

Nowakowski Ltd

From: Daniel Turnbull

*Senior Director, Markets*

17 October 2024

## **Nowakowski Ltd's breach of the Funerals Market Investigation Order 2021**

I am writing to you on behalf of the Competition and Markets Authority (CMA) concerning Nowakowski Ltd's failure to comply with the [Funerals Market Investigation Order 2021](#) (the Order).

This letter, and the directions given within it pursuant to *Article 13(2) of the Order*, will be published on the CMA's website for transparency.

### **The Order**

The Order introduced a range of new legal obligations on funeral directors to tackle the problems identified by the CMA in its market investigation (the final report of which can be accessed [here](#)). The report identified a number of concerns with the sector, such as the way that information was provided to customers that made it hard for families to compare prices and choose the right combination of services. The CMA expects all funeral directors to comply with the Order. On 27 January 2023, the CMA issued [guidance](#) to support funeral directors and crematorium operators in achieving compliance with the Order.

### **Nowakowski Ltd's engagement with the CMA**

On 9 October 2023, the CMA wrote to you to explain that Nowakowski Ltd may have been in breach of *Articles 3(1) and 4 of the Order*. These related to Nowakowski Ltd's failure to display the required price and commercial information on its websites (<https://www.zaklad-pogrzebowy-uk.co.uk/> and <https://www.pogrzeby-uk.co.uk/>).

On 19 April 2024, the CMA wrote to you to explain that none of the breaches identified in the 9 October 2023 letter had been remedied and listed the outstanding areas that required further action to achieve full compliance with the Order.

Nowakowski Ltd did not provide a written response to the CMA's 9 October 2023 and 19 April 2024 letters. Other attempts were made to contact Nowakowski Ltd by phone.

On 27 September 2024, the CMA informed you of its intention to issue a public letter and listed the outstanding areas that required further action. The CMA also contacted you by phone on 2 October 2024 to offer you the opportunity to ask any questions about how to become compliant and about the intention to issue a public letter.

It is over one year since the CMA first brought Nowakowski Ltd' breaches to your attention and despite the feedback provided to you on several occasions, you have still not fully remedied your non-compliance as of the date of this letter

### **The CMA's concerns**

Customers accessing funerals services are often in a vulnerable state and it is important for customers to understand how much a funeral costs so they can compare the prices and services offered by different funeral directors. The CMA is concerned that Nowakowski Ltd's ongoing failure to display the required pricing on its websites does not afford customers the ability to do so effectively.

It is difficult to know how many consumers were affected by this because we are unable to determine how many consumers accessed Nowakowski Ltd's websites while it has not been compliant with the Order. However, we believe that a notable number of consumers will have been affected, as the breaches have been ongoing since at least 29 December 2022, and the business operates from 2 branches, giving it access to a significant number of customers.

### **The breaches**

The CMA was concerned that Nowakowski Ltd was in breach of the Order in regard to the following requirements:

- The **Standardised Price List**, according to *Article 3(1)(a) of the Order*, which must use the exact terms and structure set out in Part A of Schedule 1 to this Order. In particular, while you had displayed a Standardised Price List on both of your websites, the Standardised Price List was not available when the website [www-zaklad-pogrzebowy--uk-co-uk](http://www.zaklad-pogrzebowy--uk-co-uk) was translated into English, as the link to the Standardised Price List did not work.
- The **Additional Options Price List**, according to *Article 3(1)(b) of the Order*, which is an itemised price list of all the products and services that a funeral director offers to customers that are not included in the Standardised Price List in the section labelled 'Additional Funeral Director Products and Services', some of which may have traditionally been treated as disbursements. This does not include any products and services provided on request by a customer which are typically not offered by that funeral director to customers on their website or in their branches (e.g. bespoke items).

- The **crematoria pricing information**, according to *Article 3(1)(c) of the Order*, which must include the information required in *Articles 8(5) and 8(6) of the Order*. Specifically, the crematoria price information must be displayed on your website covering the following types of service: a Crematorium Standard Fee Attended Service, a Crematorium Unattended Service (if offered by the crematorium operator) and a Crematorium Reduced Fee Attended Service (if offered by the crematorium operator). In the 9 October 2023 letter, the CMA required you to confirm whether you had been provided with price information from any local crematorium operators (as specified in *Article 8 of the Order*), which you did not address in any subsequent communication with the CMA.
- **Terms of business**, according to *Article 4 of the Order*, if customers are required to pay a deposit or charges for late payment of sums due. In the 9 October 2023 letter, the CMA asked you to confirm whether you required customers to pay a deposit or charges for late payment of sums due, which you clarified on the phone on 2 October 2024. You confirmed that you do not require a deposit or charge for late payment and as such, you are not in fact in breach of the Article 4 requirement.

### **What you need to do now**

The CMA notes that you have taken further steps in the last few weeks to address the above breaches. However, some actions remain outstanding. The CMA now expects you to do the following to achieve full compliance with your legally binding obligations under the Order. Please display on your websites an **Additional Options Price List**, according to *Article 3(1)(b) of the Order*, which is an itemised price list of all the products and services that you offer to customers on your websites or in your branches that are not included in the Standardised Price List. This should include price information on the repatriation services, horse drawn hearses and motorcycle hearses that you offer through third party suppliers. The price information for these services can be displayed as a starting from price or as a range.

### **CMA assessment and next steps**

The CMA is committed to ensuring all funeral directors comply with the Order so that consumers across the United Kingdom are in a position to make informed choices regarding funeral services and products.

The CMA expects you to take the necessary steps to become fully compliant with your outstanding legally binding obligations under the Order within three weeks. The CMA will monitor Nowakowski Ltd's compliance with the Order and reserves the right to take further action if full compliance is not achieved in a timely manner.

If you have any queries about this letter, please contact me using the email address below.

Yours sincerely,

Daniel Turnbull

*Senior Director, Markets*

[remediesmonitoringteam@cma.gov.uk](mailto:remediesmonitoringteam@cma.gov.uk)