



Digital Markets, Competition and Consumers (DMCC) Act 2024

Founded in 1978, the Association of Scotland's Self-Caterers (ASSC) represents 1,700 members, operating self-catering properties throughout Scotland, from city centre apartments to rural cottages, to lodges and chalets, to castles. Our vision is that the ASSC takes the leading role in advancing a vibrant and prosperous self-catering sector recognised as pivotal to the future of Scotland's tourism economy. Our purpose is to empower our diverse and professional membership, enabling them to deliver exceptional experiences to guests. Our focus is on supporting businesses and communities in the promotion of Scottish self-catering as a sustainable, inclusive and responsible form of accommodation.

Executive Summary

The Association of Scotland's Self-Caterers (ASSC) welcomes the opportunity to respond to the Competition and Markets Authority (CMA) consultation on draft guidance on the protection from unfair trading provisions in the Digital Markets, Competition and Consumers (DMCC) Act 2024.

The ASSC broadly welcomes the overarching aims of the Digital Markets, Competition and Consumers (DMCC) Act 2024 to enhance fairness and transparency in commercial practices. As a key stakeholder representing Scotland's self-catering industry, we are committed to ensuring consumer protection while safeguarding the viability of self-catering businesses and the intermediaries that support them.

However, aspects of the draft guidance could disrupt established industry practices and have unintended consequences. We provide responses to the consultation questions below, with recommendations to clarify and adapt the guidance to suit the unique characteristics of our sector.

Further, we support the detailed issues raised and recommendations made by our colleagues at the Professional Association of Self-Caterers UK as part of this consultation.

Response to Consultation Questions

Q1: Structure and clarity of the Draft Guidance

While we appreciate the comprehensive nature of the Draft Guidance, several areas lack clarity, particularly regarding:

- The treatment of agencies acting on behalf of property owners. Requiring agencies to disclose owner details at the invitation-to-purchase stage could jeopardise privacy, increase security risks, and disrupt established business models.
- The application of provisions regarding "drip pricing," specifically refundable damage deposits, which are standard in our industry. Further guidance is needed to confirm that refundable charges do not need to be included in headline pricing.

We recommend the Competition and Markets Authority (CMA) engage with industry stakeholders to refine the guidance, ensuring it reflects the operational realities of the self-catering sector.

Q2: Illustrative examples of commercial practices

The illustrative examples are helpful but lack sufficient representation of tourism-specific scenarios. Additional examples should include:

- Visitor Levies: The CMA guidance is clear that 'local taxes and other fees that become payable on arrival at hotels', are a mandatory charge. The Scottish Government has recently enabled local

authorities to add a percentage rate Visitor Levy to overnight stays. The Welsh tourism levy has suggested a Visitor Levy which is calculated per person per night and varies based on occupancy. While these interventions are in their infancy, and there are concerns regarding the operational complexities of the schemes, the guidance should confirm that such charges can be excluded from the headline price and calculated later based on final localised policies and consumer-provided information.

- Optional charges: Examples like dog fees or linen charges need clarification to ensure they are treated as optional extras, not mandatory fees.
- Damage deposits: Clear examples are needed to demonstrate that refundable deposits are not included in headline pricing but must be disclosed transparently.

Q3: “Drip pricing” provisions

We support efforts to prevent misleading pricing but highlight concerns about the treatment of refundable damage deposits:

- Damage deposits, whether paid upfront or held against a card, are not permanent charges in most cases. Including them in headline prices would mislead consumers by inflating perceived costs.
- We urge the CMA to explicitly state that fully refundable charges are exempt from headline pricing requirements, provided they are disclosed clearly during the booking process.

Q4: Banned practices relating to fake reviews

The ASSC fully supports measures to eliminate fake reviews, including requirements for transparency and safeguards against incentivised or fraudulent reviews. These provisions will enhance trust in the self-catering industry.

Q5: Additional comments

1) Agency role and owner privacy:

- The requirement to disclose full contact details of property owners undermines the role of agencies, which provide essential services such as guest screening, dispute resolution, and fraud prevention.
- Disclosing owner details could lead to increased spam, security risks, and direct booking circumvention, negatively impacting agencies and property owners.
- We recommend an exemption for agencies acting on behalf of property owners, allowing them to fulfill disclosure requirements through their own contact details.

2) Security and fraud risks:

- Requiring property addresses and owner details at the invitation-to-purchase stage could expose properties to criminal activity, including burglaries when properties are unoccupied.
- Agencies should be allowed to provide these details securely post-booking to mitigate risks.

3) Traditional practices:

- Established practices, such as optional linen and pet fees, must remain viable under the new guidance. Additional examples and clarifications are needed to support this.

Conclusion

The ASSC strongly supports the principles of the DMCC Act 2024 but urges the CMA to ensure the guidance is practical and proportionate for the self-catering sector. We look forward to further engagement to address these concerns and contribute to balanced and effective implementation.

Contact Details

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January 2025