

UK Consumer Rights Bill: Good News for Consumers

Related Lawyers: **Anthony Maton, Nicola Boyle, Ingrid Gubbay**

Related Practice Areas: **Consumer Claims**

On 26 March 2015, the long-awaited Consumer Rights Bill ("CRB") received royal assent, marking an important move to enhance the powers of the Competition Appeal Tribunal ("CAT"). Most importantly, Schedule 8 of the CRB widens the scope of means available to claimants seeking to recover damages as a result of anti-competitive conduct. The Bill, due to come into force by 1 October 2015, is a response to concerns that recovery of damages is excessively difficult, especially for individuals and small businesses. The government has described the CRB as "Biggest overhaul of consumer rights in a generation".

Anthony Maton, Hausfeld's London Managing Partner, comments:

"Up until now, UK consumers were consistently denied an effective mechanism that allowed them to seek redress and challenge anti-competitive behaviour in Courts. We know this first hand while working the BA/Virgin Air passenger case. The new Act will change this, with the introduction of a simpler more efficient scheme by which recoveries will be made much less complicated".

Nicola Boyle, Partner at Hausfeld London, adds:

"The new Consumer Rights Bill will significantly impact consumers –individuals and SMEs- seeking to recover losses where they have been harmed, but also re balances access to justice in this context by setting up a fairer framework that will particularly benefit those who previously found recovery to legitimate losses effectively out of reach".

Ingrid Gubbay, Of Counsel at Hausfeld and responsible for bringing the first collective consumer action in the EU in the field of competition law, observes:

"Alongside the European Commission's Directive on damages actions and further developments on consumer rights across Europe, the CRB will provide certainty to those that have been harmed by anticompetitive behaviour that they now have the option of collective recovery in the CAT in appropriate cases."

Below we set out details of some relevant provisions included in the CRB which will transform the way consumers obtain redress in the UK:

- **Fast Track & Lower Cost Remedies:** of huge impact for Small and Medium Size Enterprises (SMEs) and the introduction of alternative dispute resolution mechanisms.
- **Collective settlements:** the CAT will be able to make decisions which will automatically apply to an identifiable class of consumers. Moreover, the CAT will make an order approving the settlement once it is satisfied that the settlement is "just and reasonable", specifying how the damages are to be distributed and the mechanism for being part of such settlement.
- **Injunctions:** the CAT will have the power to grant injunctions against the infringers. In case of a breach of an injunction, the CAT may impose fines or refer the case to the High Court.

For several years Hausfeld has been leading the way representing those affected by anti-competitive behavior -companies, charities, small businesses, consumers and other vulnerable groups-. We have worked alongside Government, court working groups, and consumer organisations to find ways for consumers to obtain better access to court-based remedies through innovations in funding and court procedures.

Since 2008 and for a number of years, Hausfeld acted for 5.2 million air passengers who bought tickets with BA and Virgin in England for certain long haul flights where the fuel surcharge on tickets had been fixed.¹As a result of the global settlement we negotiated, millions of eligible air passengers were reimbursed for the overcharge by simply filling out online refund applications.

For more information about the Bill please click [here](#).

About Hausfeld

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