

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 Do you have any comments on the structure or clarity of the Draft Guidance?**

The Toad Hall Cottages Group (Toad Hall Cottages Ltd, New Forest Cottages, Rumsey of Sandbanks) agree with much of the legislation regarding to most of the unfair practices that you have highlighted. However, certain parts of the proposed changes are not at all suited to our industry (holiday letting) and the way in which we operate. We have always ensured that we are compliant, open, honest and professional in our business, however we are concerned about some of these proposed changes as they are impractical at best.

The draft guidance presents a number of very considerable risks to the short-term holiday let sector and the agencies that operate within it.

We agree that consumer protection is crucial but there are some measures contained within the guidance that would disrupt the agency model, heighten security risks, cause huge privacy issues for property owners and threaten the overall integrity of the industry.

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 Are there any areas where you think additional examples could usefully be reflected in the Draft Guidance?**

### **Mandatory versus optional charges within the tourism industry**

In respect of mandatory versus optional charges, at 9.20, the guidance states:

*In addition, charges should not be excluded from the headline price if consumers could in theory avoid them but doing so is not viable in practice. This includes, for example, delivery fees where a collection option is notionally available, but a product cannot be feasibly collected by other means, for example because a trader has a very limited number of physical stores located only in certain parts of the country yet advertises products to consumers across the UK.*

There are examples from our industry where this would be unworkable and thus should not fall into the viable in practice bracket:

- a) Holiday homes that accept pets, with an additional fee charged
- b) Holiday homes that advertise electric car charging stations, with an additional fee charged
- c) Holiday homes that charge for linen, there are very few that do, but an additional fee could be charged

We feel that further examples specific to our industry as this applies to the online booking stage of booking a holiday home. Please can you confirm:

- a) It is difficult to work out when 'The invitation to purchase' happens.
- b) From time to time the final price cannot be correct until the potential customer has filled in whether they want a pet/ EV point/ linen.

c) Our 'price' is a single displayed price, with nothing added on. However, behind the scenes this is made up of a number of components, such as booking fee. We pride ourselves on no additions to the price at point of booking, do we need to break down those costs for the consumer too?

**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?**

The Toad Hall Cottages Group agrees that drip pricing is an unfair practice and we ensure that our cost is what customers pay. However, as highlighted above, if customers wish to bring a pet for example this must be added on. Customers who do not take a pet cannot be asked to pay a mandatory extra amount as that would be an unfair practice and falsely inflate the price for some. Same as EV charging and linen provision for some properties.

However one major issue is that some of our properties require a damage deposit that is paid upfront and returned to the customer after their stay (should there be no damage).

If customers are mandatorily required to pay a damage deposit at point of booking, this will over-inflate the price and lead to lack of bookings. It is worth noting that it is rare that a complete security deposit is not returned to the customer.

Further guidance would be welcome on this point.

**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 agree that fake consumer reviews should be banned. In our Ts & Cs, it states that we will only refuse to publish a review should they be abusive, slanderous or unsubstantiated. We are proud that Feefo reviews have awarded us a platinum award for over 10 years.

**Q5. 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.**

One worrying stipulation is the proposed requirement for agencies to disclose the full contact details of holiday home owners at the invitation to purchase stage. This raises huge issues surrounding privacy, security and the agency's viability.

Requiring this information would:

- a) Increase fraud
- b) Increase security issues. Unscrupulous individuals would know where affluent owners lived, and also would know when their holiday property was empty.

- c) Decrease the value of agencies as intermediaries who take away all the problems of holiday letting (complaints, guest screening, issues within the property, payment issues) allowing direct bookings to be made with the owner through their own website. In many cases websites have had hundreds of thousands of pounds spent on them, it would be grossly unfair to link a customer directly to an owner via this software.

A further worry is the full disclosure of contact information. In some cases, where owners also caretake the property, we do provide this information. In many cases we are directly requested not to provide that. Requiring this information could:

- a) Owners engage agencies to handle consumer interactions, including queries and bookings. This is common practice in the travel industry, with consumers typically expecting to communicate with agents rather than owners directly.
- b) Spam Increase: If owners' contact details, such as email addresses, are made public, it would lead to an increase in spam. This could undermine owners' trust in the industry, particularly those in rural and coastal communities where tourism plays a vital role in the local economy.
- c) Scam Risks: Publicly accessible owner contact details could also lead to increased scams, with malicious actors using spoofed email addresses to impersonate owners and defraud consumers.
- d) If agents are required to disclose the exact property address on public-facing websites, this would provide criminals with information not only about the property's location but also about its occupancy status based on the availability calendar. This could make the property a target for criminal activity.
- e) Undermine the owner/agency relationship. If owners' details are provided to consumers during the booking stage, consumers may bypass the agency and contact the owner directly for a booking. This could damage the agency-owner relationship, as agents invest in generating bookings and rely on commission from those transactions. If the owner decides to bypass the agency for direct bookings, the agent would not be compensated for their marketing efforts.

We ask that your guidance is updated to take into account these points as they are very serious, providing the owner details online would be an unwise move in an industry that has high values and high degrees of professionalism.