



Shoppers make ready for refund rush

In the days following Christmas, rather than preparing for the January sales, UK retailers are busy refunding, according to new research by Halifax Credit Cards.

On Christmas day, most of us know that sinking feeling when opening a duplicate DVD or faulty gadget. However, it seems that we no longer wait around for a refund, with the most popular days for returning gifts just three days after Christmas on 28th and 29th December.

Retailers will make 29% more refunds on credit cards in December than in any other month, with the average amount per transaction refunded at £55. In January, shoppers will request 12% more refunds, with the average amount per transaction refunded at £60.

Ken Stannard, head of Credit Cards at Halifax, said:

"December and January are the most popular months for retail returns, so it's important to know your rights as a consumer. The busy High Street can be a stressful place at this time of year, but with the right knowledge of your shopping rights, you can feel relaxed when returning gifts or sale purchases.

"Savvy shoppers can spread the cost of their sale purchases and not pay any interest until 2009 with the Halifax 12 Month Credit Card. Other than those rights afforded under the Sale of Goods Act, credit card users have additional protection on their purchases. Under Section 75 of the Consumer Credit Act, if the retailer refuses to issue a refund for faulty goods, for example if the shop has gone bust; the credit card company is equally liable for faulty purchases valued at over £100 and under £30,000."

Credit Card Purchases

With UK adults spending an estimated £12 billion* on presents this Christmas, the start of 2008 can seem expensive. For those who have splashed out for the festivities, the Halifax 12 Month Credit Card means shoppers can get 0% for 12 months on balance transfers (3% balance transfer fee applies). Whilst for those who find the January bargain bins just too tempting, the Halifax 12 Month Credit Card also features 0% for 12 months on purchases, leaving New Year sales shopping interest free until 2009.

Additionally, if you have lost your receipt, a credit card statement can be used as a proof of purchase. But remember, the statutory rights apply to the person who made the purchase on their credit card, not the recipient of the gift, so the store could refund the money to the card and not to you.

Refunding Rights

At this busy time of year with long queues to the customer service desk, what are our basic consumer rights when requesting refunds on our credit cards?

- If goods are faulty or not as described then the customer is entitled to a full refund, you do not have to accept a credit note or replacement. This also applies to goods bought in sales, unless the defects were drawn to your attention or if they were obvious at the time.
- If you want to return goods because you don't like or want them, you have no legal right to ask for your money back.
- Many stores will still offer you a refund, credit note or exchange in these circumstances, but this is a gesture of goodwill and they are actually doing more than is required by the law.

Other useful sources of information for shoppers:

- Department for Business Enterprise and Regulatory Reform
<http://www.berr.gov.uk/consumers/buying-selling/sale-supply/sale-of-good-act/page8600.html>
- Trading Standards Agency
<http://www.tradingstandards.gov.uk/>
- Which?
http://www.which.co.uk/reports_and_campaigns/consumer_rights/reports/Consumer%20rights%20and%20problems/index.jsp

Editor's Notes

* Research featured in Halifax press release – Brits spend £12bn on Christmas presents (5th December 2007)

The Halifax 12 Month Credit Card is available via

www.halifax.co.uk/creditcards/onecard_12_months.asp and by calling 0800 028 3258 and features:

- 0% on 12 months on balance transfers and purchases
- A typical rate of 15.9% APR (variable)
- A handling fee of 3% applies for each balance transfer
- No annual fee
- Up to 59 days interest free credit on all purchases if you pay off your balance in full each month
- Cover against online fraud when purchasing on the Internet
- Card replacement if lost