



Solicitors, Notaries, Estate Agents

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To Whom It May Concern

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Please reply to Head Office

Our Ref: [REDACTED]

Your Ref:

Date: 2nd September 2025

Dear Sirs

Consultation response – Draft guidance for businesses on the price transparency provisions of the Digital Markets, Competition and Consumers Act 2024

I am writing in response to your consultation on draft guidance for businesses on the price transparency provisions of the Digital Markets, Competition and Consumers Act 2024 (DMCC Act).

We are a firm of Solicitor Estate Agents operating in the Edinburgh and Lothians property market, specialising in the sale and purchase of residential property. Established in 1977, we now handle the sale of more than one in ten homes in the region, giving us deep insight into local market practice. As Solicitor Estate Agents, we are regulated by the Law Society of Scotland and are therefore duty bound to ensure transparency in pricing.

We are seriously concerned that several aspects of the proposed guidance fail to take into account the specific features of the Scottish property market, which operates under a framework distinct from that in England and Wales. In Scotland every property marketed for sale must be accompanied by a Home Report. This statutory document provides prospective buyers with a professional survey, an independent market valuation and an energy report. It offers a comprehensive and transparent overview of the property before any offer is made, enabling buyers to make properly informed decisions. This level of mandatory disclosure is unique to Scotland and already provides consumers with far more protection and clarity than is available in the rest of the UK. Any regulation must therefore be carefully aligned with this system rather than cutting across it.

From the Round Table discussion on 2 September it appeared that Westminster is still considering further regulation for estate agents, a process that has been ongoing for some time without resolution. No sector specific guidance could be provided during the discussion and no timeline was offered as to when such

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regulation might be introduced. In the absence of the previous Material Information regime the new draft guidance risks leaving our industry in a position of regulatory limbo, effectively a No Man's Land, until future regulation is brought forward which may not be for many months or even years. In the meantime those of us already acting under strict regulatory duties, and the property sellers we represent, are exposed to an unfair marketplace in which we comply with rules that many of our competitors do not. We therefore urge that sector specific guidance for the Scottish property market be issued as a matter of urgency.

I have highlighted the key areas of concern below:

1. Legal Fees and Charges: Managing Necessary Variability

The draft guidance calls for transparency around mandatory charges. As solicitor estate agents, we are compelled to provide clear and accurate quotes to our clients for the sale of their property prior to instruction.

The purchase however, is a little more complex and can have a number of variables, such as buyers status, title complexity of purchase and mortgage arrangements. Some of these will only come to light at a later stage.

In light of the variability in professional fees, we urge the CMA to consider sector specific allowances enabling the use of fee ranges, supported by a disclaimer indicating that final costs will depend on the particulars of the transaction and the individual circumstances of the buyers.

2. Renovation Costs: Balancing Risk and Realism

Section 3.6 to 3.9 of the guidance suggests that foreseeable renovation costs should be given equal prominence to the purchase price. In reality, these costs are highly variable and depend on the buyer's intended scope of work and the findings of a qualified surveyor.

Requiring these speculative costs to be estimated prior to the property purchase, even with caveats, sets unrealistic expectations and could expose selling agents to professional liability issues.

Properties for sale in Scotland are required to hold a Home Report prior to marketing. The Home Report includes a survey of the property which highlights anticipated renovation works. Whilst an exact amount for remedial works is not quoted (due to the issues already highlighted above), it clearly signposts issues with the property allowing the buyer to make an informed decision including the opportunity to obtain their own estimates prior to purchase.

In recognition of the inherent uncertainty surrounding renovation costs, we recommend that the CMA permit the use of qualitative disclosure, such as "property requires upgrading; buyers are advised to obtain independent surveys and cost estimates", as a more appropriate alternative to speculative financial figures, which may mislead or misinform consumers.

3. "Offers Over" Pricing: Preserving Market Norms

The guidance states that the headline prices must be realistic, meaningful, and attainable. It is unclear whether this challenges the established "Offers Over" pricing model which operates, misleadingly in Scotland.

This format is well understood by Scottish agents and consumers and reflects legitimate market practice, particularly where sellers are open to a range of offers depending on a variety of conditions. Provided that sellers are acting in good faith and genuinely intend to consider offers at or above the stated amount, we believe this format should be explicitly permitted under the final version of the guidance. The Home Report, as mentioned in 2 above contains an independent market valuation by a qualified surveyor, so the market

value of the Property is a known fact and available to all prospective buyers.

I firmly believe that the guidance should allow for a subsection for the Scottish property market, offering clear guidance for buyers and sellers in Scotland, taking into account the considerations mentioned above and recognising our unique position.

Kind regards,

A black rectangular redaction box covering the signature of the sender.

Neilsons Solicitors and Estate Agents