## COVID-19: CMA secures refund promise from Bijou Weddings Group

At the start of the coronavirus (COVID-19) pandemic, no weddings were able to take place at Bijou's venues between 23 March and 4 July. Bijou offered to re-schedule these weddings at no cost, but couples who did not want to rearrange were only offered a very limited refund and would have been left significantly out of pocket by Bijou's refund policy.

It is the Competition and Markets Authority's (CMA) view that, in this situation, people should have been offered a fairer refund, with the wedding company retaining only an amount that contributes to the costs it had already incurred and work done before the wedding was prevented from taking place.

After engaging constructively with the CMA, Bijou has now agreed to change its policy to offer a fairer level of partial refund to consumers who did not want to reschedule their wedding. If the company had not done this, the CMA could have taken it to court.

This agreement means Bijou will:

- offer affected customers fairer partial refunds that more accurately reflect the services received up until the date of cancellation
- clearly communicate to every affected customer who has not re-scheduled their wedding the refund process that has been agreed

In the first instance Bijou will offer refunds to customers who did not have insurance. Bijou will not have to give refunds to people who have already received, or are going to receive, their money back through their insurance.

Alongside this action against Bijou, the CMA has published <u>advice on cancellations and refunds in light of the pandemic's impact on weddings</u>. It offers the CMA's view of how the law applies and is designed to help consumers understand their rights and businesses to treat their customers fairly.

The CMA is also publishing an <u>open letter to providers</u>, and contacting some directly, to remind them of their responsibilities under consumer protection law.

This all follows the CMA's decision to prioritise weddings as an area for investigation after receiving complaints to its COVID-19 Taskforce.

Andrea Coscelli, CEO of the CMA, said:

It is good news that Bijou has agreed to offer fairer levels of refunds to its customers, and we encourage other firms in the industry to follow suit.

As lockdown lifts, couples around the country are still dealing with the impact of expensive wedding receptions that couldn't go ahead as planned, and it's important that they get the refunds they are due.

That's why we've also published advice aimed at the wedding industry and consumers, outlining our view of how the law applies to refunds, including what, if any, deductions a wedding business can make, and unfair contract terms. We're also writing an open letter to all wedding businesses, and directly to some, reminding them of their legal obligations.

The news comes as a part of a wider programme of CMA investigations into businesses that have reportedly failed to respect cancellation rights during the pandemic.

Earlier this year, the CMA launched probes into 2 major holiday lettings companies — Sykes Cottages and Vacation Rentals — and secured full refunds for all customers whose trips could not go ahead due to the pandemic.

All updates on the CMA's cancellations work can be found on the <a href="COVID-19">COVID-19</a>
<a href="response">response</a> page</a>.

## Notes to editors:

- 1. The details of any refund will depend on the circumstances of each particular wedding. The CMA will not be publishing details of the amounts provided to individual couples.
- 2. In some cases, where lockdown laws prevent a business from providing a service or the consumer from receiving it, the business may be able to deduct a contribution to the costs it has already incurred in relation to servicing the specific contract in question (where it cannot recover them elsewhere). Read more in the CMA's statement on weddings.
- 3. The CMA has recently provided more detail on its view of the law in relation to refunds. Read that statement.
- 4. The key pieces of consumer protection legislation relevant to the CMA's investigation are the Consumer Rights Act 2015 (CRA) and the Consumer Protection from Unfair Trading Regulations 2008 (CPRs). The CRA prohibits the use of unfair terms in contracts between businesses and consumers. The CPRs prohibit unfair commercial practices by businesses towards consumers.
- 5. For more information about the CMA's work on weddings, visit the <u>inquiry</u> page.
- 6. The CMA's COVID-19 Taskforce was launched on 20 March to scrutinise market developments, identify harmful sales and pricing practices as they emerge and take enforcement action if there is evidence firms may have breached competition or consumer protection law. Read more about the CMA's COVID-19 taskforce on the CMA coronavirus response page.
- 7. For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk.