

I am NAEA qualified Estate Agent with 40 years experience in the industry. [REDACTED]

[REDACTED]

[REDACTED] My submission is my own, rather than representing the views of either organisation.

Following is my consultation submission in respect of the Consultation on draft guidance on the protection from unfair trading provisions in the Digital Markets, Competition and Consumers Act 2024 (CMA 207)

### **Question 1**

Broadly, I thought the guidance was clear. However, on initial reading the number of abbreviations and references to other documents was a little overwhelming. Bullet point summaries may be helpful in referencing the salient points from other documents. Eg CMA58

For Estate and Letting Agents, breaches of the current Consumer Protection Regulations are routinely handled by an approved ombudsman, when a consumer complains. It is mandatory for Estate Agents to belong to a redress scheme. Trading Standards, specifically NTSELAT (National Trading Standards Letting and Estate Agents Team), have provided guidance to Estate Agents to help them comply with the Consumer Protection regulations. Assuming that the involvement of Trading Standards and Ombudsman in addressing consumer concerns and complaints will continue, specific references to this would be helpful within the guidance.

### **Question 2**

Broadly these were helpful. I will address some points in specific regard to property sales later in this submission.

### **Question 3**

Drip pricing guidance is clear for general sales. There are some peculiarities in Estate Agency which again are best addressed in a separate note later in this submission.

### **Question 4**

Guidance about fake customer reviews is clear and helpful. As a consumer and business owner/manager, it is helpful that such things are clearly and unambiguously banned, so consumers make their decisions based on reviews which have integrity.

### **Question 5**

Estate Agents have principal 2 points of interaction with consumers

A Attracting new clients to use their Estate Agency services

B Sale of the property they are appointed to sell. This will usually be to consumers rather than to a corporate entity.

Brief comments on these 2 customer types follow:

A

Estate Agents, with guidance from NTSELAT (National Trading Standards Letting and Estate Agents Team) and Propertymark, have made considerable improvements to business practice in attracting new clients for their Estate Agency services. So far as I can see, the proposed new guidance provides further clarity to further level up the sector to the highest standards.

B

NTSELAT (National Trading Standards Letting and Estate Agents Team) bolstered its guidance to Estate Agents recently, setting out the Material Information that Estate Agents should provide to potential buyers about the properties they are selling. This has to a degree, shifted some information that has traditionally been part of the conveyancing process, to the Estate Agent to pass to buying clients before a sale is agreed. I broadly welcome and support this change, but there is no reference to this in the guidance. I realise that this is a very general document, but Estate Agents do need this additional help to ensure compliance.

## **FURTHER COMMENTS**

*2.14 While the Draft Guidance is currently presented in a single document to aid consultees, the CMA may restructure the guidance document into more than one document at final publication.*

Given the complexity of the Estate Agency business, it would be helpful to have sector-specific guidance. In the points set out below, some of the questions that I believe will most likely to arise are referenced.

### **Sec 9 Drip pricing**

A house purchase is a complex transaction. On top of the agreed price the buyer will receive there is usually a myriad of additional costs. Some of these are unavoidable. Those which are related to Estate Agency services such as buyers premium/reservation fee in the case of auction purchases, are clearly displayed. There are other unavoidable costs related to the conveyancing process, such as Stamp Duty and Lease assignment fees. These have traditionally been priced in with the conveyancing services. In the case of Stamp Duty, this is specifically related to the

circumstances of the buyer and occasionally requires them to take their own professional advice to identify the correct sum.

This is perhaps an area which should be included with sector specific guidance.

## **20.**

*Providing (including passing on) materially inaccurate information about market conditions...*

The example provided at 20.1 is helpful. However, often the market commentary provided by agents is often more granular and with an interpretive commentary. I would like to think that we are still able to provide this valuable opinion and commentary about the market, where it is genuinely held. Some guidance about what is and isn't appropriate would be helpful.

### **Required (material) information**

*(g) If the trader is acting on behalf of another person (eg as an agent, subcontractor or representative), that other person's contact information.*

Estate Agents act on behalf of the owner of a property; usually private individual(s). Whilst ownership of a property is usually in the public domain, most private sellers would not wish this information widely displayed in the marketing, or in deed, early negotiations. They would definitely NOT want their contact information either displayed or otherwise provided to potential buyers. If the status of the seller were likely to slow up a transaction, that would be disclosed at an early stage under the current CPRs, as we recognise that would affect the transactional decision of the potential buyer eg an estranged couple selling where a settlement negotiation is continuing.

Again some sector specific guidance would be helpful.

I hope this submission is helpful in position this guidance helpfully to Estate Agents, for the benefit of their clients.