

Information sheet C7a – using a direct payment

This information sheet explains some of the practical details about using a direct payment. It is intended mainly for people who have already made contact with the direct payments team. Information sheet C7 provides a more general introduction to direct payments. Your direct payments worker will discuss arrangements with you in further detail.

■ Basics

You may need to open a separate bank account specifically for your direct payment – but you won't need to do that if your only planned expenditure is on paying personal assistants, and we are paying the money to a payroll company who will manage it for you.

Before any direct payment money can be paid, you will need to sign a letter of agreement. This is a legal agreement, which you should read carefully.

The letter of agreement will say what sorts of expenditure the direct payments are to be used for, based on your agreed care and support plan. You must get written agreement from us to use direct payment money for any other kinds of expenditure. But we want you to be able to meet your needs in the way that works best for you, so please let us know if you think the letter of agreement doesn't give you as much flexibility as you need.

Most people who get a direct payment to pay for "social care" services will have to make a contribution towards the cost (see Information Sheet C8). This doesn't apply to NHS-funded services. We will agree with you how you will pay this. If the agreement is that you will pay your contribution into a direct payment bank account to top up the amounts paid by the Council, you must do that. You can't decide only to spend the sum that the Council has paid into the account. This is because you are expected to contribute as much toward the cost of your services as you have been assessed as being able to afford.

■ Employing personal assistants

The opportunity to have people who you already know well providing your care and support can be one of the special benefits of a direct payment. But there are two points which you should consider before deciding on that:

- Being employed is a very different relationship from being a friend or family member who sometimes helps you. You both need to be sure you are happy with a more formal arrangement, where the person has a job description and defined hours.
- Family members who live in the same household as you usually *can't* be employed using a direct payment, unless there is no other option. If you think that you may need to do this, you **must** ask us before you go ahead.

If you are planning to employ anyone who you don't know very well, we strongly recommend checking with the Disclosure and Barring Service (DBS) whether they have a criminal record. The direct payments team can arrange this for you.

■ Payroll and liability cover if you employ personal assistants

Most people will find it easiest to use a payroll company to manage the details of payments to their personal assistants (PAs). You can choose what company you use. We will give you details of the companies which other people in Northumberland are using, which we know have substantial experience of supporting people with direct payments. You don't have to use one of those, but we would recommend checking what experience of direct payments any other company you consider has had.

You will need to tell the company about the hours worked by each person, and when they take holiday leave and any sick leave, and when PAs start or stop working for you.

You will also need to arrange employer's liability insurance. You can use your direct payments to pay for this, and you can choose what insurance company you use. We will give you details of companies which other people in Northumberland use. We recommend choosing a company which has experience of supporting people with direct payments and which offers a legal helpline if you have any employment-related issues.

■ Audit and keeping records

You will need to make sure there is a clear record of your spending. Usually this will be easy. Most direct payments spending will be one of three kinds:

- If you employ PAs and use a payroll company, we recommend asking them to send us details of payments directly.
- If you pay an organisation or a self-employed individual to provide you with regular services, you should keep the invoices which they send you.
- If you use a card linked to a direct payments bank account to pay other costs, your itemised bank statements will usually be enough information.

If possible you should avoid taking out cash sums from a direct payments bank account. If you do need to do that to pay for some costs, you will need to keep receipts.

We don't usually ask people to keep any more records than this, unless there is a special reason – for instance a particularly complicated plan.

We will usually ask for the information every three months. Once a year we will audit your spending, and ask you about anything we don't understand. We aim to keep the process as simple as possible.

■ Monitoring and review

The direct payments team will contact you about six weeks after the start of your direct payments arrangements to check that everything is working. Your care and support plan (including any other services you may be getting in addition to the direct payments) will also be reviewed regularly by your care manager or social worker.

The way in which we calculate the amounts we pay allows a significant margin to cover unexpected costs such as sick pay for your PAs. This means that many people will build up a surplus. When we audit your direct payments, if it looks as if your bank account or the payroll company are holding more funding than you are likely to need we will discuss with you why that is. If the extra funding isn't needed, we will usually make an adjustment by subtracting the surplus amount from your next payment.

If it looks as if your remaining funding is getting worryingly low, we will arrange an extra review of your plan. This will check whether we have underestimated how much it costs to meet your needs, or what other issues there may be.

■ Contacts

If your circumstances change and you think your plan needs to be revised, you should contact your care manager or social worker and ask for a review.

If you have problems or queries about your direct payment arrangements, you can contact the Council's direct payments team on 01670 629090 or 01670 629094.