



Working together to make a real difference.

Deferred Payment Scheme

2021/2022.

Deferred payments were introduced on 01 July 2002 under the Community Care and Health (Scotland) Act 2002. Deferred payments allow people to avoid selling their homes up front to meet their care home fees, by entering into a legal agreement to have part of their fees paid by their local authority. Accrued debt is settled from the resident's estate, or sooner if the property is sold.

Currently the Council allows people who take up permanent residence in a care home to retain their property, with repayment of the debt being secured from the resident's estate by placing a charging order on the property.

Deferred payments give residents the option to enter into an agreement voluntarily rather than to have a charging order imposed.

Deferred payments form part of the financial assessment for permanent residents who own property. This assessment is undertaken by Orkney Health and Care, Finance Section.

Eligibility criteria for deferred payment agreements is restricted to any person who:

- Has been assessed as in need of a place in a care home, and for whom Orkney Islands Council has agreed to provide or has secured the provision of a residential place.
- Has capital at or below the lower capital limit (£18,000 from 01 April 2021), when their resources are assessed via a financial assessment under the National Assistance Act (Assessment of Resources) 1948 (amended annually) but excluding their home from that assessment.
- Would not normally have their home disregarded from such a financial assessment.
- Does not wish to sell their home or is unable to sell it quickly enough to pay for care home fees.
- Own their home and can grant the authority a standard security against this property.
- Has a residence which is already subject to one or more standard securities, but Orkney Islands Council is satisfied that the person has sufficient income to meet the costs of existing securities, while at the same time making the assessed contribution to care costs.

If a resident chooses to opt for a deferred payment, they will be responsible for obtaining a valuation on the property. The valuation must be provided by a person who is, in the reasonable opinion of Orkney Islands Council, qualified to make such a valuation. The Council reserves the right to obtain its own valuation of the property if there is some doubt. There would be no re-evaluation of the property once the resident has entered into the agreement. The deferred payment agreement would apply to the resident's main residence only.

Whatever course of action you anticipate taking, you may find it helpful to consult a solicitor.

Note: Staying in residential care can affect benefits payable by the Department for Work and Pensions. In order for a resident to avoid overpayment or underpayment of Government state benefits, they are required to report all changes in circumstances to the Department for Work and Pensions.

Useful Contacts.

Joan Jones.
Accounting Officer.
Orkney Health and Care.
Orkney Islands Council.
Council Offices.
School Place.
Kirkwall.
KW15 1NY.
Tel: 01856873535 Extension 2614.

Duty Social Worker.
Orkney Health and Care.
Orkney Islands Council.
Council Offices.
School Place.
Kirkwall.
KW15 1NY.
Tel: 01856873535.

Department for Work and Pensions.
Tankerness Lane.
Kirkwall.
Tel: 01856888300.

Citizens Advice Bureau.
Anchor Buildings.
Bridge Street.
Kirkwall.
Tel: 01856875266.

Advocacy Orkney.
Orkney Counselling and Support Centre.
18 Queen Street.
Kirkwall.
KW15 1JE.
Tel: 01856870111.

Complaints

If you are dissatisfied with the service provided you can make a formal complaint to the Complaints Officer, Orkney Health and Care, Orkney Islands Council, Council Offices, School Place, Kirkwall, KW15 1NY