

[Press release: Major care home group drops 'after death' fees following CMA action](#)

The Competition and Markets Authority (CMA) has welcomed Maria Mallaband Care Group's decision to stop using a contract term requiring the payment of one month's fees following the death of a resident who paid for their own care.

The move comes as part of an ongoing consumer law [investigation by the CMA](#) into fees charged by a number of care home providers, and its [year-long study](#) of the residential care home market where the CMA made clear its concerns that it is unfair to continue to charge fees for an extended period after a resident has died.

Maria Mallaband, together with its sister company, Countrywide Care Homes, operates 64 residential care homes in England and Northern Ireland. In response to intervention by the CMA, the group has agreed to amend its contract terms at these and any future care homes it operates so that fees will only be charged up to the date of death.

As part of its work, the CMA found that charging fees after death was widespread across the sector and that practices vary. In order to ensure that care homes take a consistent and lawful approach, the CMA will be publishing compliance advice for the sector as a whole. It has today launched a [public consultation](#) seeking views on its draft advice, so it can reach a final view on whether it's fair to charge fees after death and, if so, for how long.

Michael Grenfell, Executive Director for Enforcement at the CMA, said:

It is important that care home residents, and their families, can be confident they will be fairly treated, especially during the difficult period after a family member has died.

We are pleased that the Maria Mallaband Care Group has been responsive to our concerns about fees charged after death, and has taken clear and positive steps to make changes ahead of our public consultation on such fees. We expect other care homes to make any necessary changes in line with our final views when published.

We now want to hear from families and care homes as part of our consultation.

The consultation includes a [draft of the CMA's compliance advice](#) and will run for 4 weeks, closing on 16 February 2018. The CMA will then publish a final version of the compliance advice and a summary of the responses received.

For further information see the care [home case page](#).

Notes for editors

1. During its [market study](#) into the UK residential care home sector, the CMA announced that it had opened an investigation into a number of care homes providers due to concerns that some of the contract terms and/or practices they use may breach consumer law. The investigation is currently focused on the requirement for fees to be paid for an extended period after a resident's death and the charging of large, upfront fees. The CMA also made clear that if it identified serious concerns regarding potential breaches of consumer law on these, or other issues, it might decide to open further investigations.
2. In addition to these two issues, the CMA's market study identified a number of other consumer law concerns. The CMA will consult on comprehensive consumer law compliance guidance, covering the range of concerns identified in the market study report, in Spring 2018.
3. Whilst the Maria Mallaband Care Group has co-operated and constructively engaged with the CMA, and agreed to make changes voluntarily to its previous terms and practices, it does not consider that its previous terms or policies were unfair. However, in light of the CMA's concerns, it has decided to make changes that require fees to be paid only up to the date of death in contracts for care concluded with self-funded residents. It also confirmed that no additional charges or fees will be applied, irrespective of when the room is cleared of the resident's possessions. These changes apply to both to the Maria Mallaband Care Group and its sister company, Countrywide Care Homes Limited and came into effect on 1 December 2017
4. The final decision on whether a term or practice infringes the law rests with the courts and no such finding has been made in this case.
5. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for enforcing consumer and competition law and carrying out investigations into mergers, markets and the regulated industries. For more information on the CMA see our homepage, or Twitter account [@CMAgovuk](#), or [Flickr](#), [LinkedIn](#) and [Facebook](#) pages. Sign up to our email alerts to receive updates on markets cases.
6. Enquiries should be directed to press@cma.gsi.gov.uk or 020 3738 6337.