

# Deferred payment agreements

## Consultation results & what happens next

### Contact details

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We asked for people's views on our proposals to change the existing East Sussex Deferred Payment Agreement (DPA) to reflect the requirements of the national Care Act 2014.

Adult Social Care's Lead Member considered the consultation results and the revised draft policy for the DPA on 2 April. The revised policy was approved.

People who use the existing DPA will not be affected by the changes. The new policy applies to all DPA's signed after 1 April 2015.

**Deferred Payment Agreement:** The Deferred Payment Agreement is a way to help people who own property to pay for residential care. We already run a DPA in East Sussex but not all local authorities do.

**Thank you to everyone who took the time to share their views with us.**

## Why we consulted

We have been running a local DPA in East Sussex for many years. When we launched the consultation there were about 60 people using the DPA and 30

going through the approval process.

Having a DPA is a key part of the Government's new Care Act 2014, which came into force in April 2015. The Act says that all councils have to offer a DPA.

DPAs work by the local authority loaning the individual part of the value of their home to help pay for their residential care. That loan (including interest) is repaid when the home is eventually sold.

The consultation was about updating our existing DPA so that it meets the Care Act requirements. We also want to make sure it works well for people who use it.

The consultation covered:

- 1) How we charge people
- 2) Extending the DPA to people in Extra Care and sheltered housing
- 3) Loaning additional money

## What you told us

In total 65 people took part in the six-week consultation, with 27 people completing a survey. We attended the following groups: East Sussex Seniors Association health and social care group, the Inclusion Advisory Group and Care for the Carers' (CftC) Carer Support Groups in Peacehaven and Pevensey.

The key findings from the consultation are set out by topic below.

Five survey respondents also provided feedback on the current DPA. Three were satisfied with it, while two had mixed views. One respondent commented that full disclosure about charges was not made, while one said that the existing scheme is "more generous".

### How we charge people

- Just over **two thirds** think the set-up charge should be added to the debt (22 answered survey question).
- Over **half** think the admin charge should be paid, rather than added to the debt (24 answered survey question).
- The Inclusion Advisory Group felt that people should have a choice of whether to pay the charges or add them to the debt.
- There was a **mixed response** on how often the admin charge should be paid (25 answered survey question), although six months was most frequently suggested across the survey and group feedback.
- A **couple** of survey respondents and the group feedback mentioned the high cost of the charges and the problem of paying them.

### Extending the DPA to people in Extra Care and sheltered housing

- Just over **two thirds** think that the DPA should be extended to those moving into extra care housing and 4 respondents don't think it should be (26 answered survey question).
- Nearly **half** think that the DPA should be extended to those moving into sheltered housing and 5 respondents don't think it should be (26 answered survey question).
- The Inclusion Advisory Group felt that extending the scheme was a good idea but they did have concerns about the impact on the pot of money the Council has available to lend out.

### Loaning additional money

- A **third** think that we should consider lending additional money in exceptional circumstances (14 answered survey question).
- The Inclusion Advisory Group felt that this was a good idea, as people would rather have the choice of where to go than be limited by the amount the Council typically lends. Cultural beliefs and LGBT needs should also be valid considerations when deciding whether to loan additional money.

## General feedback from the groups

- The East Sussex Seniors Association health and social care group was most concerned about take-up of the DPA and wanted to know that people would be told about the scheme if it was appropriate for them.
- Other comments from the Inclusion Advisory Group included making sure the DPA is fair; that information about it is clear; and that advocacy is available as needed.
- The two Carer Support Group discussions showed how complex financial assessments and the DPA are. People were concerned about the cost of care generally and the proposed charging costs for the DPA.

## What happens next

As a result of the consultation we are:

- Giving people a choice of how to pay the charges. This means people can either pay the set-up and administration charges or add them to the debt. They will also be able to change their mind about how they pay them during the life of loan.
- The annual administration charge will be invoiced six monthly. This will be supported by a 'Statement of accrued debt'. For example, the annual fee for 2015/16 is £382 or £191 for each six month period.
- The DPA will be available as a 'bridging loan' to clients who are selling their home and moving into rented extra care housing or supported accommodation.
- In exceptional circumstances, (for example, if someone has a life-limiting illness) we may be able to consider loaning an additional amount above the level of our standard fee rates for care homes.

The revised policy was approved by the Lead Member on 2 April.