

2001 No. 1186

CONSUMER PROTECTION

**The Unfair Terms in Consumer Contracts (Amendment)
Regulations 2001**

Made - - - - 25th March 2001

Laid before Parliament 27th March 2001

Coming into force 1st May 2001

The Secretary of State, being a Minister designated^(a) for the purposes of section 2(2) of European Communities Act 1972^(b) in relation to measures relating to consumer protection, in exercise of the powers conferred on him by that subsection, makes the following Regulations:—

1. These Regulations may be cited as the Unfair Terms in Consumer Contracts (Amendment) Regulations 2001 and shall come into force on 1st May 2001.

2. The Unfair Terms in Consumer Contracts Regulations 1999^(c) are amended as follows:—

(a) By adding the following after regulation 15—

“The functions of the Financial Services Authority

16. The functions of the Financial Services Authority under these Regulations shall be treated as functions of the Financial Services Authority under the Financial Services Act 1986^(d).”

(b) By substituting the following for the list in Part One of Schedule 1—

- “1. The Information Commissioner.
2. The Gas and Electricity Markets Authority.
3. The Director General of Electricity Supply for Northern Ireland.
4. The Director General of Gas for Northern Ireland.
5. The Director General of Telecommunications.
6. The Director General of Water Services.

^(a) S.I. 1993/2661.
^(b) 1972 c.68.
^(c) S.I. 1999/2083.
^(d) 1986 c.60.

7. The Rail Regulator.
8. Every weights and measures authority in Great Britain.
9. The Department of Enterprise, Trade and Investment in Northern Ireland.
10. The Financial Services Authority.”

Kim Howells,
Parliamentary Under Secretary of State
for Consumers and Corporate Affairs,
Department of Trade and Industry

25th March 2001

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Unfair Terms in Consumer Contracts Regulations 1999 (“the principal Regulations”) by adding the Financial Services Authority to the list of qualifying bodies in Part One of Schedule 1. These Regulations also amend the principal Regulations to reflect changes in the names of certain of the qualifying bodies listed in Part One of Schedule 1, and to reflect the fact that the functions of the Director General of Electricity Supply and of the Director General of Gas Supply have been transferred to the Gas and Electricity Markets Authority under Part I of the Utilities Act 2000.

The principal Regulations implement Council Directive 93/13/EEC on unfair terms in consumer contracts (O.J. No. L95, 21.4.93, p.29).

These Regulations also provide that when the Financial Services Authority exercises functions under these Regulations it has the same powers as when it exercises functions under the Financial Services Act 1986.

A qualifying body may apply for an injunction to prevent the continued use of an unfair contract term, as defined by regulation 5 of the principal Regulations, provided it has notified the Director General of Fair Trading of its intention to do so at least 14 days before the application is made (unless the Director General consents to a shorter period) (regulation 12 of the principal Regulations). A qualifying body named in Part One of Schedule 1 (public bodies) is under a duty to consider a complaint if it has told the Director General that it will do so (regulation 11 of the principal Regulations).

The principal Regulations provide a power for the Director General and the public qualifying bodies to require traders to produce copies of their standard contracts, and give information about their use, in order to facilitate investigation of complaints and ensure compliance with undertakings or court orders (regulation 13 of the principal Regulations).

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