

About

Direct Payments



The purpose of this booklet is to offer advice and information to anyone receiving a direct payment or for people considering taking a direct payment. The information in this guide is to help you decide if taking a direct payment is the right option for you. The information is intended solely for guidance. This is general guidance about Direct Payments, should your query be more specific you should contact Customer First on 0808 800 4005.

This guidance was written about direct payment provision in Suffolk and is correct at the time of writing.

This information is also available on the **Suffolk County Council** website:

www.suffolk.gov.uk and search for Direct Payments.

Index

- 1 What is a direct payment ?
- 2 Who can have a direct payment?
- 3 What can the money be used for?
- 4 How can I find out about care agencies in my area?
- 5 How is the money paid to me and how often?
- 6 Why do I need to set up a separate account?
- 7 Do I have to pay anything towards my personal budget/direct payment?
- 8 Can someone else look after my direct payment for me?
- 9 Can a person who does not have the mental capacity to agree to a direct payment themselves still have a direct payment?
- 10 What happens next if I decide to take my personal budget as a direct payment?
- 11 Are Direct Payments taxable?
- 12 Will my direct payment affect any benefits I am receiving?
- 13 Will you check how I am using my direct payment?
- 14 Can I accumulate money in my direct payment account?
- 15 If things change and the money is too much or too little to meet my needs what should I do?
- 16 What should I do if I am worried about my account or about spending the money on the wrong thing?
- 17 If I no longer need a direct payment or it ends, what will happen to the money that has already been paid to me?
- 18 What happens if there is not enough money in my account to pay outstanding bills or other liabilities?
- 19 Where can I get independent information and advice about Direct Payments?

1 What is a direct payment?

- A direct payment is money paid to you to meet your eligible care and support needs and it lets you choose and buy the services you need yourself, instead of the Council arranging them for you.
- Having a direct payment means that some, or all, of your personal budget from the Council or Norfolk and Suffolk Foundation Trust is paid directly to you.
- Your personal budget is the money that we have worked out is available for you to spend on your care and support.
- A direct payment is one of the options for you to manage your personal budget. The other options are:
 - an Individual Service Fund
 - the Council manages your budget and arranges care and support for you
 - it is possible to use a combination of options.
- A direct payment is different from other welfare benefits that you may get which are paid by the Department for Work and Pensions (DWP). Direct Payment money remains the property of the Council even after it has been paid into your account and it can only be used to purchase goods and services that have been agreed in your care and support plan.
- Where direct payment money is not spent or is not all needed it must be returned to the Council.

2 Who can have a direct payment

- Subject to a financial assessment (see question 7), you can have a direct payment if you have care and support needs that are eligible under the Care Act 2014 and you have been given a personal budget.
- You can also have a direct payment if you are a carer and have a personal budget to meet your eligible support needs.

- You can also get a one-off direct payment for certain items of equipment to help you live independently at home.

3 What can the money be used for?

- The money is to pay for goods and services that help you to meet your care and support needs and the outcomes that you have agreed in your care and support plan.

Some examples of how you might do this are:

- buying a care service that you can use in your home from an agency.
- employing someone to help you (It is important that you read the information in the leaflet "Using your direct payment to Employ a personal assistant" if you are thinking about using your direct payment in this way)
- Using a home care agency to employ someone for you.
- paying to attend a day care service
- paying for some respite care services
- paying for leisure activities
- buying equipment to help you.

You cannot use your direct payment to pay for:

- permanent care in a residential or nursing care home
- normal household expenses such as utility bills, rent or mortgage payments or food
- gambling
- anything that is illegal
- anything that does not contribute to meeting your needs or achieving the outcomes that you have agreed in your care and support plan.

4 How can I find out about care agencies in my area?

- The person helping you plan your care and support will be able to give you some advice and you can also look online by searching for “**Suffolk Infolink**”. This Suffolk County Council web site can help you find services in your area.
- You can also look on the Care Quality Commission (CQC) web site www.cqc.org.uk

5 How is the money paid to me and how often?

- The money is paid every four weeks in advance into a bank or building society account that you have set up just for your Direct Payment money.
- We hope to offer a pre-payment card account in the next 12 months, which can be used for your direct payment. This would mean that you would not need to set up your own separate bank or building society account.

6 Why do I need to set up a separate account?

- You will need to open a separate bank or building society account for your direct payment because we will ask you to provide bank statements to show us how the direct payment money is being spent.
- Also, the money has to be kept separate as it can only be spent on your care and support. Direct payment money is not like other income or benefits; it remains the property of the Council until it is spent on care and support. Where it is not spent or is not all needed it must be returned to the Council.

- You can open the account with any bank or building society. This will normally be free of charge. There is some useful information about how to choose a bank account on the Money Advice Service website: www.moneyadviceservice.org.uk and search for “How to choose the right bank account”.
- Some direct payment support organisations and Credit Unions may be able to offer you an account facility and will make a charge for this.

7 Do I have to pay anything towards my personal budget/direct payment?

- Yes, some people may be required to pay something. Most services from adult social care are chargeable and means tested, unlike services from the NHS which are free at the point of delivery.
- You will be asked to fill in a financial assessment form called an AF1. The outcome of the financial assessment will be one of the following:
 - You do not have to contribute to your personal budget
 - You have to pay a share of your personal budget – this is referred to as your ‘contribution’
 - You have to pay for all of your care and therefore a direct payment is not applicable to you.
- If you are assessed as having to make a contribution you will need to pay that into your direct payment account from your own funds.

Example – Jane has had a personal budget of £180 per week agreed which she wants to take as a direct payment. It is worked out that she has to pay £30 per week towards this amount herself. The Council pays £600 into her direct payment bank account every four weeks (this works out at £150 every week). Jane pays her contribution of £120 every four weeks into her direct payment account and has set up a standing order from her current account

- You can also pay extra money into the account yourself if you want to use the account to buy or pay for additional care and support.

8 Can someone else look after my direct payment for me?

- Yes. If you would like someone that you trust or a support organisation to look after the money on your behalf, or to help you to manage it you can ask us to pay the money to them. You will need to give us your permission to do this.
- It is important that you remember that even if someone else is looking after your Direct Payment it is still your responsibility to make sure that the person or organisation is using the money in the right way.
- We will check to make sure that you are able to make this decision and that you have thought about any consequences of your money being paid to another person. This should be written into your care and support plan.
- Also, you can nominate a relative or trusted person to get the letters that we send to you and to be able to contact the Direct Payment team on your behalf.
- To do either or both of these things we will ask you to fill in a "Nominated Person" form so that we have all the details and your permission.
- You should not allow someone who you have not agreed to be a nominated person to access your direct payment account.
- You cannot nominate someone who you are going to employ or who you will use your Direct Payment to buy a service from.

9 Can a person who does not have the mental capacity to agree to a direct payment themselves still have a direct payment?

- Yes. They can, but they will need someone to act on their behalf. If they already have someone who has a Lasting Power of Attorney for property and affairs (finance), has a registered enduring power of attorney or is a Court Appointed Deputy for finance, this person can receive the direct payment on their behalf. They should also have Power of Attorney or a Deputyship for health and welfare to enable them to make decisions about how the direct payment is used.
- If they do not, then the Council will try to identify someone (normally a family member or close friend) who is willing and able to act in the person's 'best interest'. Sometimes a group of people will form a Trust to receive and manage the direct payment on behalf of a person who is not able to do this themselves.
- Some support organisations and legal professionals offer this service too. There will normally be a charge for these services.
- There is more information about Power of Attorney and Court Appointed Deputies on the GOV.UK web site: www.gov.uk

10 What happens next if I decide to take my personal budget as a direct payment?

- When you decide that you would like a direct payment we will ask you to sign a Direct Payment agreement. It is really important that you understand the agreement that you are being asked to sign. The person who is helping you to arrange your care should explain this agreement in more detail to you.
- You will need to set up a separate bank account that is used just for your direct payment and you will need to give us details of that account.
- We will send you a letter to confirm when your direct payment has been set up and when the first payment will be made.

11 Are Direct Payments taxable?

- No. They are not taxable income and you do not need to tell Her Majesty's Revenue and Customs (HMRC) about your direct payment. You will however need to tell HMRC if you use your direct payment to employ staff.

12 Will my direct payment affect any benefits I am receiving?

- No. Direct Payments do not affect the amount of other benefits that you are getting. You do not need to tell the DWP about your direct payment.
- From time to time the DWP may check how much money you have in your bank accounts. You should advise the DWP that you have a direct payment account but that this should be ignored.
- Please note that if you are employing someone and they are receiving any welfare benefits or Tax Credits they must inform the DWP and HMRC as it may affect any benefits that they are claiming.

13 Will you check how I am using my direct payment?

- Yes. We will do a first check within six months of your direct payment starting.
- You will need to keep track of your account and the money you spend and you will need to keep bank statements, invoices and receipts relating to the direct payment.
- We will want to see that everything is working well and that the things the money is being spent on identified in your care and support plan.

- We will send you a simple form to fill in and will ask you to send in copies of your direct payment bank account statements and evidence of money that you have spent.
- Your bank account statements will show us that you have been paying your contribution if you have one to make. We would always advise that you pay your contribution into the bank account that you use for your direct payment as it is much easier for you to keep track and to provide evidence of this when we ask you for it.
- However, you may use your contribution to buy services directly, without putting it in to your direct payment account. If you do so you will need to show that you have spent the money on things that have been agreed in your care and support plan and provide receipts when asked.
- We will decide how often we will need your information from you again after this first check and will tell you when this will be.
- If at any time we are concerned about how you are using your direct payment, we will arrange for someone to talk to you about this.
- If you have spent the money on things that are not in accordance with your care and support plan we may ask you to refund this to the Council.

14 Can I accumulate money in my direct payment account?

- Yes, you can. One of the advantages of using Direct Payments is that they are flexible and you are not committed to spending the same amount of money each week.
- Also, you must keep aside money that has been identified to cover particular situations that may arise. These are most likely to arise if you are employing someone and will include such things as holiday or sickness cover, maternity pay or redundancy payment.

- Example: Jane has her personal budget of £180 per week which is made up of her direct payment of £150 and her contribution of £30. In her care and support plan she and the Council have agreed that she will spend £140 per week on employing a personal assistant to help her, and that she will accumulate £40 per week in her account as a contingency to pay for extra support when she is unwell, or to pay for cover if her personal assistant is off work sick or is on holiday.
- If you consistently have money accumulating in your direct payment account and it is not going to be used for goods and services that are agreed in your care and support plan, the Council will ask you to pay that money back.

15 If things change and the money is too much or too little to meet my needs what should I do?

- You should contact Customer First on 0808 800 4005. Calls are free from landlines and most mobiles, or you can e mail customer.first@suffolk.gov.uk
- Customer First will request a Social Care Assessor to contact you
- You should also contact Customer First if you want to end your Direct Payment arrangements.

16 What should I do if I am worried about my account or spending the money on the wrong thing?

- How the money is spent to meet your care and support needs and outcomes should be recorded in your care and support plan and you can refer back to that.

- If you have any questions about what it can and can't be spent on you should ask the person who is helping you to put your care and support plan together.
- If things change and you feel that your care and support plan should be reviewed, you should contact Customer First on **0808 800 4005**.
- Your Direct Payment will be reviewed within the first 6 months and then annually.
- If you have any concerns about money going out of your account that you are unsure about you should speak to your bank in the first instance. If this does not resolve things you should contact Customer First on **0808 800 4005**.

17 If I no longer need a direct payment or it ends, what will happen to the money that has already been paid to me?

- When your Direct Payments stop we will ask you or the person who is acting on your behalf for information about your recent transactions and how much money there is left in your direct payment account.
- You will be able to use some of the money to meet any legal liabilities that you may have, such as redundancy payments or holiday pay for staff that you employ, or contractual payments to service providers such as a care agency.
- We will ask you or the person who is acting on your behalf to return all remaining money to us, including any contributions due. We will tell you how you can do this.

18 What happens if there is not enough money in my account to pay outstanding bills or other liabilities

- There are a number of reasons why this might be the case and the outcome will be different for each, for example:
 - your contribution has not been paid into the direct payment account as it should be. In this case you will need to pay money into your account to cover what is required
 - the money that should have been kept aside to cover a particular situation has been spent (see Q14). In this case you are likely to have to pay the outstanding amounts yourself
 - you have told the Council that your needs have increased and you are spending more money on your care and support but the Council has not yet been able to review your situation.
- Whatever the reason, you or the person who is acting on your behalf should talk to the Council to get advice.

19 Where can I get independent information and advice about Direct Payments?

- The idea of a Direct Payment may initially sound quite daunting however, there are a organisations who can help including local disability advice services. There is also a wealth of useful information available on the internet. Here are links to some reliable sources of information and advice:

- [Age UK](#)

- [Carers UK](#)

- [Disability Rights UK](#)

The Suffolk disability advice services can give you advice and information about Direct Payments. You can contact them on the numbers given below:

- Ipswich Disabled Advice Bureau **01473 217313**

- Disability Advice Services (East Suffolk) **01394 387070**

- DIAL Lowestoft and Waveney **01502 511333**

- Avenues East Advice and Advocacy Service **01449 770135**

- Also, there are organisations who offer services you can purchase to help manage a Direct Payment and to employ a personal assistant.
- We can give you a list with details of what they offer and their contact details. This list is called "Help with Direct Payments".

It is important that you read the information in the leaflet "Using your direct payment to employ a personal assistant" if you are considering employing someone with your direct payment.

Customer First

Tel: **0808 800 4005**