

# Consumer Goods & Retail – UK consumer protection law

## Five lessons from the CMA's first fine

16 April 2026



On Wednesday 15 April, the CMA issued its first fine under the UK's consumer protection law. We now have some insights into how the CMA (the Competition and Markets Authority – the UK's main competition and consumer agency) will be using the new consumer protection law powers it acquired a year ago.

Companies in the consumer goods and retail sector should now be reviewing their practices online and in retail outlets to ensure compliance. This first fine was of £4.2 million against a driving school company for not displaying a mandatory booking fee when it quoted the price for driving lessons. This short briefing outlines five useful lessons – as well as some practical steps that consumer-facing businesses can take to minimise risk.

1. **The CMA is willing to use its new fining powers.** This is the first CMA decision under consumer protection laws since it launched investigations under the new enforcement regime which came into force in April 2025. The new regime allows the CMA, for the first time, to impose fines for breaches of consumer protection law, as a deterrent against infringements. The fines can be substantial, up to 10% of a company's group global turnover. It is a striking sign of the weight that the CMA puts on its fining powers that in its first decision it has wanted to use them.
2. **Compensation is being paid to consumers.** In addition to the £4.2 million fine, the CMA also required the company to pay a total of over £760,000 to more than 80,000 consumers who had lost out, having been misled by the upfront price failing to mention the £3 booking fee. This power to compensate has been in effect for a number of years under the provisions on "enhanced consumer measures", but until now only rarely used.

The decision shows the CMA's determination to ensure that ordinary consumers benefit from CMA action, which is likely to give greater public and political legitimacy to the CMA after a period when it has been the subject of considerable political criticism.

3. **The investigation was concluded with a final decision quickly – within six months.** This is much faster than most CMA investigations

under its competition powers and shows the CMA's willingness to achieve fast results if possible. The CMA sees that this is in the interests of consumers, but also of companies to ensure that they are not under a prolonged period of uncertainty as a result of a lengthy investigation.

4. **The CMA's "settlement" powers were used.** The reason that the investigation could be concluded so quickly was that the CMA agreed a "settlement" with the company. Under this procedure, the company receives a significant reduction in the fine that would otherwise be imposed in return for admitting its liability at a relatively early stage. Bigger reductions are available in consumer protection cases than has traditionally been the case in competition cases, and in this case the maximum 40% discount was applied.
5. **The infringement concerned "drip pricing".** It is an infringement of consumer protection law if mandatory add-ons to a price, such as the booking fee in this case, are not included in the overall price cited up front. The CMA is signalling that price transparency is a priority for its use of its consumer powers – alongside other issues that are currently the subject of CMA investigations such as false or misleading online reviews, unfair contract terms, and impediments to consumers withdrawing from subscriptions.

### **What should companies do?**

It makes sense for companies to review their practices to ensure compliance, possibly by internal due diligence, including even mystery shopping (whether online or in random visits to retail outlets).

For further information please see: [Antitrust and consumer protection newsletter – consumer goods and retail – February 2026](#)



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