

Charging for the Deferred Payment Scheme

The Care Act allows councils to charge an amount to cover administration costs for setting up and monitoring the Deferred Payment Agreement. We incur two types of costs: the initial costs of setting up the agreements known as the “**Deferred Payment Set Up Administration Fee**” and the continuing, or ongoing costs, known as the “**Deferred Payment Annual Administration Charge**”.

The Deferred Payment Set Up Administration Fee

The following table provides detail of the cost of the Set Up Administration Fee outlined in this proposal. *This will be reviewed on an annual basis.*

Service	Cost
Administration time spent drawing up the Deferred Payment Agreement – Customer Contact Financial Assessment Team and Exchequer Services	£16.78
Office overheads, printing, postage, monitoring, processing.	£48.28
Total Cost	£65.06

The Deferred Payment Annual Administration Fee

The following table provides detail of the cost of the Annual Administration Fee outlined in this proposal. *This will be reviewed on an annual basis.*

Service	Cost
Office overheads, printing, postage, monitoring the agreement including regular statements.	£75.25
Total Cost	£75.25

Charges for people who can afford to pay in full for their care at home

If someone can afford to pay the full cost of their care at home (as determined by a financial assessment), they can ask Medway Council to arrange services for them. In setting up these services, there is an administration cost to the Council and the Care Act allows councils to charge for some of those administration costs. There will be charges to set up the arrangements to begin with, known as the “**Set Up Administration Fee**” and the ongoing costs, known as the “**Annual Administration Fee**”.

The Set Up Administration Fee

The following table provides detail of the cost of the Set Up Administration Fee outlined in this proposal. *This will be reviewed on an annual basis.*

Service	Cost
Identifying appropriate service providers, arranging care and putting contracts in place.	£16.52
Setting up method of payment for care (e.g. Direct Debit)	£4.11
Dealing with payments to providers	£4.11
Dealing with queries and ensuring providers meet needs for service user.	£62.29
Raising invoices and collecting charges from the service user.	£14.32
Total Cost	£101.35

The Annual Administration Fee

The following table provides detail of the cost of the Annual Administration Fee outlined in this proposal. *This will be reviewed on an annual basis.*

Service	Cost
Dealing with payments to providers	£6.75
Dealing with queries and ensuring providers meet needs for service user.	£64.93
Raising invoices and collecting charges from the service user.	£45.69
Total Cost	£117.37

