businesscompanion
trading standards law explained

Care homes and consumer law

In this section

Key consumer law requirements
Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013
- Helpful resources on the CCRs

Digital Markets, Competition and Consumers Act 2024
- Unfair trading practices
- Helpful resources on the DMCCA

Other relevant law
CMA guidance

Key consumer law requirements

This first part of the guide explains how consumer law applies to the day-to-day running of care homes, to ensure residents and their representatives are treated fairly.

Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013

These Regulations (often referred to as the CCRs) set out some key requirements relating to the information that you must provide to prospective residents and their representatives. Our detailed checklists (see the following parts of this guide) provide more details about what information should be provided and when. Some of these requirements come from the CCRs.

The CCRs:

- set out pre-contract information that must be provided before a resident enters into a contract with you
- require that the information is provided in a clear and easy to understand way, and in an appropriate manner
- require information provided on a durable medium to be legible
- categorise contracts into 'on-premises', 'off-premises' and 'distance' contracts, depending on how you are entering into contracts with residents
- set out cancellation rights and periods for certain contracts
- prohibit the use of negative options for additional charges, such as pre-ticked boxes
- prohibit charging any more than the basic rate for a telephone service that residents and their representatives can use to contact your care home about your services after they have entered into a contract with you

Examples of information to be provided:

- information about your complaint-handling policy (for more information on the requirements for complaint-handling policies, see the CMA guidance, which is linked to below)
- relevant codes of practice that you are required to follow
- any out-of-court complaint or redress mechanisms that apply, such as alternative dispute resolution (ADR) schemes, and how residents and their representatives can access these
- details of any cancellation rights that apply to residents and their representatives

Helpful resources on the CCRs

For more information about pre-contract information and the other requirements in the CCRs, please see the following guides:

- 'Consumer contracts: on-premises sales'
- 'Consumer contracts: off-premises sales'
- 'Consumer contracts: distance sales'

Digital Markets, Competition and Consumers Act 2024

This Act (known as the DMCCA) sets out key consumer protection requirements that aim to prevent unfair trading practices. The practices covered include the following.

Unfair trading practices

Misleading actions

You must ensure that the information you supply is accurate and clear. The information must not be false or misleading, nor presented in a way that could deceive a resident and their representatives, and be likely to cause the average resident, prospective resident or their representatives to take a transactional decision* that they would not have taken otherwise.

Misleading actions also cover marketing a product that creates or is likely to create confusion with another trader, their product or distinguishing marks, and failing to comply with a code of conduct that you are claiming to comply with.

[*See 'Helpful resources on the DMCCA' below.]

Misleading omissions

You are required to give prospective residents and their representatives all the information that an average resident or representative needs in order to make an informed decision. You must also identify if you are contacting them with any commercial intent and give them with all the information you are required to provide them in law, such as information specified in consumer law and sector-specific law that applies to your care home.

If you do not meet these requirements, and this is likely to cause the resident or prospective resident and their representatives to take a transactional decision that they would not have taken otherwise, then you may breach the law. Furthermore, the information that you supply must not be untimely or unclear, as this may also cause you to breach the law.

Invitation to purchase

This is a commercial practice that provides information to a consumer, indicating the main characteristics of a product and its price; it enables, or purports to enable, consumers to purchase your product or take another transactional decision in relation to your care home or services.

An invitation to purchase could include, for example, details about your care home and the costs, which are set out on your website. Certain information must be provided if an invitation to purchase is made.

Drip pricing

You must ensure that the information you provide about the price of your care home and your services in an invitation to purchase is the total price that residents have to pay, inclusive of any mandatory charges, such as taxes, service charges and administration fees.

If it is not possible to calculate the total price in advance, clear information about how it will be calculated must be given.

Aggressive commercial practices

These are practices that intimidate or exploit residents through harassment, coercion and undue influence, which impairs the average resident's, prospective resident's or their representatives' ability to make an informed decision, and is likely to cause them to take a transactional decision that they would not have taken otherwise. For example, using threatening language or threatening to evict a resident, or imposing a ban on visitors unless a resident or their representatives withdraw a complaint.

Banned practices

The DMCCA sets out 32 practices that are considered to be unfair in all circumstances. They are referred to as 'banned practices', and they always breach the law; they do not need to be likely to affect the resident's or their representatives' transactional decisions.

These practices include falsely stating that you are signed up to a trade body's code of conduct. They also include fake reviews and practices associated with them.

General duty to trade fairly

You must act with the level of care and skill expected from a care home operator. This means acting in accordance with honest market practice, and in good faith towards your residents and their representatives.

Helpful resources on the DMCCA

You can find out more about the above requirements in 'Protection from unfair trading (criminal law)'; it includes information on all 32 banned practices and an explanation of the legal meaning of the term 'transactional decision'. See also our 'Unfair commercial practices' Business in Focus guide.

Other relevant law

A knowledge of contract law is essential for ensuring that your terms and conditions have been correctly incorporated into your contracts, and any surprising or important terms are brought to the resident's or

their representatives' attention. For more information, see 'Consumer contracts: general' and our Business in Focus guide 'Contract law basics'.

The Consumer Rights Act 2015 sets out important rights and remedies for consumers relating to services (legally speaking, a care home is a 'service'). It also sets out important requirements relating to transparent, legible and fair consumer contract terms and consumer notices, to prevent residents from being put at a disadvantage. For more information, see 'Unfair contract terms' (which includes links to guidance from the Competition and Markets Authority) and 'Supplying services'.

CMA guidance

The Competition and Markets Authority (CMA) has produced *UK Care Home Providers for Older People: Advice on Consumer Law - Helping Care Homes Comply with their Consumer Law Obligations*.

The CMA also has a consumer protection case web page, detailing all of its work in the care home sector.

< Introduction

> Checklist one: first contact

© 2026 Chartered Trading Standards Institute

Source URL:
https://businesscompanion.owastaging.co.uk/focus/care-homes/care-homes-and-consumer-law