

The Deferred Payment Scheme

Procedure



People Directorate

The Deferred Payment Scheme - procedure

The Deferred Payment Scheme means that people will not be forced to sell their home in their lifetime to pay for care. It is designed to help if you have been assessed as having to pay the full cost of your residential care but cannot afford to pay the full weekly charge because most of your capital is tied up in your home.

For more information about the Deferred Payment Scheme please see the council leaflet: Arranging and paying for residential and nursing home care

You should consider taking independent financial advice before entering in to a Deferred Payment Agreement.

The following information details the procedure that should be followed to apply for and to set up a deferred payment.

- A Key Worker from Dudley Council will discuss the deferred payment process and leave appropriate literature and leaflets with the client or their representative.
- The client or their representative will be asked to complete a property details form and submit this to the council's Finance Team, along with the following supporting documents:
bank statements building insurance property valuation
- The council's Legal Team will undertake a Land Registry search to confirm property ownership; confirmation of such is submitted to the council's Finance Team.

If ownership cannot be confirmed then the client or their representative will be asked to provide the deeds to the property.

- The council's Finance Team will complete the required paperwork and submit this to the Social Care Panel for approval.
- Once Social Care Panel approval is confirmed the council's Finance Team will issue a Deferred Payment Agreement contract to the client or their representative for signature.
- On return of the signed contract the council's Finance Team will instruct the council's Legal Team to set up a charge against the property.

- Once the charge has been successfully registered the council's Legal Team will send a confirmation letter to the client or their representative.
- Deferred charges start to accrue from week 13 of placement (following the 12 week property disregard) and daily compound interest is applied.
- Legal and administration fees are added to the deferred amount unless the client or their representative wishes to pay these immediately.

How long does the process take

The above actions should be completed within the first 12 weeks of the client's placement, subject to the timely return of necessary forms.

Once the Deferred Payment Agreement starts, six-monthly statements are sent to the client or their representative to advise the position of the deferred amount and the interest accruing against it.

Charges and fees

Current charges and fees associated with setting up a Deferred Payment Agreement add up to £300. This is made up of the following:

Legal fee £109 - Land Registry Registration fee £20 - Land Registry fee to receive copy of the Register £3 - Land search fee £3 - Administration costs £165.

Ad hoc fees may apply if and as required. For example, independent property valuation fee, costs associated with removal of legal charge or registering a property with Land Registry.

Daily compound interest effective from 1 April 2015 will be 2.65%. This figure is based on the cost of borrowing and will change every six months.

Further information

**Please contact our
access to adult social care helpline**



on **0300 555 0055** (Monday to Friday - 9am to 5pm)
An emergency duty team is available on **0300 555 8574**, at all other times

Web www.dudley.gov.uk/asc

Email accessteam.dachs@dudley.gov.uk

Post **Brierley Hill Health & Social Care Centre
Venture Way, Brierley Hill DY5 1RU**

**Dudley Community
Information Directory**

Your online tool to find information about care and support,
activities, health services and much more across Dudley borough.
www.dudleyci.co.uk

If you require any assistance with regards to this document or would like to request an interpreter, large print or audio version, please contact the communications team on 01384 811561