

## Displaying prices in hotels etc

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### **This guidance is for England, Scotland and Wales**

If you offer accommodation as part of a business you must comply with the Consumer Protection from Unfair Trading Regulations 2008 (CPRs) and the Provision of Services Regulations 2009.

You must make sure your price information is not misleading. Price information must be made available to customers - for example, by displaying a price list prominently and including the information in any brochure or website. The information should state prices inclusive of compulsory service charges and VAT (where applicable). If you charge more than your advertised price you could be guilty of giving a misleading price indication.

### **Price information**

The price information that is given for accommodation and other services must not be misleading and should be displayed so that it is available before a consumer decides to make a booking. Price information can be given in many forms - for example, verbally, on the internet, on an advert, in a brochure, on an invoice, or in a statement of terms.

Any 'misleading action' (such as showing a lower price than that charged) or 'misleading omission' (such as not including a tax or service charge) could be an offence.

You may commit an offence if a consumer is given incorrect price information for your accommodation and/or services that they rely on as being correct when deciding to make a booking.

### **Displaying a price list**

A price list displayed in the reception area or at the entrance to your accommodation is a common method for displaying room rates. The price list could also be displayed in brochures, leaflets and on websites.

It is suggested that the price list you display should include:

- the price of a bedroom for one person (for example, £55 per night) if all the rooms are the same price, or the lowest and highest price (for example, £50-60 per night) if there is a range of prices
- the price of a bedroom for two people
- the price of accommodation in any other type of room
- whether or not accommodation prices are inclusive of breakfast or other meals

You should indicate whether the prices listed are the lowest price available (stating 'from', for example), representative of a range of prices (stating 'typical price', for example) or are the highest and lowest prices for a type of accommodation (stating 'from' and 'to', for example).

You should also indicate whether the prices displayed are for a particular period - for example, 'minimum three night stay' - and whether there are any surcharges for single person occupancy of double rooms etc. If a price is subject to any special conditions - for example, where the room has to be booked a certain period in advance, or where you offer a discount in return for making a booking non-cancellable - this must also be made clear.

Consumers should be informed of the prices for rooms and services that are not listed before they decide to stay together with any negotiated discounts, special rates or surcharges that may apply.

All prices should include any compulsory service charges and it should be stated in the price list that they are included. You must make it clear if meals are included in the price - for example, 'single bedroom £30 per night, including breakfast'.

The price you display must include VAT. If you do a significant amount of trade with VAT-registered business customers, you may wish to provide details of VAT-exclusive prices too, but these should never be more prominent than the VAT-inclusive prices. On a website, you can provide a facility (a button, for example) to allow users to switch between VAT-inclusive and VAT-exclusive prices, so long as the inclusive prices are the ones that appear by default.

The price list must be in a prominent position and be easy to read.

## **Overcharging**

If you advertise your prices to the public - for example, on a sign outside your premises, in a brochure or on a website - you should be careful to include non-optional extra charges in your advertised prices and stick to them when you present your bills to your customers. If you charge more than your advertised price you could be guilty of giving a 'misleading price indication'. This is a criminal offence. It could also be a breach of contract.

If there is a chance that your prices could vary during the lifetime of the advertisement you should make this clear - for example, different prices for high and low seasons.

It is illegal to charge consumers a surcharge for using a credit or debit card to pay the bill. The requirements regarding surcharges are controlled by the Consumer Rights (Payment Surcharges) Regulations 2012 (see 'Payment surcharges' for more information).

## **Further information**

For more information on the CPRs generally, including an explanation of misleading actions and omissions, please see 'Consumer protection from unfair trading'.

In addition the Competition and Markets Authority (CMA) has produced guidance on information that needs to be provided by online booking sites: 'Being transparent with your customers: a short guide for online accommodation booking sites'.

## Penalties

Failure to comply with trading standards law can lead to enforcement action and to sanctions, which may include a fine and/or imprisonment. For more information please see 'Trading standards: powers, enforcement & penalties'.

## Key legislation

Consumer Protection from Unfair Trading Regulations 2008

Provision of Services Regulations 2009

Consumer Rights (Payment Surcharges) Regulations 2012

Last reviewed / updated: July 2020

## In this update

No major changes

## Please note

This information is intended for guidance; only the courts can give an authoritative interpretation of the law.

The guide's 'Key legislation' links may only show the original version of the legislation, although some amending legislation is linked to separately where it is directly related to the content of a guide. Information on amendments to legislation can be found on each link's 'More Resources' tab.

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