

# Improving the disclosure of material information in property listings

## Part A: Frequently asked questions

This document is designed to help answer some of the most common questions estate and letting agents are asking the National Trading Standards Estate and Letting Agency Team following the announcement of Part A.

### Information sources

- A full list of the Part A material information that must be disclosed on property listings can be found on the National Trading Standards website ([here](#)). This also gives an overview of the type of information that will be included in Parts B and C.
- For general information about agents' obligations under the Consumer Protection Regulations (CPRs), see our guidance for property sales and lettings [here](#).
- If you can't find the answer to your question in these documents or in the FAQs below, you can contact the NTS Estate and Letting Agency Team at [estate.agency@powys.gov.uk](mailto:estate.agency@powys.gov.uk).

### Join the conversation

- NTSELAT has created an open KHub group to allow stakeholders to provide feedback and comments in relation to the requirement to include material information on property listings. You can join [here](#).

## REQUIRED INFORMATION FOR 'PART A'

### Q. What information needs to be included as part of Part A?

**A.** Council tax band or domestic rate, property price and tenure information (for sales) must be included on all residential property listings by the end of May this year and these data fields have started to appear on portals. This is information that is always considered material for all properties regardless of location. It generally involves unavoidable costs that will be incurred by the occupier regardless of the use of the property.

### Q. What council tax/rates information is required when marketing new builds?

In the case of new builds, council tax bands/property rates are not always known at the point of listing. In this case, you could use the council tax data field to highlight that the information is not currently available and the reason why, for example: "New build – council tax band/property rates to be determined."

The relevant local authority or the developers may be able to assist with this information, and if part of the development is already occupied then information may be more readily available. If you become aware of the relevant council tax band/property rates at a later date, listings should be updated to reflect this.

### Q. What information is required for shared ownership properties?

**A.** The listing must include the percentage of shares being offered for sale, as well as the amount of rent on the share that is not being offered for sale.

### Q. What information is required for "additional liabilities or obligations" in relation to shared ownership property?

**A.** Purchasers of shared ownership properties will also have to pay rent on the share that they do not own and information about the rent amount should also be included in the listing. The vendor of the property will know this information.

**Q. Disclosing rent – does ‘any deposit payable’ just refer to tenancy deposit or would it also cover the holding deposit payable?**

**A.** Any deposit must be disclosed. If a holding deposit is required then at a minimum it would need to disclose ‘holding deposit required’. The amount is capped by the Tenant Fees Act 2019 in England and the Renting Homes (Fees etc.) (Wales) Act 2019. We would encourage disclosure of the amount, if it is known at the time of listing.

**Q. Disclosing rent – does this include the minimum contract term which impacts on overall rent obligation?**

**A.** Any information which is material to a prospective tenant needs to be disclosed in order to meet the requirements of the CPRs.

**Q. Disclosing price – are reservation fees included in purchase price?**

**A.** Any information which is material to a prospective purchaser needs to be disclosed in order to meet the requirements of the CPRs. Additional costs and charges are likely to be considered material information and should be included in the listing.

**Q. Question/s on Scotland**

**A.** The Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and the principles of material information apply throughout the UK and will therefore be relevant to Scottish property listings. We are aware of the information already provided “upfront” in Scotland for property sales in the home report, however the application of the material information concerns the information that is contained in the actual property listing and it is also applicable to rental listings as well. The Home Report is not automatically provided with the property listing, and usually has to be requested – which can be refused in certain circumstances.

In relation to the question of tenure in Scotland, options are being explored by the steering group around what should be disclosed on the property listing and whether this should be the legal description or one that is potentially more meaningful to consumers.

**Q. Question/s on other nations**

**A.** none received to date

**THE THREE-STAGE PROCESS**

**Q. Why have you only announced Part A so far?**

**A.** The announcement of the first stage – Part A – represents an important milestone in the journey to improve material information on property listings. We’re delighted with the progress that has been made with the industry to help define and clarify what constitutes material information. This initiative launched in April 2021, when we published [\*The Case for Change: improving the provision of material information in property sales and lettings\*](#). Part A is now launched, with two further stages to roll out over the coming months.

**Q. Why isn’t Part A mandatory yet?**

**A.** These changes represent the first phase of the process, delivered by NTSELAT in partnership with industry leaders and the UK’s major property portals, to define what constitutes material information for property listings. We want all material information to be mandatory on

property listings once all three phases are complete. At that stage, agents will need to include *all* the required information before it is listed on a property portal.

Alongside this, the Government has reiterated the importance of improved material information disclosure in its recent White Paper, [Levelling Up the United Kingdom](#) and signalled that legislation may follow.

#### **Q. What will be included in Parts B and Part C?**

**A. Part B** will be 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** will be additional material information that may or may not need to be established, depending on whether the property is affected or impacted by the information. A full list of material information is being developed to cover all three phases, as well as guidance to support consumers looking to buy, sell or rent a property.

#### **Q. When will Parts B and Part C roll out?**

**A.** Part A of this three-phase process was launched on 21 February. A further two phases are being developed which will incorporate further material information such as non-standard construction and proposed developments as well as restrictive covenants, flood risk and other specific factors that may impact certain properties. These will roll out over the coming months and agents will be kept informed of these changes.

#### **Q. When will you publish full guidance on this?**

**A.** this will be announced soon

### **COMPLIANCE / ENFORCEMENT**

#### **Q. What support is being put in place for agents to raise awareness of these changes and help with achieving compliance?**

**A.** Estate and letting agents will be supported to prepare for the changes at each stage by the National Trading Standards team in partnership with professional bodies and redress schemes.

We also welcome the involvement of the conveyancers, lawyers and other organisations who are already on board with the process and are putting support in place for agents.

A full list of the Part A material information is available on the NTS website ([here](#)); this also gives an overview of the type of information that will be included in Parts B and C.

Full guidance for the industry is being developed in conjunction with industry partners to cover all three phases, as well as guidance to support consumers looking to buy, sell or rent a property.

#### **Q. How will compliance be measured?**

**A.** For the vast majority of agents, compliance will be the default as these technical updates will prompt them to make the required changes. This is because from the end of May, if one of the required data fields on a portal is left empty by an agent, this will be flagged on the listing so agents and consumers can see what is missing.

We want all material information to be mandatory on property listings once all three phases of the process are complete and at that stage, agents will need to include *all* the required information before it is listed on a property portal. Alongside this, the Government has reiterated

the importance of improved material information disclosure in its recent White Paper, [Levelling Up the United Kingdom](#) and signalled that legislation may follow.

**Q. What about agents' own websites – do they need to include this information?**

**A.** The main property portals (including On the Market, PropertyPal, Rightmove and Zoopla), who've been closely involved in the process, represent the vast majority of online sales and lettings listings. Whilst it's on these high-profile portals that the new data fields will have the most impact, it's actually the major software companies that sit behind the portals that are updating their systems to include the new data fields. These software companies also serve the vast majority of estate and letting agents so most will automatically be working with the new data fields too.

Even if their software systems aren't being updated with these changes, we expect agents' own websites to contain the same information as the portals. Over time, consumers will also know to expect this information on any property listing.

Evidence shows overwhelming support amongst agents for the mandatory disclosure of material information and we are confident that agents will want to do the right thing. Agents will be supported to prepare for the changes at each stage by the National Trading Standards team in partnership with professional bodies and redress schemes.

**Q. What will happen to businesses and agents that fail to meet their legal obligations?**

**A.** We hope that the vast majority of agents will want to comply. We will look at non-compliant agents in the same way we look at any non-compliant businesses. Consumers will also have the option to raise a complaint with the redress scheme of the agent.

**GENERAL QUESTIONS ABOUT THE PROCESS**

**Q. How will these changes benefit agents?**

**A.** Estate and letting agents already have a legal obligation under the CPRs not to omit material information from consumers, but current practices around disclosure are not consistent across the industry. Evidence shows overwhelming support amongst agents for the mandatory disclosure of material information, with recognised benefits including a reduction in unnecessary enquiries, swifter sales and fewer transaction fall-throughs. It will also help agents retain their reputation as being open, honest and trustworthy.

Making material information available upfront will increase consumer confidence and trust in property portals and the property industry, and reduce the distress that can be caused when information comes to light further down the line.

Last year we surveyed more than 300 agents and found that 9 in 10 (91%) agreed that a defined list of basic material information would help improve clarity for the industry. Agents want to do the right thing for consumers and for their businesses.

In April 2021 we launched the initiative by publishing [The Case for Change: improving the provision of material information in property sales and lettings](#). Part A is now launched, with two further stages to roll out over the coming months.

**Q. How will these changes benefit consumers?**

**A.** For consumers, a better understanding of why certain information such as a property's tenure is important will enable them to make informed decisions when they embark on a property

search. We know there is support for this – last year we surveyed people who have moved in the last three years or are looking to move in the next three - 87% agreed that property portals should include all key information about a home in their property listing.

**Q. Who sits on the steering group?**

**A.** The ongoing involvement and support of the property industry is crucial to achieving real change that benefits both the industry and the consumer. The steering group and working groups represent a cross section of views and experiences from the industry. Members include:

- Propertymark (NAEA/ARLA)
- Nationwide Building Society – Property Risk
- OntheMarket
- PropertyPal
- Rightmove
- Zoopla
- The Lettings Industry Council
- The Property Ombudsman
- The Property Redress Scheme
- The Royal Institution of Chartered Surveyors
- The UK Association of Letting Agents
- The Guild
- The Department for Levelling Up, Housing and Communities (DLUHC)
- The Competition & Markets Authority (CMA)
- The Conveyancing Association