

Primary Authority Partnership

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

Primary Authority Advice

Advice requested:

Is it misleading to advertise the cost of rent as an amount payable 'per person per week' for a shared property?

Legislation considered:

Consumer Protection from Unfair Trading Regulations 2008 ("*CPRs*")

Other Material considered:

TPOS Code of Practice for Residential Letting Agents [1st October 2016] ("*Code of Practice*")

The UK Code of Non-broadcast Advertising and Direct & Promotional Marketing, Edition 12 ("*CAP Code*")

CTSI Guidance for Traders on Pricing Practices ("*CTSI Guidance*")

Assured Advice Issued:

As a basic principle, we would not consider it misleading to advertise the cost of rent as an amount payable 'per person per week' for a shared property where the rent is actually charged and payable on that basis.

An advertisement displaying a property for rent should include all relevant material information, to enable a potential tenant to make an informed decision. The total rent payable by the tenant(s), the frequency of payments, type/length of tenancy, and liability for other tenants' arrears or shortfall in the event of under-occupancy should be made clear in the advertisement.

If a comparison site wishes to use a specific formula to produce a 'per person per week' cost, to enable consumers to compare rental costs of different properties, then this would be acceptable, but only as a supplementary indication 'for comparison only'. The material information should be clear and unambiguous.

Failure to clarify the exact nature and amount of charges, and who is liable for them, may constitute a failure to provide material information, contrary to the CPRs.

An example:

House for rent

£433.33 pcm - maximum 4 tenants

(£25 per person per week - for comparison only)

Key information:

- Deposit = £400
- Rent is payable monthly.
- Offered on a joint tenancy basis - all tenants are jointly and severally liable for the terms and conditions of the tenancy agreement (including the total rent).
- Minimum tenancy length is 12 months.
- Utilities / council tax bills are not included in the rent.
- The property is unfurnished

It is important for the average consumer to have material information to enable them to make an informed transactional decision; this can include deciding to view a property.

Date Advice is Effective from:

14 03 2017

Reference and renewal:

The reference for this advice is: WTS/NFOPP/TPOS/24

This advice will be reviewed annually; however it will remain valid until it is marked 'obsolete' on the Primary Authority Database. If any part of this document requires amendment following a review, a completely new version will be added to the database and the previous version shall be marked 'obsolete'.