

**IMPROVING THE PROVISION
OF MATERIAL INFORMATION FOR
PROPERTY SALES AND LETTINGS**



Homes matter more than ever

Of all the decisions we take in our lives, deciding where we live is undeniably one of the most important. It can have a profound impact on our health, happiness and wellbeing. COVID-19 has, if anything, increased the importance of where we live, given millions of us have been spending so much more time at home.

Tenants are often contributing a significant proportion of their monthly income to pay the rent and, for home buyers, the purchase is often one of the largest financial transactions people make. Access to accurate and essential information to make the decision to buy or rent is vital. It is this information which supports consumers, helping them make informed choices about whether to make further enquiries about the property.

This document highlights why the industry should go further. We believe there is a legitimate need for consumers to be able to access available, essential material information about a property in the earliest stages of the renting or buying process.

What is material information?

Under current legislation, as set out in the Consumer Protection from Unfair Trading Regulations 2008, estate agents, letting agents and property portals have a legal obligation not to omit material information from consumers. But what is material information?

This can range from traditional elements of property descriptions, such as the sale or rental price or the number of bedrooms or tenure information (for sales), to more recent factors, such as broadband speed and the availability of renewable or alternative energy sources.

National Trading Standards is asking the property industry, specifically estate and letting agents, for views on what constitutes material information. We would really welcome your views and we do hope you will take part.

SHARE YOUR VIEWS

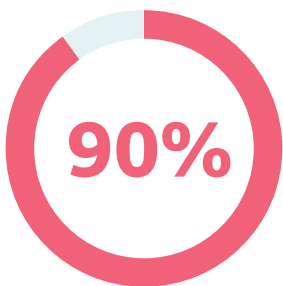
Your experience is invaluable
We would like your views on what you think constitutes material information.
To complete the survey, [click here](#)



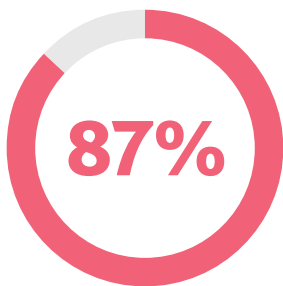
Consumers want more information

The Estate and Letting Agency Team at National Trading Standards carried out research¹ in January 2021 amongst potential buyers and tenants to understand consumers' expectations about the information that is available when buying or renting a home.

For most people, the journey to buy or a rent a new home begins with an online search on property portals or estate agent websites. Here's what consumers are saying:



90% of respondents who use property portals would prefer to find detailed or key information about a property on a portal



87% of respondents agree² that property portals should include all key information about a home in their property listing

>50%

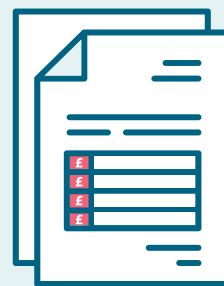
Crucially more than half of respondents (54%) said that they would be less likely³ to buy or rent a property where information was missing on the property listing.

Building trust among consumers

By listening to what consumers are saying about the provision of information, the property industry can build consumer confidence and trust. Most consumers we asked said they get suspicious of why certain information is missing and just over 40% said they thought something must be wrong with the property if information is missing or limited. Nearly 40% said it would make them reluctant to proceed with buying or renting the property. Providing more information routinely will give customers what they need to make an informed decision at an early stage.

Preventing avoidable costs

New research by Propertymark, as reported in the media, found that property transactions that fall through lose consumers £1,571 on average. There are multiple reasons for this but providing comprehensive information at the start of the process would reduce the risk of learning about material information after committing financially to some of the buying fees, such as survey and legal costs.



estate agents lose an average of **£4,123** in commission for every property sale that falls through

Agents commit significant time and resources to marketing properties. Propertymark found that estate agents lose an average of £4,123 in commission for every property sale that falls through. Again, there will be multiple reasons for properties falling through, but providing more information at that the start of the process will help both consumers and agents.

The industry can benefit too

Not only would timely provision of this information make the journey that much easier to navigate for potential buyers and tenants, it could also help to save time-pressed estate and letting agents many wasted hours spent on enquiries that don't come to fruition.

There are several potential benefits to the industry:

- Providing material information will support responsible agents and deter those who do not conform to the high standards the industry expects
 - Taking proactive action will save the industry time, money and reputation. It will introduce consistency and clarity, make it easier for agents and portals to meet their legal requirements and cut potential legal disputes off at the pass
 - Less time will be wasted on speculative enquiries, transaction times may be shortened and the number of transactions that fall through may be reduced
 - As trust in the information provided at the early stages of the buying or renting process increases, so should traffic to the appropriate sites
- Added to this, the relationship with buyers, sellers, tenants and landlords should be improved through a more efficient and fail-safe process. It should be a win-win
 - A reduction in complaints, and correspondingly fewer ombudsman interventions
 - Compliance with legal requirements leading to less likelihood of challenge by local enforcement authorities.

By embracing change and publishing material information, we believe there is an opportunity to increase confidence for tenants and buyers and to facilitate swift, well informed decisions about property transactions. This can only help oil the wheels and keep the cogs turning efficiently across all areas of the market.

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