



## ***FULL COUNCIL REPORT***

Date Written	19 <sup>th</sup> March 2024
Report Author	Sarah Price
Service Area	Benefits Section
Exempt/Non Exempt	Non Exempt
Committee Date	17 <sup>th</sup> April 2024

## **Deferred Payment Arrangement Policy**

### **1.0 SUMMARY OF THE REPORT**

- 1.1 The Social Services and Wellbeing Act Wales 2014 (Part 5 Section 68 and Part 4 and 5 of the codes of practice annex D) requires Local Authorities to offer a Deferred Payment Arrangement which allows those entering full-time care to defer the sale of their main or only property where it is needed to fund care fees.
- 1.2 The report outlines the Deferred Payment Arrangement process with the full policy being found at Appendix A.

### **2.0 RECOMMENDATIONS that**

- 2.1 The Deferred Payment Arrangement policy, as required by the Social Services and Wellbeing Act (2014), be approved.

### **3.0 INTRODUCTION AND BACKGROUND**

- 3.1 When a person enters full time care a daily fee becomes payable. This is notified to the person and/or the relevant financial representative. If the person owns their own property, the value of this is taken into consideration 12 weeks after admission into full time care.
- 3.2 Under the Social Services and Wellbeing Act mentioned above the Local Authority is required to offer a deferred payment when specific conditions are met.
- 3.3 If a Deferred Payment Arrangement is requested, and agreed, the person will still be liable to pay an assessed charge based on their income. The Local Authority will continue to pay the full cost of the care, with the difference due to be paid being deferred. The value of the difference will be secured by way of a legal charge added to the property with the Land Registry.

During the period of the deferred payment statements will be issued on a 6 monthly basis to ensure the person/their representative is aware of the amount of debt that is accruing.

Annual valuations will take place of the property to ensure that the value of the property is kept up to date and that debt calculations are as accurate as possible.

When the value of the home begins to reach the total value of the fees owed then a statement will be produced to advise that an alternative means of payment will need to be sought.

### 3.4 A Deferred Payment Arrangement ends:

- Upon death, the estate settled the fees owed or
- When capital becomes available, and the fees owed are paid or
- When the property is sold, the value realised and the fees paid

## 4.0 FINANCIAL IMPLICATIONS

4.1 There is a legislative requirement for this policy to be approved. The financial implications, if any, will form part of the Corporate Debt Recovery policy.

## 5.0 INTEGRATED IMPACT ASSESSMENT

	Positive Impacts	Negative Impacts	Neutral
1. Merthyr Tydfil Well-being Objectives	0 of 4	0 of 4	4 of 4
2. Sustainable Development Principles	0 of 5	0 of 5	5 of 5
3. Protected Characteristics (including Welsh Language)	0 of 10	0 of 10	10 of 10
4. Socio-economic Disadvantage	1 of 6	0 of 6	5 of 6
5. Decarbonisation	0 of 6	0 of 6	6 of 6
6. Biodiversity and the resilience of Ecosystems	Maintained	Enhanced	Reduced
	0 of 1	0 of 1	1 of 1
7. Consultation and Engagement	Undertaken	Due to be Undertaken	Not Required
	0 of 1	0 of 1	1 of 1
8. Data and Evidence	Yes		No
	0 of 1		1 of 1
<b>Summary</b>			

<b>The main positive impacts are:</b>	The Local Authority will have a policy which confirms the procedure for dealing with the charging of care fees when a person entering full time care owns property.
<b>The main negative impacts are:</b>	N/A

**CHIEF EXECUTIVE ELLIS COOPER**

**COUNCILLOR ANDREW BARRY  
CABINET MEMBER FOR GOVERNANCE  
AND RESOURCES**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
Deferred Payment Arrangement Policy		
<b>Does the report contain any issue that may impact the Council's Constitution?</b>		No

***Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.***