



## **Primary Authority Partnership**

### **Warwickshire County Council Trading Standards**

Old Budbrooke Road, Warwick, CV35 7DP

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### **Propertymark**

Arbon House, 6 Tournament Court, Edgehill Drive, Warwick, CV34 6LG

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### **The Property Ombudsman**

Milford House, 43 - 55 Milford Street, Salisbury, Wiltshire, SP1 2BP

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Primary Authority Advice Reference WTS/PM/TPO/35

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This Primary Authority Advice has been produced by Warwickshire County Council Trading Standards Service, in partnership with The Property Ombudsman and Propertymark, for use by member businesses as an aid to complying with the law. If you follow this advice correctly, your local Trading Standards Service should respect this and not ask you to comply with the law in a different way. If you are contacted by a local authority enforcement body, please inform them that you are a member of the scheme.

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#### **Advice requested:**

NTS Guidance on Transparency of Fees Involving Property Sales says that estate agents etc. should disclose information about referral fees. Does this also apply to letting agents?

#### **Legislation considered:**

Consumer Protection from Unfair Trading Regulations 2008 (as amended)

Estate Agents Act 1979 (as amended)

#### **Other Material considered:**

National Trading Standards Estate Agency Team Guidance on Property Sales, September 2015

National Trading Standards Estate Agency Team Guidance on Transparency of Fees Involving Property Sales, Compliance with the Consumer Protection from Unfair Trading Regulations 2008, February 2019

CMA Guidance for lettings professionals on consumer protection law, June 2014

**Assured Advice Issued:**

The NTS referrals guidance makes it clear that estate agents must disclose not only the price(s) of their services, but also details of referral fees, retainers, etc, paid to them by other businesses – e.g. conveyancers, financial advisers, etc.

The scenarios where a letting agent could earn a referral fee include instructing plumbers, electricians, EPC providers, referencing providers, utility services etc. It is clear that where referral fees are earned from any of these, whether they be in the form of a fee per referral, a retainer or any other form of hospitality, gifts, etc., then details of this should be disclosed in exactly the same way.

Failure to do so may constitute a misleading omission, contrary to the Consumer Protection from Unfair Trading Regulations.

**Date Advice is Effective from (issue date):** 09 04 2019

**Last Review Date:** 17 04 2020

**Next Review Date:** 16 04 2021

**Primary Authority:** Warwickshire County Council Trading Standards Service

**Co-ordinators:** The Property Ombudsman and Propertymark

**Supporting Regulator:** Not applicable

**For Publication on the Primary Authority Register:** Yes

**Geographic Applicability:** This advice applies throughout the United Kingdom.

**Scope:** This advice is applicable to all member businesses.

**How to obtain up to date copies of this advice:** Current copies of this advice may be obtained via the member organisations' websites:

[www.tpos.co.uk/members/assured-advice/assured-advice-information](http://www.tpos.co.uk/members/assured-advice/assured-advice-information)

and

[www.propertymark.co.uk/working-in-the-industry/primary-authority-advice/](http://www.propertymark.co.uk/working-in-the-industry/primary-authority-advice/).