

## Update – Digital Markets, Competition and Consumers Bill

Yesterday (14<sup>th</sup> November) ukactive spoke to the team at the Department of Business and Trade (DBT) responsible for the Digital Markets, Competition and Consumers Bill. During this conversation, ukactive's policy team raised a number of questions from members on the measures within the Bill and the potential impact of this on members. Below is an update on some key areas of concern, as well as next steps.

### ***Communications***

ukactive raised concerns of members on the administrative impact of additional communications being sent out to consumers, as well as concerns over email fatigue.

DBT confirmed the requirement to notify customers of billing would only be applicable at the beginning of any contract, or on renewal where the contract was for a fixed period beyond 12 months.

It would not apply to monthly rolling contracts on a month-by-month basis, only requiring a reminder of the ongoing contract every six months. It is anticipated this would amount to no more than four emails per year, and therefore would have a limited impact on consumers.

### ***Termination of contract***

ukactive raised concerns of members around termination of contracts, particularly relating to notice periods for longer-term contracts.

DBT confirmed notice periods would be unaffected by the legislation providing they were clearly communicated to consumers pre-contract. The legislation is intended to allow flexibility to cancel contracts outside of a small window, but is not intended to cut across notice periods written into the contract.

Termination of a contract must be possible online where the subscription is entered into online.

### ***Cooling off periods***

ukactive raised concerns of members on the impact of cooling-off periods on subscriptions.

DBT confirmed cooling-off periods will only be applicable upon initially signing a contract, the conclusion of free trials/introductory offers, and on renewal where that renewal is for a period of 12 months or more. It would not impact monthly rolling contracts each month.

The Bill will also extend the existing right for consumers to cancel contracts for subscription online to contracts entered into in person.

Further clarification on the operational impact of the Bill for the sector be dealt with in guidance following the Bill receiving Royal Assent, expected to be in the first quarter of 2024.

### ***Next steps***

The Bill will have its Report Stage and, timing dependent, Third Reading on Monday 20<sup>th</sup> November, after which it will pass to the House of Lords. ukactive will provide a further update following the conclusion of these stages.

The Department has agreed with ukactive to provide written answers to any questions from members. These should be submitted to [info@ukactive.org.uk](mailto:info@ukactive.org.uk) by **COP Friday 24<sup>th</sup> November**.

If there are any outstanding concerns following the answers to these questions, there will be an opportunity to table amendments to the Bill during its passage through the House of Lords.

The Department has also offered to host a webinar session with members once the Bill has received Royal Assent in the New Year, to allow any further questions to be answered and concerns to be addressed in the guidance drafted following the passage of the legislation.

Please share this information with colleagues who might benefit from this information within your organisation.

If you have any questions or further concerns, please contact Stephen McLoughlin at [stephenmcloughlin@ukactive.org.uk](mailto:stephenmcloughlin@ukactive.org.uk).