

moneyadvice**scotland**

Scotland's Money Charity

Money Advice Scotland's response to consultation on price transparency guidance.

September 2025

Money Advice Scotland welcomes the opportunity to respond to this consultation. We have responded to the questions that we are able to best provide comment on.

About Money Advice Scotland

Money Advice Scotland is Scotland's money charity. We exist to help people in debt, support money advisers, and influence policy. Our mission is to be the driving force towards financial wellbeing for the people of Scotland.

Supporting money advisers

We're a membership organisation and provide training, events, and resources to the money advice sector. We aim to ensure that money advisers have a platform to report social policy concerns via our evidence base as well as access to training to ensure they are equipped to carry out their important role. We offer various other types of support for professionals to help advisers thrive at a time when demand for advice is increasing.

Helping people in debt

We believe everyone in debt deserves to be treated fairly. Debt can happen to anyone, and we understand how it can affect someone's life which is why we are always working towards securing fairer practices for people in debt. We have a range of resources for people going through the debt advice process including debt terms explained, help accessing your income and expenditure report, and benefits calculator.

Influencing policy

We work to be a strong voice for consumers and people in debt in Scotland by identifying detriment and acting on it. By working closely with our members, we can identify causes of harm to consumers at an early stage. We also provide a strong and persuasive voice for the advice sector, ensuring that our members' views are heard.

Improving financial wellbeing

We also work to help people improve their financial capability by delivering workshops to schools, colleges, and workplaces across Scotland.

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 Do you have any comments on the structure or clarity of the Draft Guidance?

We believe that the structure of the Draft Guidance is generally logical and user-friendly, progressing from high-level principles to detailed requirements and sector-specific examples. This flow helps users (primarily businesses but also advisers and consumers) navigate the content efficiently. Key sections, such as those on total price presentation and mandatory charges, are clearly signposted, and the inclusion of practical case studies (e.g., for online retail, travel, and subscriptions) enhances usability by providing real-world applications. These elements make the guidance more approachable than a purely prescriptive document, potentially aiding smaller businesses in Scotland to implement changes without excessive confusion.

While the guidance aims to empower consumers indirectly through better business practices, its structure and clarity could be improved to make it even more user-friendly. Some areas risk overwhelming users with dense legal terminology or ambiguous interpretations, which could lead to inconsistent application. This, in turn, might undermine consumer empowerment if businesses misinterpret requirements, resulting in persistent misleading pricing practices that affect vulnerable consumers' ability to budget effectively.

The modular format, with distinct sections on key concepts (e.g., "invitations to purchase," mandatory vs. optional charges) and cross-references to related laws like the DMCC Act, allows for targeted reading. This is particularly helpful for time-poor users, such as money advisers supporting consumers.

Areas for Improvement:

Accessibility

Certain sections, like those on non-calculable prices or exceptions for space constraints, are wordy and could benefit from simpler language, bullet points, or flowcharts. For example, explaining how to handle variable delivery fees on marketplaces feels convoluted, potentially confusing smaller Scottish businesses that lack dedicated compliance teams. Simplifying this would make the guidance more inclusive, ensuring broader compliance and better consumer protections.

Ambiguity in Key Terms

Terms like "realistic, meaningful, and attainable" prices or the distinction between mandatory and "likely" optional charges could be clarified with more precise definitions or additional examples. Without this, businesses might err on the side of caution or non-compliance, leading to pricing displays that still confuse consumers (e.g., overloaded ads with too much information, hindering quick decision-making).

Consumer-Centric Focus

The structure prioritises business compliance, which is appropriate, but could better integrate consumer perspectives e.g., through sidebars on how each requirement directly aids informed decisions.

Q2. Do you have any comments about what an invitation to purchase is (Chapter 2)?

We believe that the definition of an ITP is broadly clear and well-structured, providing a solid foundation for ensuring price transparency at key decision-making points in the consumer journey. By specifying that ITPs include both product characteristics and pricing, the guidance effectively targets communications where consumers are most likely to be influenced, such as online checkouts or in-store displays. This clarity is critical for empowering consumers, as it ensures they receive complete pricing

information early, reducing the risk of unexpected costs that could lead to financial distress, particularly for low-income or debt-prone individuals in Scotland.

The broad scope of ITPs, covering diverse formats like website listings, in-app banners, and physical menus, reflects the modern consumer experience, including digital platforms where vulnerable consumers often encounter drip pricing (e.g., in e-commerce or travel bookings).

Areas for Improvement:

Ambiguity in Edge Cases

The definition could be clearer on certain edge cases, such as dynamic or personalised pricing in digital platforms (e.g., algorithm-driven price changes on marketplaces). For Scottish consumers, who may rely on online marketplaces with variable delivery fees (especially in rural areas), ambiguity here could lead to inconsistent pricing displays, undermining informed decision-making.

Practical Constraints Not Fully Addressed

While Chapter 2 acknowledges exceptions for space or time constraints (e.g., radio ads or small posters), it lacks detailed guidance on how businesses should provide pricing information in these cases. For example, it suggests alternative channels (e.g., a website link), but without clear standards, this risks inconsistent application, potentially leaving consumers uninformed and vulnerable to hidden costs.

Q3. Do you have any comments about what needs to be included in an invitation to purchase (Chapter 3)? Is the guidance on when the presentation of prices might be misleading clear? Are there topics covered in this section that would benefit from further guidance?

The information requirements in Chapter 3 are well-aligned with the goal of empowering consumers by ensuring transparent pricing at critical decision-making points. By mandating the inclusion of all mandatory charges in the headline price and requiring clarity on calculation methods for non-fixed costs, the guidance helps consumers avoid unexpected expenses that could lead to financial distress. We believe that the emphasis on early disclosure and dynamic totals for online purchases supports informed budgeting, reducing the risk of unaffordable purchases.

Areas for Improvement:

Complexity in Presentation

While the requirement for “clear and legible” information is welcome, the guidance could be more prescriptive about presentation standards, especially for vulnerable consumers. For instance, it should recommend plain language, high-contrast visuals, or audio options. Without this, complex pricing displays could overwhelm consumers, undermining empowerment.

Ambiguity in Optional Charges

The guidance’s suggestion to include optional charges “likely” to be incurred by most consumers lacks clear criteria for determining “likelihood.” This ambiguity risks inconsistent application, where businesses might exclude common fees (e.g., optional but popular add-ons in travel) from the headline price, potentially misleading consumers and leading to debt.

Handling of Space/Time Constraints

The exceptions for constrained media (e.g., radio ads, small posters) are reasonable but lack detailed standards for alternative channels (e.g., how quickly a website link must provide pricing details). This could result in delayed or inaccessible information, particularly for offline consumers in rural Scotland with limited internet access, reducing their ability to make informed choices.

Subscription Pricing Complexity

While the guidance on subscriptions (showing periodic or total amounts) is helpful, requiring both in some cases could overwhelm consumers with information, making it harder to focus on affordability (e.g., monthly costs for budgeting). Simplifying this for vulnerable consumers would enhance empowerment.

Enforcement and Accessibility for Redress

The guidance focuses on trader obligations but could better address how consumers can identify and challenge non-compliant ITPs. For consumers, who often need support navigating complaints, clearer links to redress mechanisms like the Financial Ombudsman Service or Consumer Scotland would strengthen empowerment.

Q4. Do you have any comments about the core principles for what the 'total price' must include and what businesses need to do if it is not reasonably possible to calculate it (Chapter 4)? Are there topics covered in this section that would benefit from further guidance?

By requiring all fixed mandatory charges to be included in the headline price, the guidance addresses common issues faced by consumers, such as hidden fees in online retail, travel, or subscriptions, which can exacerbate financial difficulties. The provisions for non-calculable prices, emphasising clear calculation methods, further support consumers by providing enough information to estimate costs, particularly for vulnerable groups who rely on precise budgeting.

Areas for Improvement:

Ambiguity in 'Mandatory' vs. 'Likely' Charges

The distinction between mandatory charges (required in the total price) and optional charges "likely" to be incurred by most consumers is unclear. Without specific criteria (e.g., a percentage threshold based on transaction data), businesses may exclude common fees (e.g., optional add-ons in travel like baggage fees), leading to misleading prices that harm consumers' ability to budget accurately.

Presentation Accessibility

While the guidance mandates "clear and legible" presentation, it lacks specific standards for accessibility, such as plain language, large fonts, or audio options for consumers with low literacy, disabilities, or mental health challenges (groups overrepresented among clients accessing free advice sector). Inaccessible pricing displays could undermine empowerment for these vulnerable consumers.

Space/Time Constraints

The guidance allows exceptions for constrained media (e.g., radio ads, small posters) but provides limited direction on how alternative channels (e.g., website links) should deliver pricing details. This risks delayed or inaccessible information, particularly for offline consumers in rural Scotland with limited internet access, potentially leading to unexpected costs.

Enforcement and Consumer Awareness

The principles focus on trader obligations but do not address how consumers can identify or challenge non-compliant pricing. For some consumers, who often need support navigating complaints, clearer signposting to redress mechanisms like Consumer Scotland would enhance empowerment.

Q5. Do you have any comments about the guidance on specific types of charges and pricing (Chapter 5)? In particular:

a. Is the guidance on how businesses should present 'per-transaction charges' such as administration or booking fees in early-stage advertising and on traders' websites respectively clear? Is it clear when delivery fees will be mandatory? Are there additional means of providing this information to consumers that businesses may be able to use to comply with the UCP provisions, particularly in the context of how the prices are presented on a trader's website/app, that the CMA should consider providing guidance on?

b. Is the guidance on how businesses should present 'delivery fees' in early-stage advertising and on traders' websites/apps respectively clear? Is it clear when delivery fees will be mandatory? As above, are there other ways of providing this information to consumers that the CMA should consider providing guidance on?

c. Is the guidance on how businesses should present 'local charges and taxes' in early-stage advertising and on traders' websites/apps respectively clear? This guidance reflects the guidance that the CMA has previously provided in relation to car rental and online hotel booking, is it helpful for businesses to have this consolidated in the Draft Guidance?

d. Is the guidance on how businesses should present 'monthly pricing' clear? 11

e. Are there other types of charges or pricing that the CMA should consider providing specific guidance on?

a. Guidance on Per-Transaction Charges (e.g., Administration or Booking Fees)

We believe that the guidance on presenting per-transaction charges in early-stage advertising and on traders' websites/apps is generally clear and practical. It specifies that these fees must be included in the headline price for ITPs, even in early advertising (e.g., a ticket advertised as "from £22.50" including a £2.50 booking fee), and requires dynamic running totals for online multi-item purchases to incorporate per-transaction fees. This clarity helps prevent drip pricing, empowering consumers to see the full cost upfront and budget (critical for low-income Scottish consumers who may avoid events or purchases if fees make them unaffordable).

The guidance could be clearer on when these charges are "mandatory" (e.g., unavoidable for the advertised product), as the distinction from optional fees relies on business judgement, risking exclusion of common charges. For delivery fees specifically, the guidance is clear that they are mandatory unless collection is a viable alternative, with variable fees requiring early indication and calculation explanations (e.g., on marketplaces). This is helpful for rural Scottish consumers facing higher delivery costs, but ambiguity arises in scenarios like "free delivery thresholds," where it's unclear if the fee must be shown as mandatory if most consumers don't meet the threshold.

b. Guidance on Delivery Fees

The guidance on presenting delivery fees in early-stage advertising and on traders' websites/apps is clear, emphasising inclusion in the headline price using the cheapest option (unless consumer-selected otherwise) and explanations for variable fees (e.g., "delivery from £3.99 depending on location"). It is also clear when delivery fees are mandatory: they must be included unless in-store collection is a realistic option, which addresses common issues in online retail where delivery is the default. This supports consumer empowerment by preventing surprises that could lead to abandoned carts or debt from unaffordable add-ons, particularly for Scottish consumers in remote areas with variable shipping. Clarity could be improved for edge cases, such as bundled products with mixed delivery options or international shipping, where variable factors (e.g., customs) might complicate early disclosure.

Additional Means for Compliance

As with per-transaction charges, the CMA should consider guidance on:

- Location-based auto-estimates in apps (e.g., using IP address or postcode input to show personalised delivery fees early in the ITP).
- Visual breakdowns (e.g., pie charts or sliders showing fee components) to make variable fees more understandable without overwhelming the headline price.
- Integration with third-party delivery services (e.g., APIs for real-time quotes), with examples of how to maintain prominence and avoid drip pricing. These methods would be particularly useful for Scottish businesses and consumers, ensuring rural or island residents receive accurate, upfront information to support informed budgeting.

c. Guidance on Local Charges and Taxes

The guidance on presenting local charges and taxes (e.g., resort fees, tourist taxes) in early-stage advertising and on traders' websites/apps is clear, requiring inclusion in the headline price with approximations for variable elements (e.g., foreign currencies using current exchange rates) and a full breakdown by the final booking step. Examples from travel and hospitality sectors (e.g., a hotel price including local taxes) make it practical and relatable. This clarity is vital for empowering consumers to avoid unexpected costs that could disrupt travel budgets, a common issue for people facing debt from holiday bookings.

The guidance could address challenges in highly variable contexts, such as fluctuating exchange rates or location-specific taxes (e.g., city vs. rural levies), where approximations might mislead if not updated frequently.

d. Guidance on Monthly Pricing

The guidance on presenting monthly pricing (e.g., for subscriptions or periodic contracts) is clear, requiring either the periodic amount with the contract term or the total cumulative amount, including one-off fees, to be displayed prominently. Examples like a gym membership showing "£20/month for 12 months (total £240)" or a phone contract with upfront fees included help illustrate compliance and prevent misleading low monthly figures that hide long-term costs. This is crucial for consumer empowerment, as subscriptions are a frequent source of debt for people accessing money and debt advice, who may overlook total commitments due to financial pressures. The guidance effectively addresses drip pricing in subscriptions by mandating early disclosure, but it could be enhanced with more examples for complex models (e.g., tiered pricing or auto-renewals) to ensure consumers understand affordability over time.

e. Other Types of Charges or Pricing Needing Specific Guidance

Yes, the CMA should consider providing specific guidance on the following additional types of charges or pricing, which are common sources of consumer harm and align with our experience supporting debt-affected individuals in Scotland:

Environmental or Sustainability Fees

Increasingly common in travel, retail, and hospitality (e.g., carbon offset charges or eco-taxes), these should be clarified as mandatory if unavoidable, with guidance on upfront inclusion to prevent greenwashing or hidden costs.

Dynamic or Surge Pricing

In sectors like ride-sharing, events, or utilities, guidance on how to present variable prices in ITPs (e.g., real-time estimates with ranges) would ensure transparency and help consumers avoid peak-time debt traps.

Customs and Import Duties

For cross-border e-commerce (relevant for Scottish consumers buying from EU/international sites post-Brexit), guidance on estimating and disclosing these in headline prices or calculation methods.

Cancellation or Amendment Fees

Often revealed late in subscriptions or bookings, specific rules on early disclosure would empower consumers to factor in exit costs.

These additions would address emerging practices that contribute to debt, particularly for vulnerable consumers, and provide businesses with clearer compliance paths.

Q6. Do you have any comments on the illustrative examples provided in the Draft Guidance? Are there any areas where you think additional examples could usefully be reflected in the Draft Guidance?

The illustrative examples are a strong feature of the Draft Guidance, significantly enhancing its clarity and usability. By providing concrete scenarios across diverse sectors, they make abstract requirements tangible, increasing the likelihood of business compliance and, in turn, empowering consumers to make informed decisions. For our clients in Scotland, who often face financial distress from hidden fees in sectors like online retail, travel, or subscriptions, these examples directly support transparency that prevents debt accumulation. There are areas where the examples could be expanded or refined to better address the needs of vulnerable consumers and ensure consistent application, particularly in Scotland's unique socio-economic context.

Areas for Improvement:

Limited Coverage of Edge Cases

The examples focus on common scenarios but lack depth for complex or emerging pricing practices, such as dynamic pricing (e.g., surge pricing for events or ride-sharing) or bundled products (e.g., tech packages with optional accessories). This could lead to inconsistent compliance, leaving consumers exposed to misleading prices.

Insufficient Accessibility Focus

The examples do not address how pricing information should be presented for vulnerable consumers, such as those with low financial literacy, disabilities, or mental health challenges. Examples of accessible formats (e.g., plain language or high-contrast visuals) would enhance empowerment.

Geographic and Devolved Context

The examples are UK-wide and do not specifically address Scotland's unique challenges, such as variable delivery fees for rural or island consumers or local taxes in devolved tourism sectors. Tailored examples would better support Scottish consumers and businesses.

Offline Scenarios

Offline contexts (e.g., in-store posters, radio ads) are underrepresented, which is critical for rural Scottish consumers with limited internet access who rely on physical retail or traditional media.

Consumer Redress Awareness

The examples focus on business compliance but do not illustrate how consumers can identify or challenge non-compliant pricing, which is essential for empowering people to seek redress when misled.

Q7. Do you have any other comments on topics not covered by the specific questions above?

We believe that the Draft Guidance is a comprehensive and valuable framework for promoting price transparency. However, we have concerns that several critical areas are not covered by the specific questions could further strengthen the guidance's impact on consumer empowerment, especially for vulnerable groups in Scotland. Below, we outline these topics and provide recommendations to enhance the guidance's effectiveness.

Support for Vulnerable Consumers and Accessibility:

The guidance focuses on business compliance but does not sufficiently address the needs of vulnerable consumers, such as those with low financial literacy, disabilities, mental health challenges, or limited digital access. These groups are particularly susceptible to debt from misleading pricing due to difficulties understanding complex or inaccessible information.

Without specific provisions for accessibility, pricing displays may exclude or confuse vulnerable consumers, undermining their ability to make informed decisions and increasing reliance on debt advice services.

Incorporate a dedicated section on accessibility, mandating formats like plain language, large fonts, high-contrast visuals, audio options, or translations for non-English speakers (e.g., Gaelic speakers in Scotland). Provide examples of accessible invitations to purchase (ITPs), such as a website with simplified pricing breakdowns or audio descriptions for visually impaired users. Collaborate with organisations like Consumer Scotland to ensure these measures meet devolved needs.

Scotland-Specific Considerations:

The guidance is UK-wide and does not explicitly address Scotland's unique socio-economic and geographic challenges, such as high delivery costs in rural and island communities or reliance on offline

shopping in areas with limited internet access. These factors increase the risk of debt for Scottish consumers when pricing is unclear.

Without tailored guidance, businesses may overlook Scotland-specific pricing challenges, leading to non-compliant or misleading ITPs that harm vulnerable consumers, particularly in remote areas.

Include Scotland-specific examples and considerations, such as delivery fee disclosures for Highlands and Islands. Engage with Consumer Scotland to develop case studies reflecting devolved contexts, ensuring the guidance supports Scottish consumers' financial wellbeing.

Consumer Education and Awareness:

The guidance focuses on trader obligations but does not address how to educate consumers about their rights under the DMCC Act or how to identify non-compliant pricing. Consumers often lack awareness of what constitutes misleading pricing or how to seek redress, limiting their empowerment.

Without consumer-focused education, vulnerable groups may not recognise or challenge non-compliant ITPs, perpetuating financial harm and debt accumulation.

Add a section on consumer rights and redress, including practical steps for spotting non-compliant pricing (e.g., hidden fees at checkout) and contacting bodies like Consumer Scotland or the Financial Ombudsman Service.

Enforcement and Monitoring:

The guidance outlines CMA enforcement powers (e.g., fines up to 10% of global turnover) but does not detail how compliance will be monitored or how consumers can report breaches. This is critical for people accessing money and debt advice, who often need support navigating complaints.

Weak enforcement or lack of consumer reporting mechanisms could allow non-compliance to persist, undermining the guidance's benefits and leaving consumers vulnerable to debt.

Include a section on enforcement processes, detailing how the CMA will monitor compliance (e.g., through audits or mystery shopping) and how consumers can report issues (e.g., via a dedicated CMA portal or Consumer Scotland). Provide examples of non-compliance scenarios and redress pathways to empower consumers.

Recommendations

To enhance the Draft Guidance:

- Add a section on accessibility, mandating plain language, visual aids, and audio options, with examples for vulnerable consumers.
- Include Scotland-specific examples addressing rural delivery, local taxes, and offline shopping contexts, in collaboration with Consumer Scotland.
- Develop consumer education materials and redress guidance, signposting to devolved bodies like Consumer Scotland.
- Extend the implementation timeline and offer SME compliance support to ensure a smooth transition.
- Provide guidance on emerging pricing practices (e.g., dynamic pricing, environmental fees) with specific examples.

- Detail enforcement and reporting mechanisms to empower consumers and ensure compliance.