



Coimisiún um
Iomaíocht agus
Cosaint Tomhaltóirí

Competition and
Consumer Protection
Commission

The Consumer Rights Act 2022

A Guide for Traders:
Consumer Remedies in
Service Contracts

Contents

Glossary	2
Introduction	3
What is a service contract?	4
What are the main changes to service contracts under the CRA?	4
When must the service be supplied to the consumer?	5
What does 'in conformity with the service contract' mean?	6
Proving a non-conformity	7
Remedies in service contracts	8
Right to have the service brought into conformity with service contract	8
Right to terminate the service contract or get a proportionate reduction in price	10
Right to withhold payment	14
Right to automatic termination of an ancillary (related) contract	16
Other remedies	17
Enforcement	18
Disclaimer	19



Glossary



Ancillary contract

A contract entered into between a consumer and a trader, or between a consumer and a third party, under which the trader or the third party (under an arrangement made between the trader and the third party) supplies goods, digital content, a digital service or another service related to the principal contract.



Conformity with a service contract

Services must meet the requirements of the service contract, both **objectively** (by meeting what is normally and generally expected from the same type of service) and **subjectively** (by meeting what is specified in the service contract).



Consumer

An individual, acting for purposes wholly or mainly outside their trade, business, craft or profession.



Contract

An agreement between a consumer and a trader under which services are purchased. Contracts can be made verbally or in writing.



Contract for supply of service/service contract

A contract where a trader supplies a service to a consumer in exchange for payment.



Damages

An amount of money awarded to compensate for loss.



Digital content

Data that is produced and supplied in digital form. It includes computer programmes, apps, video files, audio files, music files, digital games and e-books.



Digital service

A service that allows a consumer to, amongst other things, access, share or interact with data in digital form. It includes file hosting, social media and cloud-based gaming.



Distance contract

A contract between a trader and a consumer who are not physically in each other's company up to, and including, the time the contract is entered into. This can include buying something online, over the phone, from a mail order catalogue or from a TV shopping channel, for example.



Off-premises contract

A contract that is generally offered or entered into away from the trader's premises (such as in the consumer's home or workplace) or on a trip organised by the trader, where the consumer and trader are physically in each other's company.



Remedy

Solution(s) a trader must provide to a consumer when a service supplied is not in conformity. The remedy can include a bringing the service into conformity, a refund or a reduction in price.



Trader

An individual or entity that is acting for purposes relating to their business, trade, craft or profession (such as selling goods or supplying services). It includes any person acting in the name, or on behalf, of the trader.

The Consumer Rights Act 2022 (CRA) was introduced in November 2022. It updated and strengthened consumer protection laws in Ireland. It is important for traders to understand how their obligations may have changed under this new legislation.

The CRA sets out different consumer protection rules depending on whether a consumer enters into a contract for the sale of goods, a contract for the supply of digital content or digital services or a contract for the supply of services.

These guidelines provide an overview of the rules and remedies that apply to consumer contracts for the supply of services, as set out in Part 4 of the CRA.



What is a service contract?

Part 4 of the CRA applies to contracts for the supply of a service, or service contracts. This is a contract where a trader supplies a service to a consumer in exchange for payment.

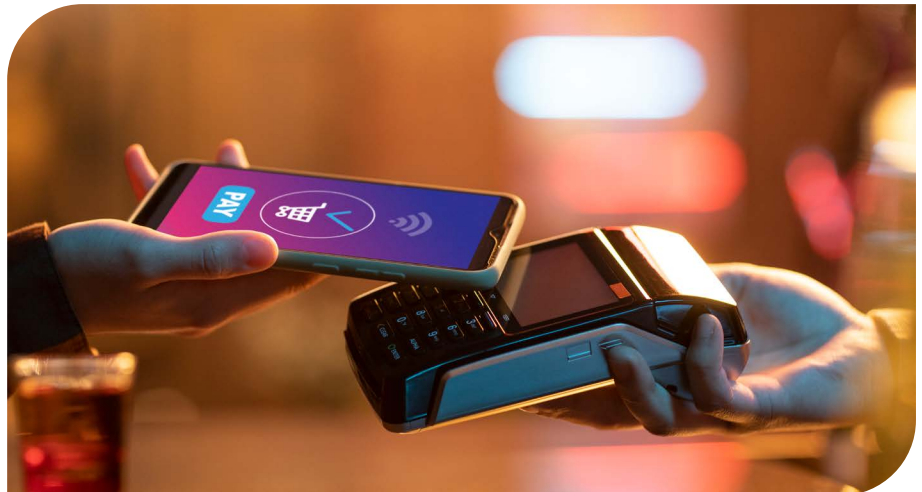
It is not necessary for the consumer to pay upfront. Service contracts can include an undertaking from the consumer to pay for the service at a future date or from the trader to supply the service at a future date.

The price may be agreed by the terms of the contract, by a statement by, or on behalf of, the trader or through other pre-contractual information provided by the trader to the consumer. Where the consumer has not paid for the service in advance, and a price has not been agreed, the price charged must be reasonable.

Service contracts do not have to be in writing. A verbal agreement to carry out a service in exchange for payment is enough to create a service contract, but there still is an obligation to provide certain information in writing under Part 5 of the CRA.

A service can include, but is not limited to:

- financial services (including services provided in the ordinary course of carrying on a banking



- business, an insurance business or a business of providing credit, personal pensions, an investment service or a payment service)
- amusement, cultural activities, entertainment, instruction, recreation or refreshment,
- accommodation (except for rental agreements for residential purposes)
- communication, including electronic communication
- transport, travel, parking or storage
- the care and maintenance of persons, animals or things
- the construction, maintenance or repair of buildings
- the supply of water, gas or electricity where it is not supplied

- in a limited volume or set quantity
- the supply of district heating
- other professional services, such as legal services.

Part 4 of the CRA also applies to single contracts that provide for the supply of a service as well as the sale of goods, the supply of a digital service or the supply of digital content. Part 4 only applies to the part(s) of these contracts that relate to the supply of the service.

Digital content and digital services are excluded from the definition of “service”. These are dealt with separately in Part 3 of the CRA and therefore are not covered in these guidelines.

What are the main changes to service contracts under the CRA?

Previously, consumer rights were found in the Sale of Goods and Supply of Services Act 1980. This Act provided that the supplier of a service must have the necessary skill to render the service, and must supply the service with due skill, care and diligence. It also provided that the materials used to supply the service must be sound and reasonably fit for purpose, and that where goods are supplied under the contract, they must be of ‘merchantable quality’. These rules now only apply to consumer contracts entered into before 29 November 2022. For

consumer contracts entered into after this date, the CRA now applies.

The CRA introduces:

- a new concept called “conformity”. You, the trader, have an obligation to ensure that all services supplied to the consumer are “in conformity with the contract” (please see **‘What does “in conformity with a contract” mean?’** below for further information)
- rules where, if a service is not in conformity with the contract, the consumer is entitled to

- seek a remedy from the trader; previously, the primary remedy for a breach of a service contract was damages, but now there is a requirement on the trader to address or fix the problem itself
- a new right for consumers to withhold money due until the issue is remedied
- a provision that prohibits traders from excluding or restricting rights given to consumers under Part 4 of the CRA
- new rules on how consumers can exercise their rights, such as time limits for refunds.

When must the service be supplied to the consumer?

To determine whether a service is in conformity with the service contract, the supply of the service to the consumer must have commenced.

If you, the trader, have entered into a contract to supply a service, you must supply it at, or within, the time agreed with the consumer. Where no time period is specified, you must supply the service within a reasonable time period.

Where a service contract provides for the continuous supply of the service for a specified period, you must supply the service for the entire period.

Where a service contract provides for the supply of the service on more than one occasion, you must supply the service on each of these occasions.

If you do not supply the service on time or at the agreed time, a consumer has a right to terminate the contract. Before they can do this, the consumer must make a further request to you and give an appropriate additional amount of time to supply the service.

If you fail to supply the service within the additional period specified by the consumer, they will be entitled to terminate the service contract.

There are situations where the consumer can terminate a service contract straightaway, without needing to make this further request, or allow for extra time, namely:

- where you have declared that you will not supply the service, or it is clear that you will not do so
- where the consumer expressly informed you at the time of, or before, the conclusion of the service contract that it was essential for the service to be supplied within a specific time period or by a specific date, and that date has passed, or
- where it is clear the supply of the service within a particular time period was essential, taking into account all the relevant circumstances, and that time has passed.

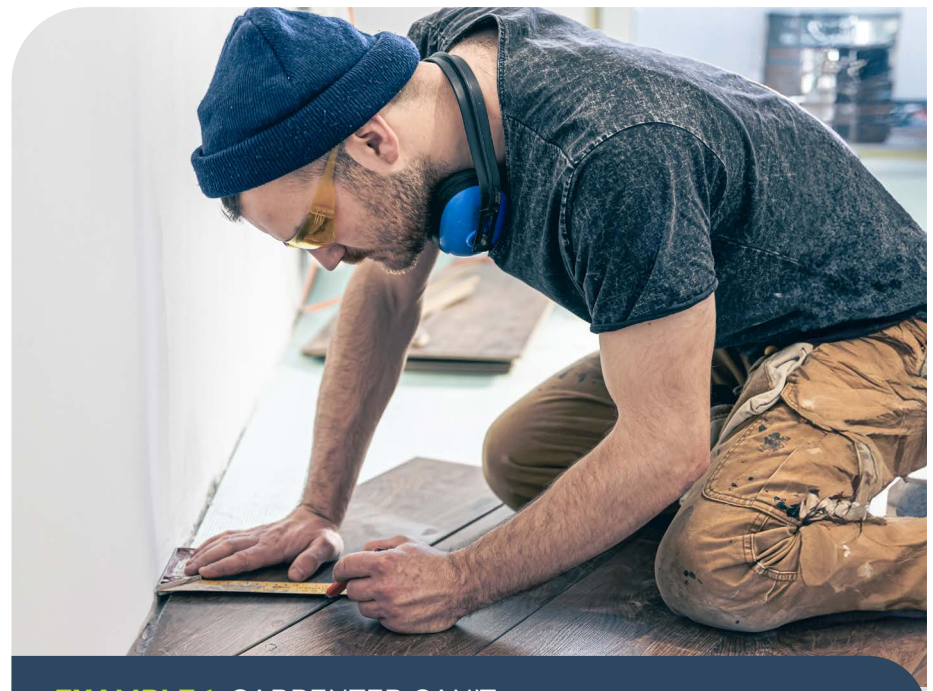
Where a consumer wishes to terminate a contract because you, the trader, have failed to perform the service on time, the consumer must inform you of their decision to exercise the right to terminate.

You must refund the consumer for any payments made, without undue delay, and in any event within 14 days, using the same means of payment as the consumer used to pay for the service, and without any charges or fees.

A consumer may also withhold payment for the period during which

the service is not being supplied in conformity with the contract. This is also discussed below in '**Right to withhold payment**'.

A different approach is taken if a short-term interruption of the supply of the service is more than negligible or recurs. In this situation, the service is deemed not to be in conformity with the contract and the remedies for "non-conformity" i.e. those discussed below, will apply. This is because it is not a failure to supply the service, but rather an issue with the quality of the service.



EXAMPLE 1: CARPENTER CAN'T BEGIN JOB AT AGREED TIME

Simon hired a carpenter to refurbish the wooden flooring in his hallway. Simon and the carpenter agreed on the description of the work, the price and start and completion dates. Simon paid a deposit upfront and agreed to pay the carpenter the remainder once the works were completed two weeks later. Simon informed the carpenter that it was essential that the refurbishment be completed in this timeframe.

The carpenter had not started the work by the agreed date and

contacted Simon to say that they would not be able to start the job for another four weeks as they were too busy with other jobs. Where a consumer has informed a trader that it is essential for a service to be performed within or by a specific date, and that date has passed, they are entitled to terminate the service contract.

Simon therefore informed the carpenter that he was terminating the service contract, and he was refunded the deposit paid.



EXAMPLE 2: CANCELLED EVENT

Katie bought tickets to attend a music festival a number of months in advance. A few weeks before it was due to begin, the organisers announced that the festival was cancelled this year, but they hoped to run it next summer instead. The organisers issued a statement informing consumers that they would

not be refunded as the tickets would remain valid for when the festival took place the following year.

Here, the organisers of the festival cannot supply the service on the agreed date. In this situation, the consumer has a right to immediately terminate the service contract and

does not have to accept performance at a date the following year. Katie informed the event organiser that she wanted to terminate the contract. The event organiser issued a reimbursement of the price paid to her within 14 days, accepting that they were unable to deliver the service as agreed.

What does 'in conformity with the service contract' mean?

Under the CRA, the service supplied by you, the trader, to a consumer under a service contract must be in conformity with that contract.

For a service to be in conformity with the contract, the service must meet several requirements. Where a contract provides for the continuous supply of a service, or for the supply of a service on more than one occasion, the service must comply with these requirements for the full period, or on each occasion the service is supplied.

The requirements for conformity are divided into **subjective and objective requirements**.

Subjective conformity means the service must comply with what is specified in the service contract between you, the trader, and the consumer. The service must:

- comply with the terms of the



- service contract agreed between you and the consumer
- comply with any oral or written statement made by you (or on your behalf) that the consumer relied upon when agreeing the contract, or when making any decision in relation to the service after entering into the contract
- be reasonably fit for any purpose that the consumer made known to you before or at the time the

contract was agreed, and that you accepted, and

- be of a nature and quality that can reasonably be expected to achieve any result that the consumer made known to you before or at the time the contract was agreed, and that you accepted.

In addition, in the case of distance contracts and off-premises contracts, you, the trader, are required to give certain pre-contractual information to the consumer before they enter into the contract. This information forms part of the service contract, and the service provided must comply with this information to be considered in conformity with the contract. Part 5 of the CRA sets out these information requirements.

Objective conformity means the service supplied under the service contract must comply with what you

would normally and generally expect from the same type of service. You, the trader, must:

- have the necessary skill to supply the service
- supply the service with reasonable care and skill
- supply the service in accordance with any applicable laws
- use materials that are sound, reasonably fit for purpose and correspond to any description provided by you, the trader, and
- comply with any public statement in relation to the service made by, or on behalf of, you the trader.

A trader will not be bound by such public statements if they can show that:

- they were not aware and could not reasonably have been aware of the statement
- the statement was publicly corrected by the time the contract was entered into, or
- the consumer’s decision to buy the service could not have been influenced by the public statement.

What is “reasonable” in the circumstances depends on the context, including the professional or commercial standards that apply to

any particular service provider and any representations made by you, the trader.

For example, if you claim to supply a service to a higher standard of care and skill, then you must exercise that higher standard in supplying the service. In addition, if you say you are bound by a code of practice or conduct, you must stick to that code when supplying the service.

Finally, if a short-term interruption of the supply of the service is more than negligible or recurs, the service is deemed not to be in conformity with the contract.

Proving a non-conformity

You, the trader, must supply the service in conformity with the service contract. Where the service is not in conformity with the contract, the consumer must prove that the service was not provided in conformity. In the case of a dispute, it is always open to you as the trader to argue that the service was provided in conformity with the contract.

In some cases, a problem with the service is obvious immediately and the consumer can simply show this, for example by taking a photo of the results of the service where it was clearly supplied incorrectly.

Other times, the consumer may need to explain or demonstrate that the service was not supplied properly and in some complex circumstances may need a professional to examine the results of the service and make a report. However, if a lack of conformity is proven, you as the trader may need to refund the consumer any reasonable costs incurred in obtaining these reports.



Time limits for seeking a remedy

A non-conformity with a service contract may go unnoticed by the consumer after the service has been supplied. When this occurs, traders should be aware that there is a period of up to six years after a service has been supplied for consumers to seek a remedy for non-conformity. This six-year period applies regardless of warranties or guarantees, which cannot set a time

limit on consumers’ rights under the CRA.

The further into the six-year period an issue arises, the more difficult it may be for a consumer to “reasonably” seek a remedy. This must be judged on a case-by-case basis and you as a trader should engage with a consumer to try to figure out if there is an underlying

conformity issue with the service, remembering that consumers have six years after a service has been supplied to seek their remedy.

Similarly, the longer a consumer leaves it to complain about an issue they have discovered, the more difficult it might be to show that the issue is due to an underlying lack of conformity.

Remedies in service contracts

If a service is not in conformity with a service contract, several remedies may be available. You the trader must engage with the consumer to provide them with the appropriate remedy.

This section outlines the remedies available to consumers and explains how they work, including any limitations to them.

The remedies discussed include the following:

- right to have the service brought into conformity with service contract
- right to terminate the service contract
- right to a proportionate reduction in price

- right to withhold payment
- right to automatic termination of an ancillary contract
- other remedies, including damages.

Overview of remedies

The primary remedy available is to have the service “brought into conformity” with the contract, which is a right to have the issue with the service addressed through repair or correction.

The consumer has a right to terminate the service contract or receive a proportionate price reduction if, amongst other things:

- the issue is not fixed within a reasonable time
- the issue cannot be remedied

without significant inconvenience to the consumer

- it is impossible for you, the trader, to bring the service into conformity.

The consumer has an immediate right to terminate or get a price reduction if the lack of conformity is serious, or if the service, or any goods or materials resulting from the service, are unsafe.

A consumer may withhold any outstanding payments for a non-conforming service until it is brought back into conformity by you, the trader.

Right to have the service brought into conformity with service contract

If a service provided by you, the trader, is not in conformity with the contract, including where there are short-term interruptions in supply that are more than negligible or that recur, you must bring the service into conformity. This means that you must attempt to fix or repair the issue with the service. You must do this at no cost to the consumer, within a reasonable time and without significant inconvenience to the consumer.

The reasonable time for bringing the service into conformity must be the shortest possible time necessary for fixing the lack of conformity. This will depend on:

- the nature and complexity of the service
- the nature and severity of the lack of conformity
- how much effort is needed to bring the service into conformity with the service contract.

The degree of inconvenience to the consumer depends on the circumstances and the nature and purpose of the service.

Where goods are installed as part of the service contract, your obligation as a trader to bring the service into



conformity with the contract may require removing the goods and either repairing and re-installing them or installing new goods in their place. Alternatively, you, as the trader, must bear the costs of the removal and installation.

Sometimes it is not possible to bring a service into conformity with a service contract. In this situation, and in certain other situations, the consumer has the right to terminate the contract and get a refund or get a proportionate price reduction. This is discussed below in '**Right to terminate the service contract or get**

a proportionate reduction in price'.

If the service is brought into conformity with the contract, the consumer is not entitled to terminate the contract or to a price reduction. However, they could potentially still have a claim to other remedies outside of the CRA, including damages, in an appropriate case.

In addition, the consumer has the right to withhold payments that fall due during the time that you are bringing the service into conformity with the contract. This is discussed below in '**Right to withhold payment'**.



EXAMPLE 1: SERVICE NOT PERFORMED PROPERLY

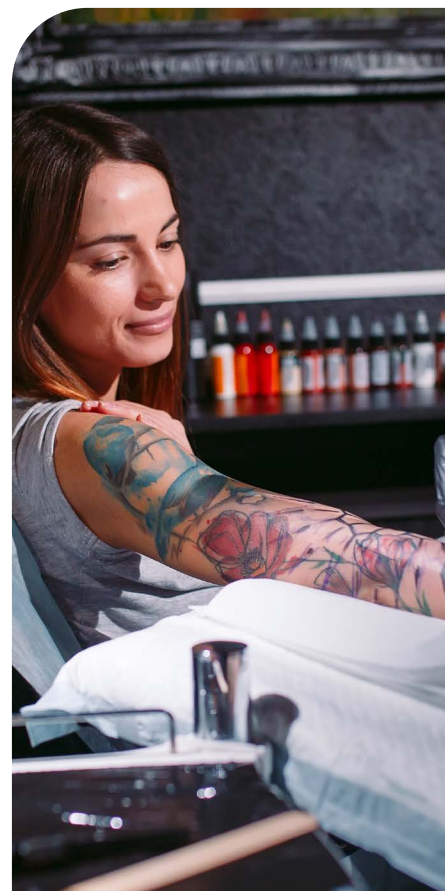
Michael brought his car to a local garage for panel beating to repair dents in the bodywork of his car.

Michael collected his car from the garage and paid for the service. However, when Michael brought the car home, he noticed that some dents were still there.

Where a service is not carried out as agreed, resulting in a lack of conformity with the service contract, a consumer is entitled to have the service brought into conformity with the contract.

Michael informed the garage that there were still dents in his car and sent photos of the dents to the garage, requesting that the remaining dents be remedied.

The garage agreed to take the car back and to repair the dents at no extra cost. The repair was done within a reasonable time and without significant inconvenience to Michael.



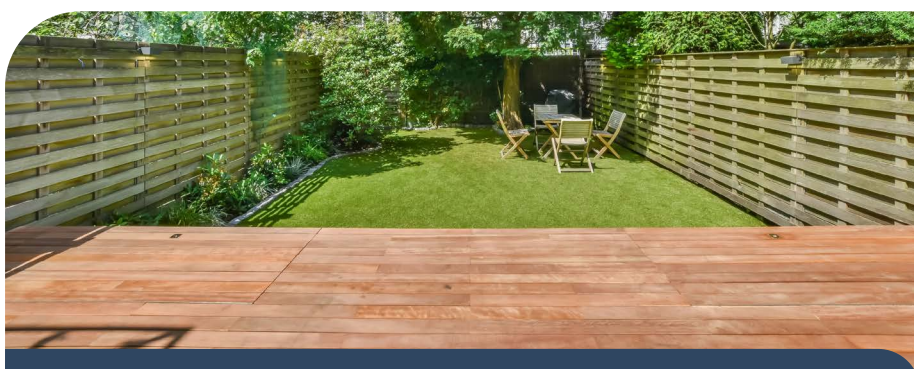
EXAMPLE 3: SERVICE NOT AS AGREED

Kelly wanted to get a tattoo of her partner's name on her arm to mark their recent engagement. She went to a local tattoo parlour and explained, in detail, what she wanted. The tattooist made a sketch based on Kelly's instructions.

Kelly was delighted with the sketch, so she agreed a price with the tattooist, who charged at an hourly rate. The work was expected to take two hours to complete.

However, after an hour, Kelly noticed that the tattooist was using a blue ink for the lettering when black ink was agreed. Kelly was entitled to have the service brought into conformity with the contract by the tattooist.

Kelly pointed out that the wrong colour of ink was being used. The tattooist admitted their mistake and agreed to rectify the issue free of charge.



EXAMPLE 2: TRADER SEEKING COSTS FOR RESOLVING ISSUE

Joe hired a trader to construct a patio in his garden. Three days after the trader finished their work, cracks appeared in the concrete slabs and many of them moved when stepped on.

Joe contacted the trader, who returned and confirmed that the slabs were defective. The trader agreed to replace them but insisted that Joe must pay more money for labour and new materials.

Joe contacted the CCPC helpline and was advised that, if a trader does not use materials that are sound and reasonably fit for purpose, a consumer is entitled to a remedy free of charge without significant inconvenience and within a reasonable time.

Joe contacted the trader outlining this information and the trader then agreed to return to fix the paving immediately (because the paving was unsafe) without charging Joe extra.



EXAMPLE 4: SERVICE NOT OF REQUIRED STANDARD

Mary was planning her first trip abroad with her new baby boy and needed to get his passport. She went to a local photography shop, which advertised passport photos for adults and children.

However, the shop assistant she dealt with seemed very inexperienced. There were lots

of technical problems, and Mary thought the final photos didn't look suitable for a passport application. The shop assistant assured her that they were fine. Mary paid the full price for the service and sent the passport application later that week.

Mary got a letter from the Passport Office requesting new photos, as

they did not meet the required standard.

Mary informed the shop of this, and the shop brought the service back into conformity by having a staff member more experienced in taking passport photos retake Mary's photos free of charge.

Right to terminate the service contract or get a proportionate reduction in price

There are several circumstances in which a consumer may terminate a service contract or obtain a proportionate reduction in price because the service provided is not in conformity with the contract. This can happen when:

- you, the trader, do not have the necessary skill to supply the service
- it is impossible to bring the service into conformity with the contract
- you have declared, or it is clear from the circumstances, that you will not bring a service into conformity with the contract within a reasonable time or without significant inconvenience to the consumer

- you do not remedy the lack of conformity within a reasonable time, without significant inconvenience to the consumer or free of charge
- the same or a different lack of conformity appears despite your attempt to fix the issue
- the service's lack of conformity is so serious that it justifies an immediate termination or an immediate proportionate reduction in price, see '**Immediate termination**' below, or
- the service is unsafe, or any goods produced by, or resulting from, the service or any materials used in the service are unsafe.

The consumer is entitled to terminate

the contract and get a refund only if the lack of conformity is not minor. In cases of dispute, it is for you, the trader, to show that the lack of conformity is minor.

Where the lack of conformity is minor, the consumer is entitled to a proportionate reduction in price. A consumer may also prefer to avail of a service that is not in conformity and take a proportionate price reduction instead of terminating the contract and getting a full refund.

Repeated attempts at resolving

Where the same issue recurs or a different issue occurs, the question arises as to how many times a trader

is entitled to attempt to fix the issue and bring the service into conformity before the consumer is entitled to terminate the contract or get a price reduction.

Rather than set out a fixed number of attempts at repair or correction, the CRA states that this is to be objectively determined, by taking account of all the circumstances, including:

- the type and value of the service
- the nature and significance of the lack of conformity, and
- whether the consumer can reasonably be expected to maintain confidence in the trader's ability to bring the service into conformity, especially where the same lack of conformity appears more than once.

Immediate termination

A lack of conformity may be so serious that the consumer has an immediate right to terminate the contract and get a refund or to get a price reduction without first having to ask for the service to be brought into conformity.

When assessing if a lack of conformity is serious enough to justify an immediate termination of the contract or an immediate proportionate reduction in price, consideration is given to the nature and severity of the lack of conformity, including, in particular:

- whether the consumer's ability to use the service is "severely affected" and
- whether the consumer can reasonably be expected to maintain confidence in the trader's ability to remedy the issue, for example where there is a serious risk of physical harm to the consumer.

In some circumstances, despite the seriousness of the conformity issue, a consumer may prefer to opt for a proportionate reduction in price instead of seeking to immediately terminate the contract.

What the consumer must do to terminate a contract

To terminate the contract, the consumer must tell you, the trader, that they have decided to terminate the service contract for a refund.



There is no particular wording that needs to be used, and the consumer can communicate in various ways, such as in-person, by phone or in writing.

The consumer must make any goods and other materials supplied under the service contract available for collection by you, if applicable. You and the consumer may agree that they should return the items. If so, you must bear the cost of the consumer doing so.

Returning goods or materials may be difficult if they are now incorporated into the consumer's home or are similarly difficult to return. The CRA provides that you are not entitled to the return of items or materials if it would cause disproportionate inconvenience to the consumer or if making them available for return would damage their property.

Where the service contract includes digital content or digital services, the consumer cannot use the content/ service or make it available to a third person once they terminate the contract.

What you, the trader, must do when a contract is terminated

Where a consumer exercises a right to terminate the contract, you, the trader, must reimburse them for all payments made.

In some cases, a consumer may seek to terminate a service contract that was ongoing without any difficulties for some time before the lack of conformity arose. In this situation, you are only obliged to reimburse the consumer for payments they made for the period during which the service was not in conformity with the contract. You do not have to reimburse them for all sums paid under the contract.

You must reimburse the consumer for all payments made under the contract (or during the period of non-conformity) without undue delay and no later than 14 days beginning on the date on which you were informed of the consumer's decision to terminate the contract.

The reimbursement must be done through the same payment method the consumer used to pay for the service (unless the consumer agrees otherwise) and without imposing any fees on the consumer. If you fail to

reimburse the consumer in line with these requirements, you will be liable in damages for any loss or damage suffered by them because of this failure.

Proportionate reduction in price

Where the consumer is entitled only to a price reduction because the lack of conformity is minor, or because they choose a price reduction rather than termination, the price reduction will be proportionate to the reduced value of the service compared with the value the service would have had if it had been supplied as agreed.

The price reduction can be in the form of a partial refund or a reduction in the amount still to be paid, depending on whether the consumer has already paid for the service. The CRA does not set out a mechanism for calculating this, so it is best for you, the trader, and the consumer to seek to agree on an appropriate price reduction.

What the consumer must do if they want a price reduction

To exercise this right, the consumer must tell you that they want a price reduction. There is no particular wording that needs to be used, and the consumer can communicate in various ways, such as in-person, by phone or in writing.

What the trader must do when a consumer is entitled to a price reduction

If the consumer has paid up front, you must reimburse them the agreed amount “without undue delay” and in any case within 14 days of being informed of their decision to exercise the right to a proportionate reduction in the price.

You must use the same payment method the consumer used to buy the service, unless you and the consumer agree otherwise. You

cannot impose any additional fees for this reimbursement.

Where there is an issue with a service that ultimately results in the consumer having the right to a price reduction or termination of the service, the question that remains is what is to happen where the contract also provides for the provision of goods, digital content or digital services. In this situation, the CRA provides that the consumer has the right to terminate the contract in its entirety, or to obtain a proportionate reduction in the price, where the value of the goods, digital content or digital service to the consumer would be materially reduced in the absence of the service which was to be supplied under the contract. This will depend on the relevant circumstances.



EXAMPLE 1: REPAIR WORK NOT CARRIED OUT AS REQUIRED

Sally went to a tailor to get a pair of trousers altered and taken up. The trousers and Sally's legs were measured, and the tailor pinned each leg of the trousers.

Sally collected the trousers and tried them on at home but discovered that one of the legs had been taken up too far. She sent a text message with photos to the tailor to show them the issue.

The tailor agreed that the trousers had been taken up incorrectly and

attempted to repair them. However, he later informed Sally that it was impossible to repair the trousers to the originally requested length as a significant amount of material had been removed.

In this situation, Sally is entitled to terminate the contract. There is a lack of conformity as the tailor did not supply the service with reasonable care and it didn't meet the requirements of the contract. It is impossible to repair the issue, and the lack of conformity is not minor,

so Sally is entitled to terminate the contract and get a full refund.

Sally informed the tailor that she was terminating the service contract because the tailor did not supply the service with reasonable care, the lack of conformity was not minor, and the trader was unable to fix the issue. The tailor reimbursed her within 14 days using the same payment method that she used to pay for the service. The tailor also offered to compensate Sally for the fact that her trousers were now unusable.



EXAMPLE 2: SERVICE HAS DROPPED BELOW STANDARD

Sam signed up for a 12-month gym membership with a monthly fee after reading about the state-of-the-art equipment and the Pilates class available on the gym's website. He had no issues with the gym for six months and had been paying their monthly fee each month via direct debit.

However, during the seventh month of the membership, the standard of service supplied by the gym began to dip significantly. A lot of the equipment was out of order, and the Pilates class he attended every week was cancelled 'until further notice'.

Here, the service provided no longer complied with the information

on the gym's website relating to the service, which had influenced Sam's decision to join the gym. The service was therefore no longer in conformity with the contract.

Sam inquired with the gym as to when the equipment and Pilates class would be available again. The gym informed him that they would not be able to reinstall the equipment or restart the Pilates class for another month. The gym offered Sam a price reduction of the monthly fee for the period where they remained unavailable.

As Sam availed of other equipment and classes as a member of the gym, he was happy to agree to this proportionate price reduction.

EXAMPLE 3: MULTIPLE ATTEMPTS AT REPAIR

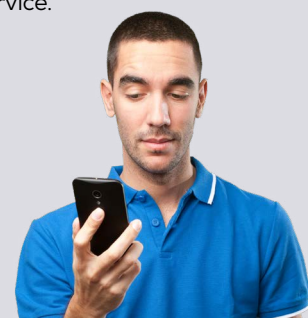
Kevin was having an issue with the speaker on his phone and went to an electronics repair shop to get it fixed. The shop examined the phone and confirmed they would be able to fix the issues with it. They told Kevin how much this would cost and he agreed to pay the repair shop this amount on completion of the repair.

Kevin collected the phone and paid for the service. However, when he attempted to use the phone later that day, he noticed that the speaker was still not working properly. He returned to the shop where the shop assistant acknowledged that the issue had not been repaired properly. The shop assistant took the phone back and informed Kevin that they would attempt a further repair and to return in a week to collect it.

The following week, Kevin arrived at the electronics shop to collect the phone. However, he was told by the shop assistant that despite multiple attempts at repair, they were in fact unable to fix the problem with the speaker as expected.

Kevin had paid for a service that was not supplied in conformity with the service contract. Despite multiple attempts at fixing the problem, the lack of conformity remained, and he was entitled to a proportionate price reduction or to terminate the service contract.

The shop assistant offered to terminate the service contract and refund Kevin the price paid for the repair. Kevin was then reimbursed within 14 days using the same payment method that he had used to pay for the service.



EXAMPLE 4: SERVICE INTERRUPTION

Tom sends his children to a creche for after-school service. He received a text message on Monday morning informing him that a pipe in an apartment above the creche had burst over the weekend. Because of this, the creche couldn't open that day and it quickly sent a text message to the parents informing them of this.

The creche estimated that it would be at least a few days before services could be restored. Tom immediately responded to ask how this would affect payment for that month.

In this case, Tom was entitled to a proportionate reduction in the fees to be paid for the creche due to the interruption in the supply of its after-school service and because the service could not be brought back into conformity without causing Tom significant inconvenience.

The creche agreed to reduce the fee for the month by a proportionate amount.



EXAMPLE 5: SERVICE NOT PROVIDED PROPERLY

Laura took a number of items of clothing to get dry cleaned. She agreed a total price to be paid on collection of her clean clothes.

She returned to collect the dry-cleaned clothing but found that a coat had not been cleaned properly and some small stains were still visible.

When informed of the issue, the dry cleaners agreed that the coat was not cleaned to the agreed standard but insisted that the consumer must pay to have it dry cleaned again and refused to do so unless payment was received.

In this case, the dry cleaners had refused to remedy the lack of

conformity for free, but the lack of conformity was minor, as only the coat was not cleaned as expected and the stains that were still on the coat were small.

If a trader is refusing to remedy a lack of conformity free of charge but that lack of conformity is minor, the consumer is entitled to a proportionate reduction in the price paid for the service.

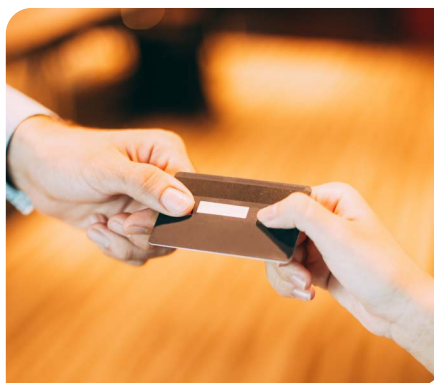
Laura informed the dry cleaners that she was exercising her right to a proportionate price reduction. They negotiated a reduction in the amount still to be paid to account for the one item that was not cleaned properly.

Right to withhold payment

If you, the trader, fail to supply a service or supply a service that is not in conformity with the service contract, a consumer has the right to withhold payment of any outstanding part of the price payable for the service until you fulfil your obligations.

This only applies where the consumer has not paid in full, i.e. where some, or all, of the payment is outstanding.

The amount to be withheld will be proportionate to the reduced value of the service compared with the value the service would have had if it had been supplied as agreed. What is proportionate can only be

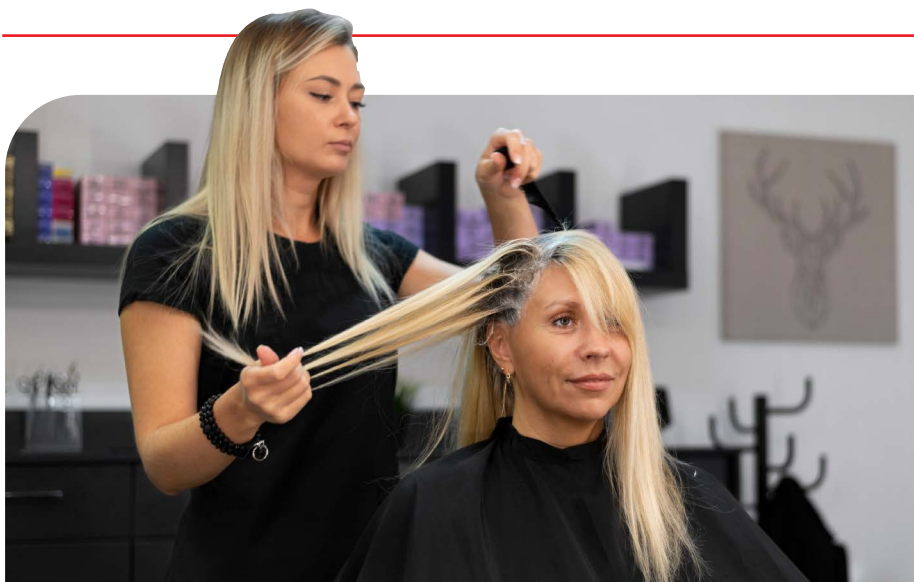


determined on a case-by-case basis. If your failure to comply with your obligations relates to a failure to supply the service (other than a short-term interruption of supply

that is more than negligible or that recurs), the part of the price withheld must be proportionate to the price payable for the period during which the service was not supplied to the consumer.

The consumer may explain their issue to you, the trader, and ask for a response. If not rectified, the consumer must then tell you that they are exercising their right to withhold payment until you have brought the service into conformity with the contract, i.e., supplied the service.

Once the issue has been resolved, the consumer must pay the sums due as agreed.



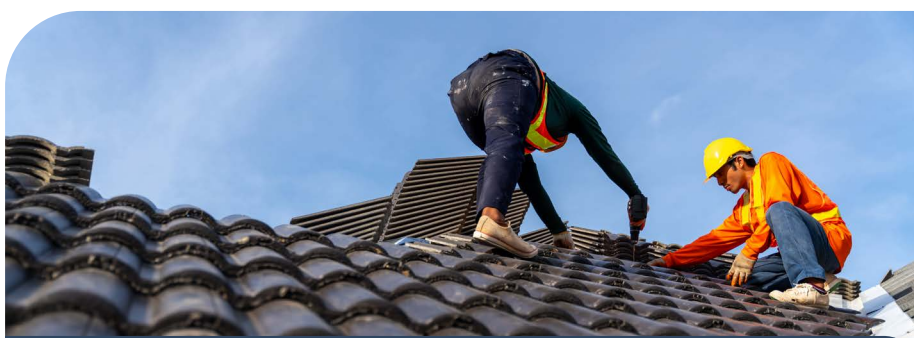
EXAMPLE 1: SERVICE DEPOSIT

Margaret booked an appointment in a hairdressing salon to have her hair dyed blonde. She paid a deposit to secure her appointment. After the service was complete, she noticed that her hair was not the colour that was agreed.

Margaret asked the hairdresser to remedy the issue and dye her hair the agreed colour, but the salon refused, stating that they were too busy and had to tend to other customers.

Here, the salon failed to comply with their obligation to remedy the lack of conformity with the service contract.

Margaret informed the salon that she was going to withhold the outstanding part of her payment until the salon fulfilled their obligations to dye her hair the agreed colour. The salon then agreed to re-dye her hair, and Margaret provided the rest of the payment.



EXAMPLE 2: PARTIAL REPAIR

Conor hired a roofer to fix a leak in his roof. The roofer examined the roof and confirmed that they would be able to fix it. It was agreed that the roofer would receive payment on completion of the work.

The roofer informed Conor that he had finished the job and demanded payment, but Conor noticed that the roof was still leaking. He pointed this out to the roofer, who agreed that the service had not been provided as agreed.

In this instance, the roofer failed to comply with his obligation to carry out the repair under the service contract. Conor informed the roofer that he was going to withhold a percentage of the price until the roofer complied with the obligation to carry out the service to the agreed and expected standard.

The roofer returned at a later date to fix the leak, and Conor paid him in full once he completed the works and the leak in the roof was repaired.

EXAMPLE 3: SERVICE INSTALLATION ISSUES

Katie signed up for a TV package under a 12-month contract. A technician arrived at her house to install the necessary equipment, for which she was to pay an installation fee. After the installation was completed, Katie sat down to watch the TV but found that she did not have access to any channels.

Katie contacted the service provider and advised them of the problem. The service provider informed her that there was an issue with the installation of the equipment, to which Katie replied she would not pay the installation fee until the issue was fixed.

The service provider sent out another technician who corrected the installation, and Katie then paid the installation fee in full.



Right to automatic termination of an ancillary (related) contract

If a consumer terminates a service contract under Part 4 of the CRA (i.e. the principal or main contract), all related contracts are also terminated without any cost to the consumer. These related contracts are referred to as "ancillary contracts" in the CRA.

An ancillary contract is another contract between the consumer and the trader, or between the consumer and a third party, under which the trader or the third party (under an arrangement between the trader and the third party), supplies goods, digital content, a digital service or another service, which is related to the main service contract, to the consumer.

When you, the trader with whom the consumer has the main service contract, are informed by a consumer that they are terminating that contract, you must inform any other trader with whom the consumer has an ancillary contract of the termination of that ancillary contract.

What the consumer must do

Where an ancillary contract is terminated, the consumer must make any goods and other materials supplied under the ancillary contract available for collection by the trader if applicable. The trader and the consumer may agree that they should return the items. If so, the trader must bear the cost of the consumer doing so.

Returning goods or materials may be difficult where they are now incorporated into the consumer's home or are similarly difficult to return. The CRA provides that the trader is not entitled to the return of items or materials if it would cause disproportionate inconvenience to the consumer or if making them available for return would damage their property.

Where the ancillary contract includes digital content or digital services, the consumer cannot use the content/service or make it available to a third person once they terminate the contract.

What the trader must do

The trader with whom the consumer has the ancillary contract must reimburse the consumer for any monies owed under that contract within 14 days, using the same payment method the consumer used to buy the service, unless the consumer and trader agree

otherwise. The trader cannot impose any additional fees for this reimbursement.

If you fail to reimburse the consumer in line with these requirements, you will be liable in damages for any loss or damage suffered by them because of this failure.



EXAMPLE: ANCILLARY CONTRACT WITH DENTIST

Carmel was unhappy with the appearance of her teeth and smile and consulted with a dentist about her options. She agreed a course of treatment involving the fitting of braces. Carmel went to the dentist to get clear braces fitted. This included the dentist doing an assessment of her teeth, confirming what measurement of braces would be needed and then fitting the braces.

The dentist offered a follow-on treatment to customers getting braces where they could receive composite bonding at a discount if they finished the original treatment and got their braces off. Carmel agreed to sign up for this additional treatment.

After a few weeks, the braces kept coming loose because they had been incorrectly fitted by the

dentist. Despite multiple refittings, the dentist was unable to resolve the issue, and Carmel informed the dentist that she was terminating the service contract for the fitting of the braces.

Here, the main service contract is the contract for the fitting of the braces. The ancillary contract is for the composite bonding. As the main service contract is terminated, the ancillary contract for the composite bonding is automatically terminated.

The dentist reimbursed the price paid by Carmel for the fitting of the braces within 14 days of being notified of her decision to terminate the service contract and reimbursed the price paid for the composite bonding under the ancillary contract.

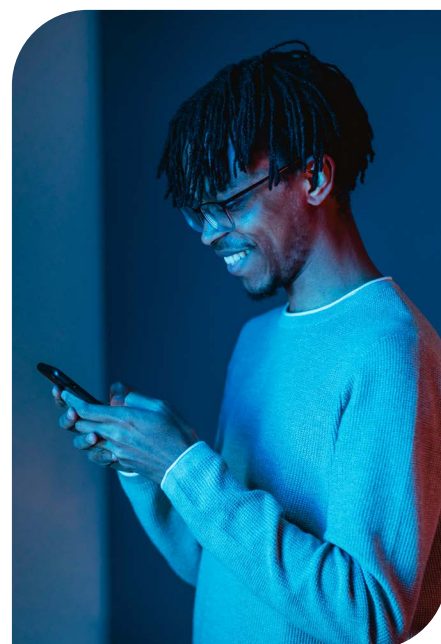
Other remedies

The remedies in Part 4 of the CRA do not affect the right of consumers to pursue any other legal remedies where a service is not in conformity with the service contract or where the trader otherwise fails to comply with any requirement in Part 4 of the CRA.

Consumers may choose to exercise rights outside of the CRA, including under private contractual law, other consumer protection law or other sectoral specific legislation, depending on the circumstances of their contract. However, it is not possible for consumers to seek to recover the same loss twice.

Other remedies that may be available to the consumer include (but are not limited to):

- the right to claim for damages where the consumer is at a further financial loss that is directly related to the non-conformity in a service contract or non-supply of the service
- the right to rely on the lack of conformity against a claim made by the trader for payment of the price under the service contract in case of a dispute, or
- the right to get the lack of conformity with the service contract remedied elsewhere and to recover the reasonable costs of this from the trader.



Enforcement

The CRA inserts rights into consumer contracts and empowers consumers to take direct action against traders where their rights have been infringed.

The CCPC monitors compliance with consumer protection law and investigates suspected breaches. Traders that do not comply with their obligations under the CRA or contravene its provisions could be subject to enforcement action by the CCPC.

The CRA contains a number of different offences and the CCPC may take enforcement action against

traders who commit these offences, such as where a trader excludes or limits the rights of a consumer under the CRA or where a trader has failed to provide the necessary pre-contractual information to the consumer.

Further details on the CCPC's enforcement powers are available on our website:

www.ccpc.ie/business/enforcement/

These guidelines reflect the views of the CCPC as of March 2025. The CCPC may amend these guidelines as necessary.

These guidelines are an overview of the provisions of the CRA relating to remedies in service contracts and are not intended to be fully exhaustive and inclusive of all provisions of the CRA (or other pieces of legislation) relating to these contracts.

The purpose of the examples provided in these guidelines is to illustrate the remedies for lack of conformity that are available to consumers under Part 4 of the CRA.

The CCPC acknowledges that traders and consumers may have further obligations and rights, respectively, under other Parts of the CRA and other pieces of sectoral specific legislation, for example in the telecoms, financial services, energy and transport sectors. Traders need to familiarise themselves with all of their statutory obligations, including those relevant to their sector, and not just those under Part 4 of the CRA.

These guidelines do not constitute legal advice. A trader must decide whether its conduct and/or that of its staff, complies with consumer protection law. However, these guidelines are intended to help

traders in making that assessment. If a trader has doubts about whether its conduct complies with the law, it should seek independent legal advice.



Coimisiún um
Iomáiocht agus
Cosaint Tomhaltóirí

Competition and
Consumer Protection
Commission

Competition and Consumer
Protection Commission

Bloom House, Railway Street,
Dublin 1, D01 C576

Tel +353 (0)1 402 5500
Consumer helpline 01 402 5555

ccpc.ie