

Part 8 of the Enterprise Act 2002 (EA02)

Hallmark Care Homes Group Holdings Limited and its subsidiaries, as listed (together referred to as “Hallmark”)

Summary of changes made relating to:

Part 2 of the Consumer Rights Act 2015 (CRA)

Following the Competition and Markets Authority’s consumer law investigation into the residential care homes (for the elderly) sector, Hallmark has voluntarily made changes to the terms in its Resident Service Agreements with self-funded residents. These changes relate to the period for which fees are charged following a resident’s death and the handling of any uncollected possessions.

Summary of Changes made to the Hallmark Resident Service Agreement

Hallmark has stopped using terms which allowed the payment of the service fee for a period of 28 days following the resident’s death, save for any period which a new resident moves into the resident’s room. It has made changes to its Resident Service Agreement which:

1. Provide for the service fee to be charged for 3 days after the day of the resident’s death, unless:
 - (a) A new resident occupies the room within the 3 day period (in which case payment of fees will cease) or
 - (b) A longer period for collecting possessions is mutually agreed in writing between the parties (initiated at the resident’s written request to which consent will not be unreasonably withheld by the home), then service fees will be payable for the longer agreed period.
2. In order to allow the room to be prepared for a new resident, permit the care home to remove any personal possessions from the room if the deceased’s possessions have not been removed by their representative within the 3 day period, or within any agreed extended period, and, in these circumstances,

provide for the care home to give appropriate notice to the deceased's representatives which will include notice of the home's right to remove the deceased's uncollected possessions and to store them, with a calculation of daily costs which would be payable in such circumstances.

3. If the resident's possessions remain uncollected after the 3 day period, or within any agreed extended period, enable the care home to use external storage options if necessary, and provide that the care home will give appropriate notice before doing so.
4. Allow the care home to recover the costs it incurs for third-party removal, storage and insurance.
5. If the resident's possessions remain uncollected within 28 days after the day of the resident's death, require the care home to give notice to the effect that if they are not collected within 7 days (after notice) it may arrange for sale or other disposal of such items as reasonable.
6. Provide that any money received from the sale of items will be reimbursed to the resident's estate, after the deduction of the care home's reasonable costs of sale, within 30 days after the sale.