

Deferred Payments

From April 2015 deferred payment agreements will be available across the whole country. This means that people should not have to sell their homes to pay for residential care in their lifetime.

A deferred payment agreement is an arrangement with us that will enable some people to use the value of their homes to fund residential care home costs. If you meet the conditions, you are likely to contribute to some of the fees from your income e.g. pension and we will pay any remaining residential care home costs on your behalf until you are able to repay these amounts back to us.

You can delay repaying us until you choose to sell your home, or until after your death. Deferred payment agreements will suit some people's circumstances better than others. The Care Act allows councils to charge interest on the amount owed to them, and to charge a fee for setting this arrangement up.

In a nutshell:

If you own a property and you need to go into residential care, you can put off paying for the full cost of care until you die or leave care whilst you have equity available in your property – please remember there will still be a contribution to pay when the equity in your property is used up. This will be a means tested contribution based on your income and what you can afford to pay.

- we will pay towards the care home bills and will get our money back when your home is sold
- any money left over once the debt has been paid will return to your financial estate.
- we will charge a low rate of interest (as set by the Government)
- you can choose to sell your home and pay off your debt early if you wish. We will contact you about your Deferred Payment Agreement regularly, and will discuss with you whether your property is worth enough to cover your debt.

What you pay

If you have a lot of savings and investments, your council may not offer the scheme to you until you are at risk of having to sell your home (which will be when your savings drop below £23,250).

Your contribution depends on your weekly income and any other assets that you may have. If you have a property or land this affects how we work out what you must pay. If you are in permanent care, we may ignore the value of your property or land up to the first twelve weeks of your stay. This is known as "the twelve-week property disregard". After the twelve weeks we must then take into account the value of these assets when we work out how much you will pay.

If you own more than one property, then only one property considered to be your main home will be disregarded from the financial assessment



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Contacts

If you would like to apply for a Deferred Payment Agreement in Nottingham City please contact Adult Residential Services by telephone: **0115 876 3672** or email adultresidential.services@nottinghamcity.gov.uk

To find an independent financial advisor contact the Financial Conduct Authority.
Website: www.fca.org.uk/consumers or telephone: **0800 111 6768**.

For free telephone advice contact the Government backed Money Advice Service.
Website: www.moneyadviceservice.org.uk/en, or telephone: **0300 500 5000**

Free impartial advice can be accessed from SOLLA (Society of Later Life Advisers).
Website: www.societyoflaterlifeadvisers.co.uk, or telephone: **0333 2020 454**

Age UK website has further information and advice on DPA.
Visit: www.ageuk.org.uk, or telephone: **0800 1696565**.

