

Do you have any comments on the structure or clarity of the Draft Guidance?

I am writing on behalf of Awaze – the group behind Hoseasons and cottages.com - which acts as disclosed agent of owners of short term rentals in the UK. Our concerns with the guidance is that it does not properly account for the short term rental industry and the operating agency model behind it. We would like to request exemptions or examples to be included that account for our industry.

Do you have any comments on the illustrative examples of commercial practices applying the prohibitions? Are there any areas where you think additional examples could usefully be reflected in the Draft Guidance?

We have concerns about the guidance concerning full transparency of the headline price at the outset. While in general we are supportive of full transparency, it may not always be practicable, fair or the reality if we were to present the price in this way. The CMA guidance is clear that 'local taxes and other fees that become payable on arrival at hotels', are a mandatory charge. While we agree that in certain areas in Wales, this price is unavoidable, it must also be acknowledged that the fee will be calculated on the basis of number of people per night, which may not be known at the outset. If we have to present the headline price as including the maximum that the levy can be (i.e. assuming all beds will be occupied for each night) this could present an inflated price which in itself is misleading to the consumer, and will disadvantage the owners of larger holiday homes that may (though might not in every holiday) accommodate more people, as their property becomes immediately less attractive or competitive than other, smaller properties.

Do you have any comments on the Draft Guidance on the 'drip pricing' provisions in the DMCC Act (found in the 'Material pricing information' section of Chapter 9 of the Draft Guidance), including the illustrative examples? In particular, are there any specific pricing practices that have not been included in the 'drip pricing' illustrative examples which you think it would be helpful to include, and if so, what should such further guidance specifically cover?

The guidance regarding mandatory fees should account for the use of security deposits in the short term rental industry. It is common practice in our industry for owners to chose to charge a deposit in case of damage, which will be refunded in full if no damage is caused (which is what happens in the vast majority of cases). The current guidance is unclear: as the guest needs to make this payment to complete their booking, it seems

likely that this could fall within the mandatory fees category without clear guidance on this point. Again, it would completely over inflate the price if this is required to be included in the headline price. Likewise, where an amount is held against the guest's card, and only taken if there is damage, the guest is not making the payment in order to complete their booking (purchase). However, it is mandatory that the trader holds an amount against their card—this is not optional. It is therefore unclear whether this would be deemed a mandatory fee. We request specific guidance be included to state that such fees are not required to be included in headline prices.

Do you have any comments on the Draft Guidance on the banned practice relating to fake consumer reviews (found in Annex B to the Draft Guidance)?

We have a serious concern with the requirement on agencies to disclose the contact details of the property owners that it represents at the invitation to purchase stage (i.e. on the property listing). This is hugely problematic with our industry: - First and foremost, homeowners do not want their personal details to be shared online for all to see. These are often individuals or SMEs, and it is a huge privacy concern that their personal information will be shared so publicly. It is not in keeping with the general principles of GDPR and privacy, especially in light of the security risks this represents. Not only can aggrieved customers gain direct access to property owners, which can be highly problematic. Looking back to COVID, we saw unprecedented anger when bookings were cancelled: to the point where our staff were being sent threats of physical attack. There is also the security risk of data scraping, fraud and phishing attacks etc. - Likewise, this is not in keeping with the fundamental principle of agency / short term rentals. Holiday homeowners let their properties through agents specifically to outsource guest communication / property management. To give their contact details will inevitably result in a high amount of contact to them (and not just from actual bookers, but also to non-bookers who are perhaps interested but haven't booked). This is a benefit of going with agencies, and removing this benefit will have a significant impact on our industry. It also allows guests to book direct, e.g. via email to the owner, which is not only harmful to the agents from a commercial perspective, but could also be harmful to guests who may not be as protected (e.g. in the case of payments / cancellations) than going through agents. This would undermine the role of agents who are pivotal in dispute resolution and guest screening. We urge the CMA to recognise the role of agencies in protecting both owners and consumers and to amend the guidance to allow agencies to continue acting as intermediaries without being forced to disclose owner details from the outset. A solution could be for example, to share owner details on request, after a booking has been made, and close to the booking start date (in case of booking cancellation pre-arrival).

Do you have any other comments on topics not covered by the specific questions above? If so, the CMA requests that respondents structure their responses to separate out their views in relation to each of the Draft Guidance's chapters

No

Other information

N/A
