



Primary Authority Partnerships

Warwickshire County Council Trading Standards & National Federation of Property Professionals & The Property Ombudsman

Primary Authority Advice

Advice requested:

Is it misleading for a letting agent not to display penalty fees in their adverts?

Legislation considered:

Consumer Protection from Unfair Trading Regulations 2008 (as amended) ("CPRs")

Other Material considered:

National Trading Standards Estate Agency Team Guidance on Property Sales, September 2015 ("NTS Guidance")

Improving the Private Rented Sector and Tackling Bad Practice, March 2015: DCLG ("DCLG Guidance")

Guidance for lettings professionals on consumer protection law, June 2014: CMA ("CMA Guidance")

Assured Advice Issued:

Paragraph 5.21 of the CMA guidance states that '*where an advert provides details of the property and any other cost information (such as rent), all other non-optional fees & charges should be included*'.

If non-optional fees, including any penalty charges, are omitted from adverts, consumers might choose to make a transactional decision (such as viewing a property or undergoing a credit reference check) that they may not have done had they known about the fee/charge.

If the agent does apply pre tenancy charges when tenancy is aborted due to a poor credit reference or for some other reason, then this would be considered material information and should be made available to consumers within an advertisement.

Penalty charges, including abortive fees, should be included in marketing materials, advertisements or other promotional materials so that consumers are aware of their existence before taking a transactional decision.



This advice only applies to England, Wales & Scotland.

Date Advice is Effective from:

18 08 2016

Reference and renewal:

The reference for this advice is: WTS/NFOPP/TPOS/21

This advice shall be reviewed in 12 months from the issue date.