
STATUTORY INSTRUMENTS

1991 No. 199

CONSUMER PROTECTION

The Price Indications (Method of Payment) Regulations 1991

Made - - - - *7th February 1991*
Laid before Parliament *7th February 1991*
Coming into force - - *28th February 1991*

The Secretary of State, in exercise of the powers conferred on him by section 26 of the Consumer Protection Act 1987(1), having, in pursuance of subsection (1) of that section, consulted the Director General of Fair Trading and such other persons as he considers it appropriate to consult, hereby makes the following Regulations:—

Citation and commencement

1. These Regulations may be cited as the Price Indications (Method of Payment) Regulations 1991 and shall come into force on 28th February 1991.

Interpretation and application

2.—(1) In these Regulations:—

“the Act” means the Consumer Protection Act 1987;

“goods” do not include fuel of any kind supplied for the propulsion of a vehicle intended or adapted for use on roads; and

“the indicated price” has the meaning assigned to it in regulation 3(1).

(2) Subject to paragraph (3) below, in these Regulations, in relation to any goods, services, accommodation or facilities, “price” has the meaning assigned to it in head (a) of the definition of “price” in section 20(6) of the Act (that is to say, the aggregate of the sums required to be paid by a consumer for or otherwise in respect of the supply of the goods or the provision of the services, accommodation or facilities).

(3) In the case of an indication of a price within the meaning of head (b) of the definition of “price” in section 20(6) of the Act (that is to say, any method which will be, or has been, applied for the purpose of determining the aggregate mentioned in paragraph (2) above) these regulations shall have effect as if references to a price were to the monetary amount or to all the monetary amounts included in such a method.

(4) For the purposes of these Regulations—

- (a) an indication of the price at which goods will be or are available by way of hire-purchase agreement, conditional sale agreement or credit-sale agreement shall not be treated as an indication of a price;
- (b) the entry into, or making of payments under, such an agreement shall not be treated as a method of payment; and
- (c) payment in a currency other than that in which a price indication is given shall not be treated as a different method of payment from payment in the currency in which the indication is given.

(5) In these Regulations, references to a method of payment do not include a method of payment which is available only to persons having a preexisting contractual or other connection with the person indicating the price in question or with some person connected with him, being a connection which relates principally to matters other than payment in respect of transactions between that person and the consumer.

(6) These Regulations do not have effect in relation to an indication of a price which is given to a consumer in response to a specific request from him that he be informed of the price payable by a specified method for or otherwise in respect of the supply of specified goods or the provision of specified services, accommodation or facilities.

(7) These Regulations do not apply to anything done otherwise than in the course of business.

Differential price indications

3.—(1) Subject to paragraph (3) below and to the following provisions of these Regulations, where a person gives to consumers an indication of a price—

- (a) at which any goods, services, accommodation or facilities will be or are available; and
- (b) which is not a price applicable to all methods of payment accepted by him,

(“the indicated price”) he shall, before he enters into any contract under which they are to be supplied or, as the case may be, provided, make available to consumers statements of the matters to which this paragraph applies.

(2) The matters to which paragraph (1) above applies are—

- (a) any method of payment (being a method of payment accepted by the person giving the indication) to which the indicated price does not apply; and
- (b) the difference between the price payable by each such method and the indicated price expressed (as the case may require) as an addition to, or a deduction from, the indicated price in terms of—
 - (i) an amount of money, or
 - (ii) a percentage of the indicated price.

(3) Where a person gives to consumers more than one indicated price relating to different methods of payment in respect of the same goods, services, accommodation or facilities,—

- (a) nothing in this regulation shall require a statement to be given of the difference between those prices; and
- (b) all statements under paragraph (1) above may be given in relation to any one indicated price only.

Display of statements under regulation 3

4.—(1) This regulation applies to any statement under regulation 3 above (other than one given orally) which relates—

- (a) to one or more items of goods (whether goods of the same description or not) which are exposed for sale at any premises or which may be available for supply to a consumer there (or for the supply of which arrangements may there be made); or
- (b) to services, facilities or accommodation (whether, in each case, of the same description or not) which may be available for provision to a consumer at any premises (or for the provision of which arrangements may there be made).

(2) Except in a case to which paragraph (4) or (6) below applies, any statement to which this regulation applies shall be displayed—

- (a) at each public entrance to the premises; and
- (b) at each point in the premises where consumers make payment or become bound to make payment.

(3) For the purposes of paragraph (2)(a) above—

- (a) where there is on or adjacent to the forecourt of the public has access a place used for the rt f a Petrol-filling station to which making available goods to consumers or exposure for sale of goods or for consumers or for the Provision of services to consumers; or
- (b) where a place is used for the parking of motor vehicles;

and where in each case, apart from this paragraph, the place would be comprised in larger premises, the place shall be treated as seperate premises and as not comprised in those larger premises.

(4) If the place where goods are exposed for sale or may be available for supply or where services, facilities or accommodation may be provided or, in each case, where arrangements for their supply or provision may be made—

- (a) is a part of larger premises which are not wholly in the occupation of the person giving the indication, and subparagraph (b) below does not apply, any statement to which this regulation applies shall be displayed, as the case may require, either—
 - (i) at each public entrance to that part; or
 - (ii) if that part is so arranged that there is no specific public entrance to it, at a conspicuous place at that part,and, in any event, at each point in that part where consumers make payment or become bound to make payment; or

- (b) is a kiosk, booth, stall or similar place or a vehicle at which consumers may be served without entering, any statement to which this regulation applies shall be so displayed as to be visible to a consumer at each point where consumers make payment or become bound to make payment.

(5) In relation to prices for food or drink for consumption on the Premises where it is sold, any statement to which this regulation applies shall, in addition, be given on all menus.

(6) In the case of a vehicle, ship or aircraft carrying passengers between places in the United Kingdom. any statement to which this regulation applies and which relates to a fare shall be displayed at a conspicuous place on or in the vehicle, ship or aircraft so as to be visible to a consumer before or immediately after he enters it, and in this paragraph, “fare” means the price for conveyance in the vehicle, ship or aircraft, being a price which is normally payable by a consumer on the vehicle, ship or aircraft or on leaving it.

Manner of giving price indications and statements

5.—(1) In the case of an oral indication of the indicated price, any statement under regulation 3 above may be given in any manner, whether orally or otherwise.

(2) In the case of an indication of the indicated price which is given otherwise than orally, any statement under regulation 3 above shall be given in the same manner as the indication of the price.

(3) Any indication of the indicated price and any statement under regulation 3 above shall be clearly expressed, unambiguous and easily identifiable by a consumer as applying to the goods, services, accommodation or facilities concerned, and—

- (a) in the case of an oral indication or statement, shall be given audibly; and
- (b) in the case of a written indication or statement, shall be given clearly, prominently and legibly.

Advertisements

6.—(1) These Regulations apply to an indication of a price given in an advertisement if the advertisement contains an invitation (express or implied) to Consumers to place orders either by post or by means of a telecommunication system for the supply of goods or for the provision of services, accommodation or facilities.

(2) In the case of an advertisement which does not include such an invitation but which includes an indication of a price—

- (a) at which any goods, services, accommodation or facilities will be or are available; and
- (b) which is not a price applicable to all methods accepted by a specified person,

it shall be sufficient compliance with regulation 3 above to state a method of payment to which the indication applies.

(3) In this regulation, “advertisement” includes a catalogue, a circular and a price list but does not include an advertisement to which regulations under section 44 of the Consumer Credit Act 1974(2) apply.

Accuracy and reliability

7. Any information or explanation given in any indication of the indicated price or in any statement applying to it shall be accurate and no statement shall be included that the indication is not to be relied upon.

Offences and defences

8.—(1) Any contravention of a requirement of regulations 3 to 7 above shall constitute a criminal offence punishable—

- (a) on conviction on indictment, by a fine; or
- (b) on summary conviction, by a fine not exceeding the statutory maximum.

(2) In relation to an offence under this regulation—

- (a) section 24(3) of the Act (defence for publishers, etc of advertisements) shall apply as it applies to an offence under subsection (1) or (2) of section 20 of the Act;
- (b) section 39 of the Act (defence of due diligence) shall apply as it applies to an offence mentioned in subsection (5) of that section; and

(2) 1974 c. 39.

- (c) subsection (1) of section 40 of the Act (liability of persons other than principal offender) shall apply as it applies to an offence mentioned in section 39(5) of the Act and subsections (2) and (3) of the said section 40 shall apply as they apply to an offence under the Act.

7th February 1991

John Redwood
Minister of State,
Department of Trade and Industry

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 28th February 1991, apply to any person who, in the course of business, gives to consumers (as defined in section 20(6) of the Consumer Protection Act 1987) indications of prices for goods (other than motor fuel), services, accommodation or facilities and who charges different prices for payment by different methods (for example, by cash or by credit card).

Subject to the provisions of regulation 2, the Regulations require that, where a trader gives an indication of a price which does not apply to all methods of payment which he accepts, the indication must be accompanied by a statement of any method of payment to which the indicated price does not apply and which the trader will accept. Unless he indicates the price payable by such another method, the trader must also state the difference between the indicated price and the price for payment by such other method; this may be expressed either as an amount of money or in percentage terms (regulation 3). Any such statement which is given in writing must generally be displayed at each public entrance to premises where the transaction is made or arranged and at each point in them where consumers make payment. Special provision is made about prices indicated in premises not wholly in the same occupation, at kiosks and similar places and about shops on petrol-filling stations and those to which entrance may be made through car parks, about restaurant menus and about passenger fares (regulation 4). Provision is also made about the manner in which statements are to be given (regulation 5).

Special provision is made about mail order and similar advertisements and about other advertisements which do not include invitations to consumers to place orders (regulation 6).

Provision is made about accuracy and reliability in relation to price indications (regulation 7).

Contravention of the Regulation is an offence and provision is made for defences (regulation 8).