

Appendix 1 - Ways a Direct Payment can be used and paid

- It is a statutory duty to offer a person a Direct Payment as a cash alternative to a directly commissioned care and support service in most cases.
- A Direct Payment can be paid to a person to enable them to employ a personal assistant or to purchase care and support services from a care provider of their choice to provide the care that they have been identified as needing through a Care Act (2014) assessment.
- Direct Payments can also be made to carers who have an identified need as a carer.
- A person can use their Direct Payment flexibly to meet their assessed needs, in a way that suits them, and in a way that provides them with choice and control over their care arrangements.
- People in receipt of a Direct Payment could choose to have their Direct Payment made directly to a care provider or a third party to manage on their behalf.
- People may also choose to pool their Direct Payment with other people in receipt of a Direct Payment where they share support with a number of other people and all wish to receive care flexibly from the same care provider.
- Direct Payments are used to pay for goods and services that are identified in a Support Plan that has been agreed between the person and the Council as meeting the person's assessed needs.
- The preferred method of payment for Direct Payments is by way of a Pre-Paid Card which provides ease of administration and ease of use by the recipient. Pre-Paid Cards also facilitate an efficient way for the recipient to keep records of expenditure and for the Council to undertake audits of Direct Payments account.
- The breakdown of the current route of payment for Direct Payments for adults is set out below:
- Individual Service Funds (an arrangement where a local authority transfers the funds agreed for a person's care and support arrangements to an organisation of their choice, so that the person can be in control of how their support is designed and delivered. This can be where a person wishes to pool their Direct Payments with other Direct Payment recipients to share a service provision) - 119
- Managed Accounts (the Council pays the payroll provider, WIRED, directly so that they can provide the payroll service and pay other associated costs (tax, insurance etc) on behalf of the direct payment recipient, thereby relieving them of the administrative burden of managing the money) - 139
- Individuals managing their own payment (individuals manage their own payment by opening a separate bank account or using a pre-paid card. The individual retains responsibility for the funds but may need a payroll service. They pay all other associated costs such as tax, insurance which are included in their Direct Payment) - 278.