standards advice to consumers is to never deal with cold callers on the doorstep, to simply say “No thank you” and close the door.

Networks of No Cold Calling Zones have evolved over the last 20 years or so and businesses that want to cold call on the doorstep should first contact the local Trading Standards service in the area in which they wish to operate. Door stickers like the one pictured below must be respected by businesses; failure to do so is potentially an offence under the banned practices section of the CPRs.

Some businesses use the services of lead generation companies in order to find potential customers. Businesses that use lead generation companies must take extreme care and fully understand how details of those potential customers are obtained. Businesses cannot simply



wash their hands and say that the activities of a lead generation company are nothing to do with them. If a business is paying for leads, then it is everything to do with them.

Customers will sometimes use a business following a recommendation from a friend or family member, which is an incentive for any business to do a good job every time.

Ancillary matters

There are some ancillary matters that are worth highlighting at this point.

TRADE BODIES AND CONSUMER CODES

There are a wide range of trade bodies and consumer codes in the renewables sector. Perhaps the best-known scheme is TrustMark, the Government-endorsed quality scheme that exists to create enhanced confidence and choice for consumers engaging businesses to work in or around the home. There is also [MCS](#), which a business normally needs to be signed up to in order to offer work under Government-funded home improvement schemes. There are then two main consumer codes: the [Home Insulation and Energy Systems Quality Assured Contractors Scheme \(HIES\)](#) and the [Renewable Energy Consumer Code \(RECC\)](#). A business cannot falsely claim to belong to a scheme; it is a criminal offence to do so.

DATA PROTECTION

The UK General Data Protection Regulation (UK GDPR) regulates how customer information is stored. The prime concern is that information must be kept secure and legally processed, and failure to do so is a criminal offence. The rules are enforced by the Information Commissioner's Office and its website provides lots of useful [information for organisations on UK GDPR](#).

ADVERTISING

Businesses need to be aware of the [Advertising Standards Authority \(ASA\)](#). It is the UK's independent advertising regulator and makes sure that adverts across UK media stick to the advertising rules, known as the advertising codes. Of particular interest for the renewable energy, green heating and insulation sector is the requirement that advertisers hold evidence to prove any claims that they make before they are published or aired.

REVIEWS

Many consumers check review websites before purchasing goods and services. Some unscrupulous businesses recognise the power of positive reviews and mislead by using fake reviews. Businesses must not manipulate and use fake reviews; doing so would be a criminal offence under the CPRs and the Fraud Act 2006. See '[Online reviews and endorsements](#)' for more information.

LIMITED COMPANIES

It is important that businesses have an established legal identity. In most cases, businesses will be set up as a limited liability company under the provisions of the Companies Act 2006. It is a simple process to set up a limited company on payment of a small fee, and details will be published on the publicly available register of companies maintained by Companies House.

A company will need to have at least one director and a registered office address to which all communications and notices may be addressed. This is an important requirement of section 86 of the Companies Act 2006. Businesses do not need to use a director's personal address as the registered office but can



“It is important that businesses have an established legal identity”

instead use an office address, a mail-forwarding business or the address of an accountant or solicitor (with their permission).

Many businesses use mail-forwarding addresses. The businesses offering these mail-forwarding services may give their customers the option of choosing to only receive particular types of ‘official’ mail, such as letters from HMRC or Companies House. This is a practice that has evolved over the last few years but those using the service must not take advantage of it. Choosing to not receive all mail sent to a business address is likely to breach the professional diligence requirements of the CPRs and may be a criminal offence. Guidance on [setting up a limited company](#) is provided by Companies House.

It is important for businesses to ensure that customers are made aware of their legal identity and registered office address so that letters can be received. This means that documents such as invoices and receipts must include the registered office address. It is also important for business websites to include this information, which is a requirement of regulation 25 of the Company, Limited Liability Partnership and Business (Names and Trading Disclosures) Regulations 2015.

Further guidance on the requirements can be found in [‘Company and business names’](#).

Part 2. Engagement

Engagement with consumers before, during and after the purchase and installation of any measures

Entering into a contract

Once a consumer is interested in purchasing energy-saving measures for installation in their home, a business will normally arrange to visit the property. The visit is a very important part of the whole process, and its primary purpose is to discuss the consumer's requirements and to agree a price.

This is also the opportunity for the business to assess the suitability of the measures being proposed and to conduct an initial site survey. This might include taking measurements, assessing the fabric of the home, assessing the quality of any existing energy-saving measures, and working out access to the water system, electricity and gas where appropriate.

The visit is normally the first time that the business will meet the consumer and is an opportunity to assess their potential vulnerability.

Businesses need to understand a range of issues during the pre-contract period, as follows.

Consumers will need to be given clear information about the products and services that they intend to purchase. Product-performance claims made to consumers, both verbally and in writing, must be accurate. Providing false information is a criminal offence (as discussed in part 1). The use of 'up to' savings claims must be treated with extreme

caution, particularly if the 'up to' figure is only rarely achieved in practice. In a situation where a consumer is led to believe that they will achieve the 'up to' saving when the evidence shows this is unlikely, the business may be guilty of criminal offences.

It is best practice for any energy performance calculations to be provided in writing to every consumer in plain, easily understandable language. Great care must be taken when producing these calculations because they will form a key part of any subsequent contract.

Any discussions about price that include discounts, sales or special offers must be genuine and not misleading. Using a list of inflated prices (which, in practice, are never charged) and then discounting from those inflated prices is likely to be misleading and a criminal offence under the Consumer Protection from Unfair Trading Regulations 2008 (CPRs). Businesses should be fully aware of the Guidance for Traders on Pricing Practices, which can be found in '[Providing price information](#)'. By following this guidance, it is unlikely that a business will commit a criminal offence relating to misleading pricing. All prices for consumers must include VAT.

Businesses need to exercise caution with how products and services are priced. Many consumers will not



be familiar, for example, with the price of a heat pump because it is a product that they are unfamiliar with. Exploiting consumer vulnerability and charging extortionate sums for products or services is likely to breach criminal legislation, most notably the 'fraud by false representation' provisions of section 2 of the Fraud Act 2006.

High pressure and aggressive selling have traditionally been major problems when businesses visit consumers in their homes. It is a criminal offence under the CPRs for a business to engage in these practices. Although not precisely defined in law, businesses should avoid the following behaviours (this is not an exhaustive list):

- repeatedly visiting or contacting a consumer to secure a sale
- conducting sales visits that are excessive in length
- sales visits that last late into



“Businesses are directly responsible and accountable for the actions of any employees or agents”

the evening

- not leaving a consumer’s home when requested to do so (this is a specific criminal offence)
- refusing to leave until a contract has been signed
- getting a consumer to waive their statutory right to a 14-day cooling off period unless there is good reason to do so
- failing to recognise that a consumer is clearly confused or unsure about what they are doing
- stating that discounts are only available if a contract is signed immediately

Businesses are directly responsible and accountable for the actions of any employees or agents involved in the sales process. Some businesses employ sales agents on very high levels of commission, so it will come as no surprise that this might contribute to the likelihood of consumer detriment and breaches of consumer protection legislation.

A particularly important set of regulations for businesses in this sector are the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013. They apply to contracts made both on and away from business premises, specifically in a consumer’s home. The Regulations require detailed information to be given to consumers and, most crucially, give them a statutory 14-day cancellation period if they enter into a contract. It is possible for a consumer to waive this cancellation right but, unless there is a very good reason for doing so, a business that encouraged such a waiver might be investigated for high pressure or aggressive selling. Full details of these Regulations, in relation to off-premises sales, can be found in ‘[Consumer contracts: off-premises sales](#)’.

There is no legal requirement for a business to provide a written contract, but it is strongly advised

that this happens in the renewable energy, green heating and insulation sector. A written contract makes clear exactly what is being purchased, who the contracting parties are, the agreed price, when contract performance is expected to take place and any relevant terms and conditions. If a business wishes to rely on the terms of a contract, it is essential that those terms are ‘fair’. Unfair terms are not legally binding on consumers, and enforcers can also take action to stop businesses from using them. See ‘[Unfair contract terms](#)’ for further information.

It is important for a business in such a specialist and complicated field as this to always act with professional diligence. Failure to do so can be a criminal offence under the CPRs (under the unfair commercial practices provisions). As an example, a business that accepted an order for a heat pump installation where the existing property infrastructure was

wholly insufficient to allow the heat pump to work effectively could be guilty of an offence.

A business that fails to provide information that is relevant to the contract, or gives insufficient information about a product, might contravene the misleading omissions provisions of the CPRs.

A good recent example of this might apply to the sale of spray foam insulation. Consumers who have purchased this product have subsequently experienced difficulties in selling their property or remortgaging due to the inability of a surveyor to fully inspect the condition of the roof. A spray foam business that failed to mention this to a prospective purchaser might fall foul of this provision until this industry-wide issue is hopefully resolved during 2023.

When providing pricing information that is linked to projected future energy savings, consumers will be particularly interested in trying to establish the payback period and whether it makes economic sense to proceed with installing measures in their home. It is therefore imperative that businesses factor in any foreseeable additional costs that are likely to arise during the lifetime of a product. For example, with a solar PV system linked to battery storage, a business should advise the customer that it is likely that the electrical



inverter will need to be replaced and give an indication of the replacement cost and expected life cycle. Another example is a heat pump where, as a condition of any warranty, an annual service may need to be paid for by the consumer. Any foreseeable additional costs should always be flagged by a business.

Businesses will be asked by the consumer to indicate the date when any work will commence and how long it will take. This has the potential to form a term of the contract and if key dates are missed without reasonable excuse, the consumer may be able to claim compensation. Equally, if for any reason the consumer is unable or unwilling to allow access to the property without reasonable excuse, the consumer may be liable to compensate the business.

Where consumers are entitled to external funding or Government incentives, businesses must clearly explain the terms of these

arrangements and any conditions that may be attached. Where grant-funded work is being carried out, the business must be properly accredited, which is normally through [MCS](#).

Businesses must ensure that they have the appropriate authorisation from the Financial Conduct Authority if they are selling, arranging or discussing finance options with consumers. See '[Credit and other financial matters](#)'.

Where renewable energy, green heating and insulation products are being installed in a consumer's home, there may be requirements to involve the local authority Building Control department. There may also be additional restrictions if the consumer lives in a conservation area or in a listed building. The business must ensure that any local authority procedures and permissions are flagged with the consumer, and it is clear what needs to be done and who will be doing it. This can be a complex area and there may be



permitted development rights for most renewable energy projects, but it should always be checked. The [Planning Portal](#) website is very useful.

Once a price has been agreed with a consumer, it is reasonable for a business to take a deposit payment. Consumers are advised to never pay in full for work on their property and a reasonable deposit payment is 25% with staged payments thereafter. Full payment should only be taken on satisfactory completion of the work.

It is possible that consumers having measures installed in their homes may need to advise their home insurance company. This a grey area and requirements may vary between different insurance companies. Good practice for a business is to advise customers to notify their insurance company before any subsequent work is undertaken.

Contract performance

Any work that a business carries out in a consumer's home must be

carried out with reasonable care and skill. There are important issues that businesses need to be aware of, which are outlined below.

Businesses need to be aware of their responsibilities under the Construction (Design and Management) Regulations 2015. The Health and Safety Executive website has a useful page that explains [businesses' responsibilities under the Regulations](#).

Businesses need to take adequate precautions to prevent damage to the consumer's home, including the use of sheeting and protective covers. Consumers should be asked to remove any precious or valuable items from work areas. Businesses should try to plan work to minimise any disruption and, at the conclusion of the work, should ensure that the property is left clean and tidy. Adequate public liability insurance should also be in place.

Where subcontractors are appointed by a business to deliver ancillary services at the consumer's property – for example, the erection of scaffolding – they should be competent and carry an appropriate level of public liability insurance.

Businesses should keep the consumer updated during the progress of any work. If something goes wrong or something unexpected crops up, the business

needs to keep the consumer informed and agree a way forward.

Businesses should ensure that any waste is disposed of responsibly and safely, and that a waste carriage licence is held where necessary.

After installation

Once work has been completed, it is important for the business to show the consumer exactly what it has done. This may be quite simple in the case of insulation products, but it can also be very complicated in the case of a solar PV with battery storage installation. Take time to demonstrate how any appliances work and ask the consumer to demonstrate their understanding. Ensure that any operating instructions or manuals are handed over.

If a warranty or insurance-backed guarantee is provided with the measures that have been installed, it is vital that these are properly registered, and the relevant paperwork is provided to the consumer. If these warranties or guarantees were part of the sales process, failing to properly register them can be a criminal offence under the CPRs.

If a business is a member of an approved trader scheme or subscribes to a consumer code, there will be checklists of tasks that it will need to complete. These checklists must be meticulously followed.

Part 3. Complaints and redress

How businesses can effectively resolve disputes with consumers

Consumer Rights Act 2015

The Consumer Rights Act 2015 (CRA) is a lengthy but significant piece of legislation that consolidated existing consumer protection laws, giving consumers a number of new rights and remedies. One of the major changes was to do away with the long-established Sale of Goods Act 1979 and the Supply of Goods and Services Act 1982 insofar as they applied to ordinary consumers.

A better understanding of the law will help businesses to serve their customers well. For example, if a customer is demanding a refund, the business will be able to explain clearly whether their rights entitle them to one. And if a problem arises in how a business provides a service, it can be certain what it may be required to do about it.

This guide has been written in relation to the way that businesses deal with consumers. A consumer is defined in the CRA as “an individual acting for purposes that are wholly or mainly outside that individual’s trade, business, craft or profession”. In a nutshell, anybody paying for something that will be used in their personal life is a ‘consumer’, and the relevant rules will need to be followed. The rules when dealing with businesses will be different; see [‘Business-to-business marketing’](#) for more information.

When dealing with measures installed in domestic properties, it is important to break down the contract into ‘goods’ and ‘services’. The ‘goods’ part of a contract might be, for example, a heat pump unit or a solar panel, and the ‘services’ part of a contract covers what a business does to install or fit those goods into a property. There may even be a ‘digital’ aspect if any of the measures include digital components.

An understanding by businesses of Part One of the CRA is really very important. In relation to the ‘goods’, they should normally be:

- of satisfactory quality
- fit for their intended purpose
- as described

In relation to the ‘services’ that a business provides, they must be carried out:

- with reasonable care and skill
- at a reasonable price
- within a reasonable time

Comprehensive guidance on these rules, as well as the different remedies that may be available to consumers where problems arise, are already covered in Business Companion.

Goods are covered in [‘Sale and supply of goods’](#), which includes detailed guidance from the Department for Business, Energy

and Industrial Strategy (BEIS, which was known as the Department for Business, Innovation and Skills at the time): [Consumer Rights Act: Goods - Guidance for Business](#).

Services are covered in [‘Supply of services’](#), which again includes detailed guidance from BEIS: [Consumer Rights Act: Services - Guidance for Business](#).

Digital aspects of these products are another matter. The Consumer Rights Act introduced the concept of ‘digital’ into consumer law, as something distinct from goods or services. However, any digital component is likely to be embedded within the goods or be related to them (such as an app that can be used to operate them) rather than existing in isolation.





This then becomes what is known as a ‘mixed contract’, which also includes how the law deals with goods and services being supplied as part of the same contract. See [‘Mixed contracts’](#) for more information.

The rules in relation to goods and services are complicated. It is useful for a business to think of itself in the position of one of its own customers. Consumers should be made aware of the business’s obligations and be given clear and comprehensive information at all times.

Complaints handling

It is advisable for any business to have an established process for handling complaints and consumers should be made aware of this process.

“It is useful for a business to think of itself in the position of one of its own customers”

Dealing with complaints is a daunting prospect for any business. However, it must be recognised that in the renewable energy sector, complaints are probably more likely to arise due to the complexity of products that are being installed. It must

also be recognised that some of the technology is relatively new. Further still, the expectations of consumers may be very high, based on promises that have been made during the sales process for saving money on energy bills.

In many cases, complaints may be based on simple consumer operator error, and they can be quickly resolved. The way that a business handles complaints can be very important. If complaints are handled quickly and efficiently, it can prevent a long drawn out and expensive dispute developing, which might have the capacity to damage the reputation of a business and have a detrimental impact on future profitability.

In some cases, consumers may be completely unreasonable and vexatious, and a business may feel that it is being treated unfairly. A business needs to behave professionally and try to get to the root of any complaint, and take responsibility if it is to blame. There may already be an established complaints process in a consumer code or trader approval scheme that the business is obliged to follow. There may also be expert help available that can lead to an inspection of measures that have been installed in order to determine what the problem is and where any fault lies.

If a business is responsible for a problem that arises, it needs to take steps to put the problem right. In most cases, this might involve carrying out remedial work or replacing faulty components at its own expense. It is not acceptable for a business to pass the blame on to the supplier of faulty goods where the business has itself supplied those goods to the consumer. For example, if a faulty solar panel is fitted by a business, the consumer cannot be fobbed off and told to pursue the wholesaler or manufacturer of the faulty panel; it is the responsibility of the business that installed it. In some extreme cases, it may be necessary to remove any measures that have been installed and provide a full or partial refund of the contract price.

In a case where complaints cannot be resolved, the consumer might decide to take their own action through the civil courts. They would normally be expected to have some evidence to support any claim and would normally be expected to give the business the opportunity to make things right. At this stage, it is a good idea for a business to get some independent legal advice.

Role of Trading Standards

Consumers who have cause to make a complaint may do so via the [Citizens Advice consumer service](#), which handles all calls that are made to Trading Standards. Trading Standards is a local authority function and Trading Standards officers have the ability to take action under the criminal legislation mentioned in this guide. Trading Standards monitor complaints that are made about businesses and may contact a business to try and resolve any particular issues.

In the case of complaints that allege a consumer has been misled about a product or perhaps where a consumer's vulnerability has been exploited, Trading Standards have strong powers to investigate in order to see if the law has been broken. These powers allow entry on to business premises without a warrant in order to gather evidence about business practices. Trading Standards sometimes take criminal

prosecutions against businesses where breaches of the law have been identified. This is more likely in the renewable energy sector, particularly where fraudulent traders are taking significant amounts of money and where consumer vulnerability is being exploited.

By following the guidance in this Business Companion guide, it is highly unlikely that a business will come on to the radar of Trading Standards.

Some local authority Trading Standards services can offer business advice, which is increasingly on a 'paid for' basis. Alternatively, a business that wants a more formal arrangement where assured business advice can be provided, can consider entering into a Primary Authority partnership. See '[Primary Authority](#)' for more information on how the partnerships work.

“Trading Standards have strong powers to investigate in order to see if the law has been broken”

Legislation

The laws featured in this guide

Key legislation

- [Privacy and Electronic \(EC Directive\) Regulations 2003](#)
- [Companies Act 2006](#)
- [Fraud Act 2006](#)
- [Consumer Protection from Unfair Trading Regulations 2008](#)
- [Consumer Contracts \(Information, Cancellation and Additional Charges\) Regulations 2013](#)
- [Company, Limited Liability Partnership and Business \(Names and Trading Disclosures\) Regulations 2015](#)
- [Construction \(Design and Management\) Regulations 2015](#)

[CONSUMER RIGHTS ACT 2015](#)

PLEASE NOTE

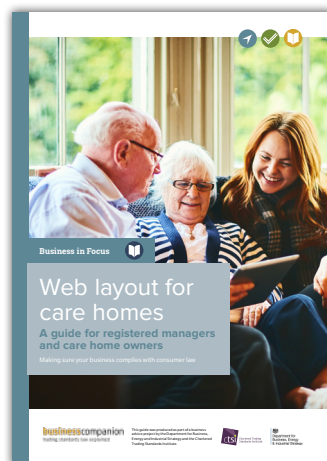
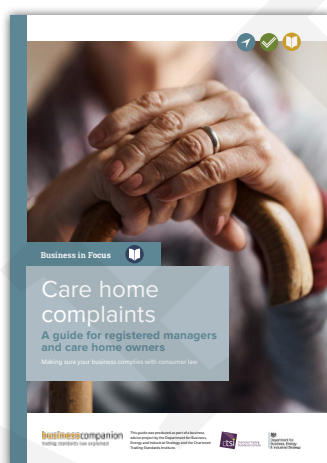
This information is intended for guidance; only the courts can give an authoritative interpretation of the law.

The guide's 'Key legislation' links may only show the original version of the legislation, although some amending legislation is linked to separately where it is directly related to the content of a guide. Information on amendments to legislation can be found on each link's 'More Resources' tab.

New guidance: February 2023

More information

Other guides in this Business in Focus series:





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