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Trading Standards highlight use of unfair contract terms at wedding venues in Scotland

Scottish local authority Trading Standards services have today released results from an investigation into unfair contract terms at wedding venues.

As well as being one of the biggest events in peoples' lives, a wedding can also be one of the most expensive. It is therefore important that businesses which operate in the wedding sector, trade in a fair manner and that consumers are protected and know their rights.

Following concerns that the contract terms of hotels and other wedding venues were often unfair to consumers, Scottish local authority Trading Standards services carried out a coordinated series of checks across the country. Officers found that terms which are likely to be considered unfair to consumers were a regular occurrence. This was a particular problem in relation clauses which provided for non-refundable deposits, and potentially excessive charges in the event of cancellation by the consumer.

Contract terms in relation to wedding bookings and other functions are subject to consumer laws and in particular the Consumer Rights Act 2015, which sets out a number of terms which may be unfair on consumers. An unfair term is not binding on a consumer and they are entitled to challenge it and resist paying any charge which is not justified.

The Trading Standards investigation was coordinated through the Society of Chief Officers of Trading Standards in Scotland (SCOTSS) whose Chair, Peter Adamson, said:

“If a couple book a wedding and then decide to cancel due to a change in circumstances, change of mind or whatever reason, they are likely to have to pay a proportion of the agreed price to the venue. This is fair, as the consumers are in breach of their contract. However, the venue should only be compensated for the actual losses that they incur as a result of the cancellation. For that reason, venues are not entitled to rely on blanket terms such as “Deposits are non-refundable” as terms like this do not take account of the individual circumstances of the case.”

As well as non-refundable deposit terms, officers found that sliding scales of cancellation charges, up to 100%, were commonplace.

Trading Standards stress that venues are entitled to include terms in their contracts on deposits and other payments. In fact, they say, clear terms will help both parties to a contract to know where they stand and can prevent confusion and disputes. They also acknowledge that the costs associated with a cancellation can be very high and that venues

can be entitled to reasonable claims for loss of profit as a result of a cancellation. However, for example, if a cancellation were to take place a matter of days after a booking for a wedding due to take place two years hence, it would be questionable that a loss of deposit, found to be at least £500 and often £1000 or more, would be binding on the consumer.

Peter Adamson continued:

“There is no doubt that businesses are likely to incur significant costs if a booking is cancelled and these will increase as the planned date approaches. They are entitled to protect themselves and be compensated appropriately. The point is that the actual level of charge which is fair will depend on the individual circumstances of each case.”

Venues which were using terms which officers considered unfair were advised of the improvements required to comply with the law and, in some local authorities, follow-up work is continuing.

Peter Adamson added:

“Consumers will often accept terms which might be open to challenge, particularly where they are similar across a trade sector, as appears to be the case in this sector. We intend to do more work on this area, part of which will include making sure that consumers are aware of their rights. We will also work with businesses to ensure that they are aware of their obligations and can compete in a fair marketplace.”

Anyone who wishes to register a complaint about a wedding venue, unfair contract terms or any other consumer issue, can do so through the Citizens Advice Consumer Service Helpline on 03454 040506, online at www.citizensadvice.org.uk/scotland/consumer or contact your local council trading standards service.

Notes for editors:

- 1. The Society of Chief Officers of Trading Standards in Scotland (SCOTSS), is a Scottish Charitable Incorporated Organisation (SC047951). Our members are professional trading standards managers representing every Scottish local authority trading standards service.*
- 2. SCOTSS liaises with local council colleagues across the UK, and engages with government and others around the operation of the consumer protection landscape. We aim to educate, coordinate, and support good practice.*
- 3. This project involved statutory duties that local authorities have under consumer protection legislation to ensure that consumers are treated fairly when dealing with business.*
- 4. Twelve local authority Trading Standards across Scotland participated in the investigation, checking the contract terms of 60 venues.*

5. You can find your local council trading standards office by postcode here: <https://www.tradingstandards.uk/consumers/support-advice>
6. The use of terms which officers considered likely to be considered unfair was particularly evident in relation to clauses which stipulated non-refundable deposits, which appear to be commonplace in the wedding venue industry. Examples of this are:
 - a. "Bookings are confirmed....upon receipt of a signed copy of our booking form along with a £1000 deposit which is non-refundable"
 - b. "At the time of booking the customer shall be required to pay a deposit...of 20% of the hire fees...The deposit shall be non-refundable."
 - c. "...a non-transferable, non-refundable deposit of £500 is required."
 - d. "The deposit shall be non-refundable."
7. Similarly, many authorities were concerned about clauses which provided sliding scales of cancellation charges which may attempt to enable the business to recover more from the consumer than the losses it is likely to suffer if the consumer cancels. For example:
 - a. "Cancellation Policy:
 - i. 9 months notice – loss of deposit.
 - ii. 9-6 months notice – 50% charge
 - iii. Less than 6 months notice – full charge."
 - b. "In the...event of a cancellation...(we) will invoice charges based on a percentage of the total booking value:

SCOTSS spokespeople are available for interview, please contact

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