## CONSUMERS, ESTATE AGENTS AND REDRESS ACT 2007

## **EXPLANATORY NOTES**

## TERRITORIAL EXTENT AND TERRITORIAL APPLICATION

Northern Ireland

Part 3: Amendments of the Estate Agents' Act 1979

Estate agents' duties

## Section 56: Grounds for warning orders

- 156. In the same way that section 55 widens the circumstances in which the OFT can consider whether a person is fit to engage in estate agency work, potentially leading to a prohibition order, this section widens the circumstances in which the OFT can consider issuing a warning order to an estate agent under section 4(1) of the 1979 Act. Section 4(1) currently provides that a warning order may be issued where a person carrying on estate agency work has failed to comply with an obligation imposed on him under sections 15 or 18 to 21, or has engaged in an undesirable practice as mentioned in section 3(1)(d), and were he again to fail to comply with such an obligation or continue to engage in that practice the OFT would issue a prohibition order against him. Subsection (2) of section 56 extends the circumstances in which warning orders may be issued to include engaging in estate agency work in breach of a duty to belong to a redress scheme, failure to comply with any requirement imposed under sections 9(1) or 11(1A)(b) and breach of a statutory undertaking or an enforcement order under the Enterprise Act 2002.
- 157. Subsections (3) to (5) contain further amendments to section 4 which are consequential on the amendments made by subsection (2).