

Appendix C

What are the options if I do not want to sell my house?

If you or someone you represent owns a house and is entering long-term residential or nursing care accommodation, they will normally be **unable** to get help with their fees.

However, for a period up to the first 12 weeks after admission, the value of a resident's former home that prior to admission to permanent care was occupied by them as their only or main residence can be ignored. This may mean that a subsidy can be provided as long as the resident does not have other capital assets in excess of £20,500 (rate applicable for April 2005 to March 2006). Please note that should a subsidy be provided during this period the resident would be unable to claim Attendance Allowance or Disability Living Allowance because for this period, they would not be meeting the full cost of accommodation from their own resources.

From the end of the 12 week period, the full cost of the accommodation becomes payable. This may cause some difficulty, especially if for some reason the client does not wish to sell their former home. In these circumstances or where a sale is likely to take a long time to complete, Devon County Council can offer a Deferred Payment Arrangement (DPA).

A DPA is only available to client's who in addition to the value of their home only have other assets of less than £20,500 (rate applicable for April 2005 to March 2006). Once completed, the DPA allows for a portion of the fee to be deferred. The exact amount to be deferred will vary from case to case and will depend on the financial circumstances of the individual. The deferred sum becomes repayable to the Council on the sale of the property or the death of the resident whichever is the sooner. Our understanding is that because the full cost of the accommodation will ultimately be met by the resident, Attendance Allowance or Disability Living Allowance is payable while a DPA is in force. No interest is payable on the deferred amount unless it is still outstanding 56 days after it became due (date the house is sold or the death of the resident whichever is soonest)

A DPA only becomes effective from the date it is completed and so all fees due up to that date are payable in the normal way. It is essential therefore that if this route is to be followed, the application is completed as soon as possible. ***A Deferred Payment Arrangement application form is attached which should be returned to: Devon County Council, Client Finance Services, Room 248, County Hall, Exeter, EX2 4QJ.***

Please note that we recommend that you should take independent financial advice before entering into a Deferred Payment Agreement.