

IMPROVING THE DISCLOSURE OF MATERIAL INFORMATION IN PROPERTY LISTINGS

Project summary and list of material information for Part A

Overview

For many years the regulation of property advertisements was controlled by the Property Misdescriptions Act 1991 (PMA). The PMA was repealed in 2013 on the basis that the Consumer Protection from Unfair Trading Regulations 2008¹ (CPRs) provided similar protection for consumers in their dealings with property agents. Further information on how the CPRs apply to property sales and lettings can be found in the National Trading Standards 'Guidance on Property Sales and Lettings'².

To support businesses in the advertising and marketing of property, the National Trading Standards Estate & Letting Agency Team established a steering group made up of various industry stakeholders – redress schemes, property portals, government, and professional bodies representing agents. The group aims to improve the provision of material information in property listings, and part of this process involves creating a framework of information disclosure to help agents, software providers and property portals to comply with the legal requirements of the CPRs.

Three stages of material information disclosure

Part A

Information that, regardless of outcome, is always considered material for all properties regardless of location. This information generally involves unavoidable costs that will be incurred by the occupier regardless of the use of the property.

Part B

Information that must be established for all properties. It applies mainly to utilities (and similar), where non-standard features would affect someone's decision to look any further at that property.

Part C

Additional material information that may or may not need to be established, depending on whether the property is affected or impacted by the information. Applies to properties affected by the issue itself because of, for example, the location of the property.

Current status

Part A is now underway. The relevant data fields will start to appear on portals from February 2022. By the end of May 2022, this information will be required as standard on all property listings. From

¹ [The Consumer Protection from Unfair Trading Regulations 2008 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

² [Running your property business legally - National Trading Standards Estate and Letting Agency Team - bristol.gov.uk](https://www.bristol.gov.uk)

then, if an agent leaves a field empty, this will be flagged on the listing and will link to advice for consumers on why that information is important and how it may be obtained.

The list of material information for Parts B and C is being developed in conjunction with industry partners and full guidance will be available in due course, for all parts.

National Trading Standards wants all material information to be mandatory on property listings once all three phases of the project are complete. At that stage, agents will need to include all the required information before it is listed on a property portal. The Government has reiterated the importance of this project in its recent White Paper, [Levelling Up the United Kingdom](#) and signalled that legislation may follow.³

Part A material information

1. Tenure (applicable to sales listings only)

If Freehold

- *disclose as 'freehold'*

If Leasehold

- *disclose as 'leasehold', and*
- *Current ground rent and any review period*
- *Current service charge information and any review period*
- *Length of lease*
- *If Shared ownership, disclose*
- *details of share being sold, and any additional liabilities or obligations*
- *If Commonhold, disclose*
- *details of rights and obligations that apply between the unit holders, and between the unit holders and the commonhold association*

2. Council Tax (England, Wales & Scotland), or Rates (Northern Ireland) - *disclose*

- *council tax band (E, W & S)*
- *rates payable (NI)*

3. Price or Rent

For lettings, disclose

- *the monthly rent, and*
- *any deposit payable*

For sales, disclose

- *the price expressed as a single amount*
(Note: Displaying the selling price, although not prescribed by law, is considered to be material information – its omission would be a breach of the CPRs if it affected the transactional decision of the average consumer.⁴)

³ p225, Levelling Up White Paper

⁴ Initial advice - subject to further legal opinion and clarification

Industry professionals seeking further information can contact the NTS Estate and Letting Agency Team at estate.agency@powys.gov.uk.