

Do you have any comments on the structure or clarity of the Draft Guidance?

We believe the guidance is clear and well-structured. We welcome the various illustrative examples on each section.

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 Are there any areas where you think additional examples could usefully be reflected in the Draft Guidance?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 still have questions in relation to the guidance on aggressive practices, in particular the section that explains what constitutes a disproportionate action for a consumer to exercise their rights in relation to cancellation rights of a product. In the event of a gym/leisure contract, it is common practice for leisure operators to request feedback from their customers for their reasons for contract termination. In some cases, this information is asked before the customer cancels their contract (where, for example, this question is part of the cancellation form). In other cases, the operator asks this information after the customer has confirmed that they would like to cancel their contract. It would be helpful if the CMA guidance includes both occasions with illustrative examples of whether this practice is allowed. The illustrative example currently provided explains a similar example for an online retailer but also includes details such as a customer needing to click multiple times to confirm their decision to terminate and being provided messages about the risk of termination. If these two practices are not included, and the customer is solely asked for feedback on their reasons for termination, would this be permissible under the new legislation? In addition, we would welcome further illustrative examples which recognise the common commercial practices of leisure operators, including how to display: - A joining fee on different types of contracts: Can leisure operators clearly specify a joining fee alongside a monthly or fixed contract term cost? Or does there need to be a headline fee, which for a fixed term contract would include the joining fee in the total amount. If for a rolling contract, how would this be expressed? - Payment of a final month which is payable in advance upon entering a rolling contract: Can leisure operators clearly specify a last month fee alongside a monthly cost? If there needs to be a headline fee for a rolling contract, how would this be expressed? - Prorate fee for the remainder of the current month when a customer joins mid-month and the trader usually takes direct debits on a set date that cover a period of a calendar month (see response to question 9 for further contextual details).

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?

It is common practice for leisure operators to request a prorated fee from customers who join a contract mid-month. This would be calculated based on the advertised fee per month and the remaining number of days in the month. The Guidance should clarify, and if needed include an illustrative example, of how this prorated fee should be included in the invitation to purchase and the headline price.

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)?

No

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

We would welcome confirmation on when these provisions are expected to come into force. We acknowledge the written ministerial notice stating April 2025 as a commencement date. This is coming up soon and therefore confirmation of the exact date is needed.

Other information

We are a members’ association representing registered charities, societies or community interest companies (with a public benefit asset lock) delivering public leisure, sport and/or culture services for communities across the UK. Many of our members work in partnership to deliver services on behalf of local authorities, and all operate assets and services as part of the public service provision in their communities.
