

Beside The Sea Holidays (2)

Q1. Do you have any comments on the structure or clarity of the Draft Guidance?

We welcome the intent of the legislation to protect consumers and promote fair trading practices, particularly with provisions addressing drip pricing and fake reviews. However, we are concerned that certain aspects of the draft guidance do not fully consider established practices within the short-term holiday let industry and could lead to unintended consequences.

In particular, the requirement to disclose owner contact information at the invitation to purchase stage is problematic. This would undermine the role of agencies as intermediaries, compromise property owner privacy, and increase risks of fraud and security issues for both owners and guests.

We would welcome further dialogue with the Competition and Markets Authority (CMA) to ensure that the guidance appropriately reflects the unique characteristics of our industry, allowing agencies to continue their vital role while maintaining fairness and transparency for consumers.

Q2. 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 Are there any areas where you think additional examples could usefully be reflected in the Draft Guidance?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 appreciate the illustrative examples provided in the guidance, but believe additional examples relevant to the tourism and holiday let sector would be valuable.

1. Tourist levies:

The draft guidance should include an example addressing situations where a per-person, per-night levy (such as the proposed Welsh tourism levy) applies. Since the total amount depends on the number of guests and the length of stay, this cost cannot be calculated in advance. For clarity and transparency, guidance should confirm that such levies do not need to be included in the headline price but must be clearly explained to consumers as part of the booking process.

2. Optional versus mandatory charges:

It would be helpful to clarify that optional charges, such as pet fees or linen hire, should not be treated as mandatory simply because they are commonly selected. For instance, a holiday let may be marketed as dog-friendly with an additional pet fee, but the fee is only incurred if guests choose to bring a dog. Including such charges in the headline price would misrepresent costs for consumers who do not use these optional services.

3. Damage deposits:

There is ambiguity around whether refundable damage deposits fall under mandatory pricing. Guidance should explicitly confirm that damage deposits, which are refundable in most cases, do not need to be included in the headline price but should be clearly communicated during the booking process.

4. Booking platforms and communication limitations:

Guidance should acknowledge the practical limitations of displaying detailed pricing breakdowns and variable costs (e.g., tourist levies, damage deposits) on booking platforms. It would be useful to include examples of how these limitations can be addressed in ways that meet the requirements while remaining practical for industry use.

Q3. 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?

We strongly support the principle of avoiding drip pricing, as transparency is key to consumer trust. However, further clarification is needed on how common industry practices, such as damage deposits, should be treated:

- **Refundable damage deposits:** A deposit required at the time of booking but refunded after the stay (if no damage occurs) should not be included in the headline price, as this could mislead consumers into thinking the cost of their stay is higher than it is. The guidance should explicitly state that refundable deposits are not mandatory costs and should instead be communicated transparently during the booking process.
- **Holding card amounts:** Similarly, holding an amount against a guest’s card (without charging unless damage occurs) should not be considered a mandatory fee, as no upfront payment is required.

Including these scenarios in the guidance would provide much-needed clarity for the holiday let sector and ensure pricing practices remain fair and transparent without misrepresenting costs.

Q4. 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 fully support the measures to combat fake reviews and believe these provisions will help maintain consumer trust in the industry. Transparency and authenticity in reviews are critical, and we are committed to adhering to these standards.

Q5. Do you have any other comments on topics not covered by the specific questions above?

One of the most significant concerns is the proposed requirement for agencies to disclose property owners' contact information at the invitation to purchase stage. This raises serious issues for privacy, security, and the viability of the agency model.

- **Privacy and security risks:** Disclosing owner contact details could expose owners to phishing attacks, spam, and even physical security risks, particularly if property addresses and availability are displayed online.
- **Erosion of the agency model:** Requiring owner details to be disclosed undermines the role of agencies, which act as intermediaries to manage bookings, address guest queries, and resolve disputes. This would disrupt the business model and allow guests to bypass agencies, leading to lost revenue and reduced confidence from property owners.

We urge the CMA to amend the guidance to allow agencies to continue protecting both owners and guests by acting as intermediaries without the requirement to disclose owner details at the invitation to purchase stage. The agency model is well-established and benefits all parties involved, providing essential security, support, and operational management for the holiday let sector.