

Harmony Group Holdings Ltd

From: Daniel Turnbull

Senior Director, Markets

17 October 2024

Harmony Group Holdings 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 Harmony Group Holdings 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.

Harmony Group Holdings Ltd's engagement with the CMA

On 8 March 2023, the CMA wrote to you to explain that Harmony Group Holdings Ltd may have been in breach of *Articles 3(1), 4 and 5 of the Order*. These related to Harmony Group Holdings Ltd's failure to display the required price and commercial information on its website (<https://harmonyfuneralcare.co.uk>).

On 31 March 2023, Harmony Group Holdings Ltd wrote to the CMA to commit to addressing the CMA's concerns.

On 24 July 2023 and 19 April 2024, the CMA wrote to you to explain the extent to which the breaches identified in the 8 March 2023 letter had been remedied and listed the outstanding areas that required further action to achieve full compliance. The CMA also made unsuccessful attempts to contact Harmony Group Holdings Ltd via phone during December 2023.

On 22 April 2024, you wrote to the CMA to explain that you “have made all the alterations that the CMA advised us to make”. The CMA notes that Harmony Group Holdings Ltd has taken some additional steps to address its breaches concerning the display of the Standardised Price List and disclosure of ultimate owner information but has yet to display crematoria pricing information and a comprehensive Additional Options Price List.

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.

On 30 September 2024, you wrote to the CMA to state that you had ‘made every effort to make sure we are in line with all your criteria listed’, but no changes were made.

On 8 October 2024, the CMA attempted to contact you by phone, as agreed in advance, for any questions you might have had regarding your outstanding breaches or about the intention to issue a public letter, but you did not respond.

More than 17 months since the CMA first brought Harmony Group Holdings Ltd’s breaches to your attention and despite the feedback provided to you on several occasions, you have still not fully remedied the breaches 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 them 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 Harmony Group Holdings Ltd’s ongoing failure to display the required pricing on its website does not afford customers the ability to do so effectively.

It is difficult to know how many consumers were affected by the breaches concerned because we are unable to determine how many consumers accessed Harmony Group Holdings Ltd’s website 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 seem to have been ongoing since at least 29 December 2022, and the business operates from 5 branches, giving it access to a notable number of customers.

The breaches

The CMA found that Harmony Group Holdings Ltd was in breach of the following requirements of the Order:

- 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.
- 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 8 March 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.
- The **disclosure of interests**, according to *Article 5 of the Order*, by failing to display the ultimate owner of the business, which is Harmony Group Holdings Ltd.

What you need to do now

The CMA notes that while you have taken some steps to address the above breaches, including publishing a Standardised Price List and the disclosure of interests. However, there remain outstanding breaches that require resolution. Please display on your website:

- An **Additional Options Price List**, according to *Article 3(1)(b) of the Order*, that contains itemised prices of *all* the products and services that you offer to customers on your website or in your branches that are not included in the Standardised Price List. This should include price information for services such as flowers, tractor hearse and motorbike outrider, that you offer through third-party suppliers. These items are currently displayed on your Additional Options Price List as 'POV' but you must provide a price for each unless they are bespoke services provided only

to customers on their request and in accordance with their individual specifications. Price information for these services in the Additional Options Price List can be displayed as a starting from price or as a range. Also, your website refers to the provision of services, such as limousines and horse-drawn carriages; the prices for these services should also be individually displayed on your Additional Options Price List.

- 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, no link is provided to the crematoria price information for Bushbury Crematorium listed on your website. Additionally, your website directs customers to an outdated price list for services offered by the Trent Valley Crematorium.

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 within three weeks to avoid further enforcement action. The CMA will monitor Harmony Group Holdings 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