

What is your organisation or group's name?

Sleeps12.com Limited

Do you have any comments on the structure or clarity of the Draft Guidance?

No

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 Are there any areas where you think additional examples could usefully be reflected in the Draft Guidance?

Although I generally support the overall aim of the legislation addressing drip pricing and fake reviews, I have concerns that some aspects of the proposed implementation may not align well with established practices in the self-catering tourism sector and could lead to unintended consequences.

Do you have any comments on the Draft Guidance on the 'drip pricing' provisions in the DMCC Act (found in the 'Material pricing information' section of Chapter 9 of the Draft Guidance), including the illustrative examples?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?

I have been running a well respected Self Catering Agency for over 20 years. The current draft guidance on unfair commercial practices under the DMCC Act 2024 poses significant risks to my business. While consumer protection is crucial, certain proposed measures could undermine the core structure of agency operations, heighten security risks, compromise property owner privacy, and damage the integrity of the industry. We would appreciate further discussions with the Competition and Markets Authority to help clarify how the legislation and guidance apply to our sector.

Do you have any comments on the Draft Guidance on the banned practice relating to fake consumer reviews (found in Annex B to the Draft Guidance)?

The CMA guidance clearly states that "local taxes and other fees that become payable on arrival at hotels" are considered mandatory charges. The Welsh tourism levy is one

such local tax that will impact the tourism industry when implemented. We interpret the legislation to include these types of tourism levies as part of the total or headline price in the invitation to purchase.

Our Concerns

Taking the Welsh tourism levy as an example, it will be charged on a per-person, per-night basis. Properties typically advertise their capacity, but booking parties may not bring the full number of guests to meet the advertised occupancy. While this will not affect the price of the property itself, it will influence the total amount payable for the tourism levy, as it is calculated based on the number of people staying. We would appreciate further guidance—perhaps an additional example—clarifying that this scenario is one where the total price cannot be determined in advance. In such cases, the trader should provide consumers with clear information on how the levy is calculated (e.g., the per-person, per-night rate). The alternative—incorporating the maximum possible tourism levy based on the property’s full capacity into the headline price, and then adjusting it if the guest number is reduced—seems less transparent. This approach could disproportionately inflate the headline price of larger properties, which may be booked by smaller groups.

Mandatory vs. Optional Charges in the Tourism Industry

Regarding mandatory versus optional charges, the guidance at 9.20 states that charges should not be excluded from the headline price if consumers could theoretically avoid them, but doing so is not practical. This includes examples like delivery fees, where a collection option is available but not realistically feasible due to limited store locations. In the tourism context, we have concerns that some charges, which are clearly optional, might still be classified as "mandatory" under this interpretation. For example: Dog-friendly holiday homes (or agencies) that charge an additional fee for pets, even though the dog-friendly feature is a key marketing point. Optional linen charges for holiday homes, where guests may bring their own linen, but an extra charge applies if they choose to have linen provided. While both of these charges are optional, we are concerned that due to the nature of the services and consumer expectations, they may be interpreted as mandatory charges. We seek clarity that the guidance in 9.20 does not apply to these types of optional extras, where consumers may be likely to select them based on the nature of the service (e.g., bringing a dog or opting for provided linen), but the decision is not guaranteed.

Additional Guidance for the Tourism Industry

We believe the draft guidance would benefit from more industry-specific examples, particularly regarding online bookings for holiday accommodation. Specifically, we would appreciate clarification on the following points: When the invitation to purchase stage occurs in the context of holiday accommodation bookings. How to handle

situations where the headline price cannot be calculated without variable information from the consumer (e.g., the example with visitor levies). Which fees are considered mandatory, including our concerns regarding the treatment of damage deposits, which we address later. The correct approach to headline price breakdowns and how they should be presented. Further examples of ‘context’ and ‘limitations from the means of communication’ (Section 230(8)), particularly as they relate to the limitations of booking websites that primarily serve as enquiry platforms for property owners. We would greatly appreciate additional guidance and tourism-specific examples to help ensure the fair and consistent application of these rules within the self-catering tourism sector.

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

Drip Pricing and Damage Deposits in the Short-Term Holiday Let Sector We support the principle of preventing "drip pricing," where mandatory costs are omitted from the headline price. However, we have concerns regarding how one prevalent pricing feature in our industry will be addressed by this legislation: the practice of charging damage deposits for short-term holiday let bookings. For example, a holiday cottage might have a headline cost of £2,000, but to cover potential damage, the accommodation provider may require an additional deposit of £500. This deposit is typically refundable if no damage occurs, and it is only in exceptional circumstances that any portion of the deposit is retained. The requirement for a damage deposit is standard within the self-catering accommodation sector, given the high costs of potential damage and the challenge of obtaining reimbursement after guests depart. There are three main ways holiday let owners mitigate damage risk:

Optional Non-refundable Damage Waiver: Some providers offer guests the option to pay a non-refundable fee for a damage waiver. As this is an optional charge, it falls outside the scope of drip pricing legislation and does not need to be included in the headline price.

Refundable Damage Deposit Paid Upfront: A refundable damage deposit is paid at the time of booking, typically refunded if no damage occurs (or partially refunded if deductions are required for damage). Although this is an upfront payment, it is refundable in most circumstances and serves only to secure the accommodation against potential damage. This deposit is not part of the holiday’s price, but its handling could be impacted by the legislation.

Damage Deposit Held Against a Card: In some cases, a deposit is held against a guest’s credit card, and only drawn upon if damage occurs. This does not require an upfront payment, but it is still a mandatory condition of the booking. Where a refundable

damage deposit is paid upfront or held against a card, the current guidance remains unclear. Given that the deposit is refundable in most circumstances, we believe that including it as part of the headline price could mislead consumers into thinking the booking costs more than it does. In practice, guests only make this payment permanent if damage occurs, which is a rare event. It seems inconsistent with the spirit of the legislation to include refundable deposits in the headline price. We request further clarification on this matter, particularly confirming that fully refundable damage deposits should not be included in the headline price under the drip pricing rules, as they do not represent a final, non-refundable cost.

Concerns About the Requirement to Disclose Owner Contact Details

We also have significant concerns about the proposal requiring agencies to disclose property owners' full contact details at the invitation to purchase stage. This requirement could undermine privacy, security, and the viability of the agency model, leading to several issues: **Increased Risk of Fraud and Phishing Attacks:** Publicly sharing owner contact details would expose them to a higher risk of fraud and phishing attacks. **Undermining the Role of Agencies:** Agencies provide essential services such as guest screening, dispute resolution, and marketing. Disclosing owner details could disrupt these intermediary functions, leading to lost revenue and undermining the traditional agency business model. **Threat to Privacy and Security:** Making owner contact details publicly available could result in the owners' email addresses being targeted by spam bots, as well as increase the risk of scams from malicious actors using spoofed email addresses. If this practice is implemented, it could encourage guests to bypass agencies and contact owners directly, thereby disrupting the agent-owner relationship and undermining the value provided by agencies, who invest heavily in marketing and generating bookings. This is not a theoretical concern. One of our members, Premier Cottages, trialed disclosing owner contact details on their platform as a way to facilitate direct communication between guests and owners. However, this led to an influx of spam emails for owners, which ultimately forced Premier Cottages to introduce a contact form to prevent further issues. This highlights the real and practical risks of exposing owner contact details.

Implications of the Proposal

The proposal to disclose owner contact details presents several practical challenges: **Owners' Preference for Agency Intermediation:** Many property owners choose to work with agencies precisely to avoid direct consumer contact, and they expect the agency to handle queries and bookings. **Increased Spam and Security Risks:** Exposing owners' email addresses and physical addresses increases the likelihood of spam and scam attempts, which can damage owners' trust in the industry and the wider economy, especially in rural and coastal communities. **Property Security:** Making owners' details publicly accessible could compromise the security of both the property and the owner's

personal information, as criminals could use the availability of property calendars and addresses to target unoccupied properties. Commercial Impact on Agencies: If guests contact owners directly, the agency loses the commission it would otherwise earn from the booking. This undermines the commercial model of agencies, who play a crucial role in marketing and supporting holiday accommodation providers. Given these concerns, we strongly urge the CMA to reconsider the requirement for agencies to disclose owner contact details at the invitation to purchase stage. Instead, we suggest that the CMA update the guidance to confirm that, in cases where agencies market properties on behalf of owners, the context and limitations of the communication means (e.g., booking platforms) should be considered. In these cases, agencies should not be required to disclose owner contact information at the invitation to purchase stage, as this goes against the interests of all parties involved—agents, owners, and consumers. We believe that agencies already have sufficient measures in place to provide relevant information to consumers through customer service teams and contact forms. Therefore, the current proposal could disrupt a well-functioning market and undermine the protections agencies offer to both property owners and consumers.

Conclusion

We support fair trading practices and consumer protection but urges the CMA to ensure that regulation does not disrupt the well-functioning agency model, which provides essential security, guest support, and fraud prevention. We ask that the guidance be updated to reflect the concerns outlined above, ensuring that damage deposits (particularly refundable ones) are not included in the headline price and that agencies are not forced to disclose owner contact details at the invitation to purchase stage.
