



Consumers, Estate Agents and Redress Act 2007

2007 CHAPTER 17

PART 2

COMPLAINTS HANDLING AND REDRESS SCHEMES

Requirements relating to redress schemes

49 Approval of redress schemes

- (1) In deciding whether to approve a redress scheme, a regulator must have regard to—
 - (a) the provisions of the scheme;
 - (b) the manner in which the scheme will be operated (so far as that can be judged from the facts known to the regulator);
 - (c) the interests of relevant consumers (in relation to the regulator's regulated providers);
 - (d) such principles as—
 - (i) in the opinion of the regulator constitute generally accepted principles of best practice in relation to schemes for providing redress to consumers, and
 - (ii) it is reasonable to regard as applicable to the scheme.
- (2) In considering the interests of relevant consumers under subsection (1)(c), the regulator must in particular have regard to the number of other redress schemes applying to its regulated providers which are (or are likely to become) qualifying redress schemes.
- (3) A regulator must not approve a redress scheme unless—
 - (a) membership of the scheme is open to all the regulator's regulated providers, and those regulated providers may not be expelled from membership of the scheme,

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- (b) if, at the time the approval is given, any of the regulator's regulated providers are required under section 47 to be a member of a redress scheme (or would be so required but for the fact that an order which has been made under that section is not yet in force), the scheme covers all the consumer complaints to which the requirement applies,
 - (c) the independent person may require regulated providers to provide complainants with the types of redress listed in subsection (6) (whether or not other types of redress are available), and
 - (d) the regulator considers that the scheme makes satisfactory provision about the matters listed in subsection (7).
- (4) Subsection (3)(a) does not prevent the Gas and Electricity Markets Authority approving—
- (a) a scheme which is open to all regulated gas providers, but not regulated electricity providers,
 - (b) a scheme which is open to all regulated electricity providers, but not regulated gas providers,
- and, in the case of such a scheme, subsection (3)(b) applies as if the reference to the regulator's regulated providers were to the regulated gas providers or, as the case may be, regulated electricity providers.
- (5) For this purpose—
- “regulated electricity provider” means a person holding a licence under section 6(1)(c) or (d) of the Electricity Act 1989 (c. 29);
 - “regulated gas provider” means a person holding a licence under section 7(2) or 7A(1) of the Gas Act 1986 (c. 44).
- (6) The types of redress mentioned in subsection (3)(c) are—
- (a) providing an apology or explanation,
 - (b) paying compensation, and
 - (c) taking such other action in the interests of the complainant as the independent person may specify.
- (7) The matters mentioned in subsection (3)(d) are—
- (a) the matters about which complaints may be made (which may include non-compliance with a code of practice or other document);
 - (b) the independent person's duties and powers in relation to the investigation and determination of complaints (which may include power to decide not to investigate or determine a complaint);
 - (c) the enforcement of any requirement to provide redress imposed on a regulated provider in accordance with the scheme;
 - (d) the provision of information by the independent person to the regulator and to persons within subsection (8);
 - (e) the provision of information by the independent person—
 - [^{F1}(i) to Citizens Advice Scotland, for the purposes of any qualifying public consumer advice scheme supported by the body (on its own or jointly with one or both of Citizens Advice and Consumer Scotland),]
 - [^{F1}(ia) to Consumer Scotland, for the purposes of any qualifying public consumer advice scheme supported by the body (on its own or jointly with one or both of Citizens Advice and Citizens Advice Scotland), and]

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- [^{F2}(ii) to persons who operate a qualifying public consumer advice scheme supported by Citizens Advice^[F3], Citizens Advice Scotland or Consumer Scotland, or by all or any two of those bodies jointly], for the purposes of that scheme;]
- (f) the acceptance and handling of complaints transferred from redress schemes which have their approval withdrawn under section 51.
- (8) The persons within this subsection are—
- (a) any other body having regulatory functions in relation to the regulated providers to which the scheme applies;
- (b) persons exercising functions under other redress schemes which apply to the regulator's regulated providers;
- [^{F4}(c) Citizens Advice;
- (ca) so far as regards schemes to be approved by the Gas and Electricity Markets Authority, Citizens Advice Scotland [^{F5}and Consumer Scotland];]
- (d) the Secretary of State.
- [^{F6}(9) For the purposes of this section a qualifying public consumer advice scheme is a scheme that is supported by Citizens Advice^[F7], Citizens Advice Scotland or Consumer Scotland, or by all or any two of] them jointly, in a manner that the Office of Fair Trading is prohibited from supporting by section 8A of the Enterprise Act 2002.]

Textual Amendments

- F1** S. 49(7)(e)(i)(ia) substituted for s. 49(7)(e)(i) (13.1.2022) by The Consumer Scotland Act 2020 (Consequential Provisions and Modifications) Order 2022 (S.I. 2022/34), art. 1(1), **Sch. para. 7(14)(a)** (with art. 5)
- F2** S. 49(7)(e)(i)(ii) substituted (1.4.2014) by The Public Bodies (Abolition of the National Consumer Council and Transfer of the Office of Fair Trading's Functions in relation to Estate Agents etc) Order 2014 (S.I. 2014/631), art. 1(3), **Sch. 1 para. 12(45)(a)** (with Sch. 1 para. 28, Sch. 2 paras. 13-15)
- F3** Words in s. 49(7)(e)(ii) substituted (13.1.2022) by The Consumer Scotland Act 2020 (Consequential Provisions and Modifications) Order 2022 (S.I. 2022/34), art. 1(1), **Sch. para. 7(14)(b)** (with art. 5)
- F4** S. 49(8)(c)(ca) substituted (1.4.2014) for s. 48(8)(c) by The Public Bodies (Abolition of the National Consumer Council and Transfer of the Office of Fair Trading's Functions in relation to Estate Agents etc) Order 2014 (S.I. 2014/631), art. 1(3), **Sch. 1 para. 12(45)(b)** (with Sch. 1 para. 28, Sch. 2 paras. 13-15)
- F5** Words in s. 49(8)(ca) inserted (13.1.2022) by The Consumer Scotland Act 2020 (Consequential Provisions and Modifications) Order 2022 (S.I. 2022/34), art. 1(1), **Sch. para. 7(14)(c)** (with art. 5)
- F6** S. 49(9) inserted (1.4.2014) by The Public Bodies (Abolition of the National Consumer Council and Transfer of the Office of Fair Trading's Functions in relation to Estate Agents etc) Order 2014 (S.I. 2014/631), art. 1(3), **Sch. 1 para. 12(45)(c)** (with Sch. 1 para. 28, Sch. 2 paras. 13-15)
- F7** Words in s. 49(9) substituted (13.1.2022) by The Consumer Scotland Act 2020 (Consequential Provisions and Modifications) Order 2022 (S.I. 2022/34), art. 1(1), **Sch. para. 7(14)(d)** (with art. 5)

Commencement Information

- I1** S. 49 in force at 21.12.2007 by S.I. 2007/3546, art. 3, **Sch.**

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 42(4)(c) words substituted by [2023 c. 52 Sch. 17 para. 16\(a\)](#)
- s. 42(4)(c) words substituted by [2023 c. 52 Sch. 17 para. 16\(b\)](#)