

Factsheet 24

Personal budgets and direct payments in adult social care

April 2016

About this factsheet

This factsheet provides information about personal budgets and direct payments, which are central elements within the adult social care system. It explains what they are, how they are calculated and how they work. It also describes the development of the 'personalisation' policy within social care, which has statutory force within the *Care Act 2014*.

It compliments information on obtaining social care support set out in factsheet 41, *Social care assessment, eligibility and care planning*.

The information in this factsheet is applicable in England. If you are in Scotland, Wales or Northern Ireland, please contact Age Scotland, Age Cymru or Age NI for information. Contact details can be found at the back of this factsheet.

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1 Recent developments

This factsheet is based on the *Care Act 2014* ('the Act'), supporting regulations and the *Care and Support Statutory Guidance* ('the statutory guidance'), which were introduced in April 2015. The Act was intended to come into force in two stages - in April 2015 and April 2016. However, in July 2015, the Government decided to delay the second stage of the changes until 2020. The delayed changes affect care funding, which means that, in practice, the funding and means test system in April 2016 is quite similar to the previous system before the Act was introduced.

2 The Act, guidance and regulations

The most relevant parts of the Act are sections 25 –27 and 31–33. Chapters 10, 11 and 12 of the statutory guidance cover areas discussed in this factsheet.

Regulations of particular significance are:

- *The Care and Support (Personal Budget Exclusion of Costs) Regulations 2014* ('the excluded costs regulations')
- *The Care and Support (Direct Payments) Regulations 2014* ('the direct payments regulations')

3 The 'personalisation' of adult social care

Until recently, if you were eligible for help with social care from your local authority, you would receive a care plan with a list of services to help you. Your choice was limited - either have the services in your care plan arranged by the local authority or receive 'direct payments' and use the money to buy in services yourself.

If you had direct payments, you had greater choice, because you were able to choose your own care provider and make arrangements yourself. Even then, care plans were usually prepared by adult social care without much involvement of you or your carer.

This changed as a result of 'personalisation'. The basic principle is your care and support should be individualised and tailored to fit around your specific needs, giving you greater independence, choice and control over your life.

This has led to greater choice in how your care and support is delivered, but also puts more responsibility on you to manage your care needs. It has led to more arrangements by local authorities with private and voluntary sector organisations to provide social care. Local authorities provide fewer services themselves and are now commissioners of services more than providers.

These principles are central to the Act, which provides the legal framework for adult social care.

3.1 Terms associated with personalisation

Person-centred care: An approach that local authority staff must take throughout the care planning process. You should be at the heart of the process and be centrally and actively involved in describing your needs and shaping your care and support package.

Outcomes: You should be asked, during the assessment and care planning process, to identify the outcomes that matter to you.

Self-directed support: Similar to person-centred care, but related specifically to the care and support planning process. You should be closely involved in developing your care or support plan, based on what you think is the best way to meet your eligible care needs. For example, you might want to do a leisure activity during the day, but prefer to attend a craft class rather than go to a day centre for older people. You should be able to make choices about how your care needs are met.

4 Personal budgets

Once your needs have been assessed, the local authority decides whether you are eligible to receive help. If you have eligible needs for care and support, they will work with you to produce a written care plan about how those eligible needs will be met. For more information about this stage of the process see factsheet 41, *Social care assessment, eligibility and care planning*.

Some eligible needs may be met by your carer and others by services available to everyone, such as an Age UK lunch club, sometimes called 'universal services'. All these elements of support plus any other services you need are recorded in your care plan (if you are an adult with care needs) or your support plan (if you are a carer). Any other eligible needs not met in these ways must be met by your local authority.

Section 25 of the Act requires your care/support plan to include a personal budget figure.

4.1 What is a personal budget?

The personal budget is a sum of money based on the cost in your local area of meeting your care or support needs. The amounts vary across the country, even for people with very similar needs, because the cost of buying in care is more expensive in some parts of the country.

A personal budget is defined by section 26 of the Act as having three elements:

- the **overall cost to the local authority of meeting your needs** (i.e. those eligible needs it is legally required to meet or those needs it decides it will meet)
- the **charge payable by you** (after you have received a financial assessment using a means test)

- the **net amount the local authority must pay** to meet your needs.

See factsheet 46, *Paying for care and support at home*, for further information.

4.2 How is it used?

The amount of money in your personal budget can be spent in one of three ways:

- 1 A managed account:** Your local authority manages your personal budget in line with your wishes as agreed in the care plan. They look after the money, make arrangements for your care and support, and pay fees out of your personal budget. For instance if you need care in the morning to help you get up, get washed and dressed and prepare breakfast, the local authority will commission care workers to do this, usually through an agency, and pay them from your personal budget.
- 2 An account managed by a third party:** Similar to a managed account, except a third party, sometimes called a broker, manages your personal budget. This can be the actual service provider. These are often referred to as '*individual service funds*'.
- 3 A direct payment:** You are given the personal budget to spend yourself on meeting your care and support needs, in line with your care plan, in the way that suits you best. See section 5 below for more about how direct payments work.

4.3 Calculating your personal budget

4.3.1 Calculating your personal budget amount

The general principles for calculating the amount of your personal budget are set out in the Act and statutory guidance. There can be different approaches in practice.

Ready reckoner approach - Your social worker identifies the number of hours of care support you need, discusses with how you would like that support delivered and works out the hourly cost, to calculate your overall personal budget.

Resource allocation system (RAS) - Many local authorities use RAS instead, which is a computerised system. Your personal budget is calculated using data about your care needs taken from your assessment. It then applies a system based on statistical information about care costs to calculate a figure for your personal budget. Inevitably, this comes up with a standardised figure that may not be right for you.

The statutory guidance makes clear that RAS can only ever produce an 'indicative figure', which is then used as the basis for planning your care and support. As the care and/or support plan develops, the indicative figure must be checked against the actual costs of purchasing the care and support needed. This means that the final personal budget figure may be more or less than the original RAS indicative amount.

4.3.2 Transparency, timeliness and sufficiency

Three important aspects in calculating your personal budget are emphasised in the statutory guidance:

- **Transparency:** local authorities should make their calculation processes clear. This refers to a general system, such as how their RAS works, but also at an individual level. So you should be given enough information to understand how the system works, how your indicative amount was decided, and how your actual personal budget figure was calculated.
- **Timeliness:** an up-front or indicative budget figure should be available to you at the start of the care planning process.
- **Sufficiency:** your final personal budget must be enough to meet your needs and must take into account your reasonable preferences as to how your needs are met. These are recorded in your care plan. The amount must reflect local market conditions and be sufficient to meet your needs as agreed in your care plan.

On sufficiency, the statutory guidance states that "*local authorities should not have arbitrary ceilings to personal budgets that result in people being forced to accept to move into care homes against their will*". Section 26 of the Act requires the personal budget amount to be based on the 'cost to the local authority' of meeting assessed needs that it must meet or it chooses to meet, minus the contribution you have to make because of the means test.

The statutory guidance states that:

In establishing the 'cost to the local authority', consideration should therefore be given to local market intelligence and costs of local quality provision to ensure that the personal budget reflects local market conditions and that appropriate care that meets needs can be obtained for the amount specified in the budget.

The reference to market conditions as a gauge for personal budgets is important. Local authorities can often contract at a cheaper rate than an individual, by bulk purchasing block contracts to drive down prices.

However, the local authority duty relates to meeting your eligible needs, not meeting them in a specified way. The statutory guidance states that local authorities have to consider whether "*appropriate care that meets needs can be obtained for the amount specified in the budget*".

The emphasis is on achieving sustainable care plans. The guidance recognises that this may not be achieved by opting for the cheapest alternative. It says that decisions should “*be based on outcomes and value for money, rather than purely financially motivated*”. To aid transparency, cost assumptions should be shared with you so that you understand how your personal budget was calculated. This creates a final figure that the local authority must pay on a weekly basis.

Where your needs are met by direct payments, consideration must be given as to whether the personal budget is sufficient for other costs associated with becoming an employer, for example legal requirements. You may be concerned that the ‘cost to the local authority’ results in your direct payment being less than what is actually needed to purchase care and support from the local market, due to local authority bulk purchasing and block contract arrangements. However, by basing the personal budget on the cost of your choice of quality local provision, this concern should be allayed.

However, local authorities can consider financial constraints when meeting eligible needs and may not agree, for example, to a direct payment request twice as expensive as care home provision or directly commissioned care. If you still opt for direct payments, your personal budget might be the amount it costs the local authority to meet your needs (in one of the alternative ways) and the remaining amount would have to be paid by you as a top-up.

Some local authorities use an internal panel procedure to ‘sign off’ your personal budget. In practice, these panels may be financially motivated and sometimes try and identify cheaper ways of providing support which may not meet your assessed needs. The statutory guidance warns against this approach to meeting your needs. A properly drafted care and support plan, taking into account all of your individual circumstances, is the best protection against the temptation for them to make inappropriate recommendations for cheaper alternatives.

4.3.3 Exclusions from your personal budget

Most social care services have to be paid for, but some are excluded from charges. The excluded costs regulations prevent local authorities charging for short term rehabilitation services, known as ‘reablement’. These are defined as:

- a programme of care and support
- for a specified period of time
- which is to provide assistance to maintain or to regain the ability to live independently at home.

This may arise, for example, following a stroke, if you need help to move back home and regain as much independence as possible there.

No charge can be made for reablement services for the first 6 weeks. This is the minimum time and may be extended if necessary, particularly if this prevents, reduces or delays your need for long-term services. Social care services must be based on the need to maximise your individual wellbeing. Similar short-term rehabilitation services called intermediate care are provided by the NHS. These must always be free of charge.

The excluded costs regulations prohibit your local authority from charging for the provision of specialist disability equipment and home adaptations costing less than £1000.

4.4 Carers' personal budgets

The Act has introduced greater equality between carers and cared-for adults. If you meet the carers' eligibility criteria, you are entitled to have your identified support needs met. Your assessment must focus on the difficulties and risks involved in caring and also what you want achieve in your life alongside your caring role.

It may be that you only need to have some time off from caring (respite), but if you have other support needs, for example help with housework or meeting the costs of a training course, you should receive your own personal budget to cover these costs, provided you meet the eligibility criteria.

Services that benefit a carer indirectly

If your need is to have some time off from your caring role, the local authority will provide 'replacement care' to look after the person you care for while you have a break. This is referred to in your support plan, but is not part of your personal budget.

This is because the care service is actually being provided to the person you care for. Although it benefits you, it is not a service provided to you. That means it can only be put in place if the person you care for agrees. It will be on their care plan too and be part of their personal budget. If the person you care for is charged for their care, then the 'replacement care' will also be charged to them.

4.5 Useful tips

If you do not think that your personal budget is enough to meet the identified needs recorded in your care or support plan, you should ask the local authority to give you written reasons to explain how they have arrived at this amount and how it relates to each one of them.

If your draft care plan goes to a local authority panel and your personal budget is reduced, you can ask for written reasons for the reduction. This should explain how the new figure relates to the cost of meeting eligible needs recorded in your care plan. If you have a complex condition or quite specialised needs, and have had a specialist involved in your assessment, you could request that the panel reconsiders your case and invites the specialist to come to the panel meeting; or your specialist could provide written support explaining your needs.

5 Direct Payments

As explained above, one way of using your personal budget is to have direct payments. The use of direct payments has increased in recent years as many people have found them a useful and more flexible way to meet their care needs. You can use direct payments to meet any of your assessed, eligible, needs except for a placement in a care home or nursing home. The statutory guidance states that a 'direct payment is designed to be used flexibly and innovatively and there should be no unreasonable restriction placed on the use of the payment, as long as it is being used to meet eligible care and support needs.'

You may find agency home care inflexible, for example. A direct payment enables you to buy in care from care workers you recruit and employ to come at times that suit you. You may only have one or two care workers coming to your home instead of a rota of different people. Usually when you employ staff in this way, they are called 'personal assistants' (PAs). Many people using direct payments over a long period of time build up close working relationships with their PAs.

If you decide to receive your personal budget as a direct payment and use it to employ staff, you become an employer which brings various responsibilities with it. These are set out in more detail below, together with ways to get help in fulfilling that role.

You can opt to receive only part of your personal budget as direct payments if that suits you better. For example, you might receive direct payments to employ someone to take you out socially if you cannot go out alone, but ask the local authority to arrange your day-to-day personal care in a managed budget.

You can nominate another person to receive the money and help you manage your direct payment. This can be useful if you like the idea of the flexibility, but want to involve your carer, a friend or family member who you trust to help you manage the finance and employment responsibilities. This person is called your 'nominated person'.

The rest of this section explains the direct payments scheme in more detail.

5.1 Right to direct payments – 4 conditions

You have a right to direct payments under section 31 of the Act if that is how you want some or all of your eligible needs to be met and you should be informed about them. You can request them, but the local authority must assess whether you meet certain conditions before it agrees your request. These are:

- **Condition 1** – you have the mental capacity to make the request and, if you nominate another person, they agree to receive the payment.
- **Condition 2** – you are not prevented by law from receiving a direct payment. (This only applies to people who have to attend a drug or alcohol rehabilitation programme as part of an order of the courts or under mental health law.)
- **Condition 3** – the local authority is satisfied you can manage a direct payment, either on your own or with help from your nominated person.
- **Condition 4** – the local authority is satisfied that making direct payments to you (or your nominated person) is an ‘appropriate way’ to meet your needs. An example of where this condition might not be met is if the only way to meet a particular need in the area is by a service provided directly by your local authority, which would not be available under a direct payment (see below).

5.1.1 Rights if you lack mental capacity

You can still receive direct payments if you lack mental capacity under section 33 of the Act. In this situation, payments are made to an ‘authorised person’, usually a family member or friend. They may have power of attorney or deputyship under the *Mental Capacity Act 2005*.

If you are considering becoming an authorised person for a spouse, partner, relative or friend who lacks capacity to agree to a direct payment, and you are not their attorney or deputy, the local authority has to be satisfied that you are a suitable person to take on the role and receive the money.

If you would like more information about attorney or deputy roles, see factsheet 24, *Arranging for someone else to make decision about your finance and welfare*.

There are other rules about an ‘authorised person’ in the direct payments regulations. These are:

- An authorised person must notify the local authority if they think the adult receiving care support has regained the mental capacity to decide whether or not they want a direct payment.
- If the authorised person is not a friend, partner or close family member, they must obtain an enhanced criminal record certificate for any care staff they employ.

5.2 Can the local authority impose conditions?

Your direct payments must be used to pay for care and support as set out in your care/support plan. Generally, you have a lot of scope as to exactly how you go about meeting those needs. You cannot, however, spend the money on something not related to your eligible needs as set out in the plan.

The local authority can impose other conditions. For example, the direct payment regulations state that there could be a condition not to employ a particular individual (to try and avoid financial or other abuse). It does not apply the other way round - a local authority cannot tell you that you must employ a particular person.

Another condition specified in the regulations is a condition requiring you to give certain information to the local authority. This is because the local authority has to make sure public money is spent properly. In practice you will be asked to keep a record of how you spend the money and provide receipts. You will also be required to open a separate bank account for managing your direct payments.

5.3 Exclusions from the direct payments scheme

Long-term residential care

Direct payments cannot generally be used to pay for long term residential care. You can, however, purchase short-term respite or replacement care in a care home using a direct payment. The direct payment regulations limit this to four consecutive weeks in a year.

If you purchase residential care for less than four weeks at a time, the amounts are added together, but this does not apply if the gap in between is more than four weeks. An example in the statutory guidance notes:

Mrs H has one week in a care home every six weeks. Because each week in a care home is more than four weeks apart, they are not added together. The cumulative total is only one week and the four-week limit is never reached.

Local authority services

The statutory guidance says that, as a general rule, direct payments should not be used to purchase a service the local authority provides itself. They could be used to purchase a service from a neighbouring authority or any service that your local authority commissions. The statutory guidance explains this is to avoid conflicts of interest, where the local authority is both promoting its services and providing money for people to purchase them.

Hospital stays

If you have to go into hospital, the statutory guidance advises that your direct payments should not be suspended while you are there. You may still need help with social care aspects and benefit from having your care worker/personal assistant available to come to hospital to help you.

If you use your direct payment to employ staff, then it is important that the direct payment scheme enables you to fulfil all your employment responsibilities whilst you are in hospital.

Special rules for close family members

As a general rule, the direct payment regulations prevent using a direct payment to employ close family members to meet your care needs. Close family means your spouse, partner or civil partner, as well as close relatives who live in your house. They are:

- parent or parent-in-law
- son or daughter
- son-in-law or daughter-in-law
- stepson or stepdaughter
- brother or sister
- aunt or uncle
- grandparent, or
- spouse or civil partner of any of these people.

An exception to this rule is if the local authority thinks it is necessary, it can permit direct payments to pay a partner or close relative either:

- to meet care needs, or
- to provide administrative and management support to meet the legal obligations under a direct payment and undertake day to day financial management.

This means that, if you are in the close family category providing support, including managing large complex direct payment packages, you may be able to get paid. The local authority can only agree to this if it is effectively the only way in which the adult's care needs can be met.

If people in your close relative group live elsewhere, you can employ them if you want.

5.4 Calculating the amount of your direct payment

The care planning stage is the time to request a direct payment if you would like to arrange your care that way. On the other hand, if you want the local authority to make arrangements for you, you can choose not to go have direct payments. Sometimes older people report feeling pressured to have a direct payment. This should not happen. It is your choice.

If you do decide to have direct payments, your personal budget figure should reflect the real costs, applying market value principles, of purchasing your care. Local authorities must balance your personal preferences for how your care is delivered against their budgetary constraints, but in doing so, they must always aim to promote your well-being. This can be a difficult balance in practice.

Your care plan has to include how your needs impact on your wellbeing so it should demonstrate how the proposed level of support both meets your eligible needs and do so in a way that promotes your wellbeing.

Direct payments can result in a less costly package of care. For example you may identify a care worker you would like to employ who is not part of an agency so there are no overheads to meet. Sometimes, you may need a more expensive package, but the extra expense is justifiable.

This is what the statutory guidance states on this point:

In all circumstances, consideration should be given to the expected outcomes of each potential delivery route. It may be that by raising the personal budget to allow a direct payment from a particular provider, it is expected to deliver much better outcomes than local authority delivered care and support, or there may be other dynamics such as the preferred option reducing the need for travel costs, or out of hours care. In addition, efficiencies to the local authority (for example through an individual making their own arrangements) should also be considered. Decisions should therefore be based on outcomes and value for money, rather than purely financially motivated.

This links to the sufficiency requirement for personal budgets described in section, 4.3.3 above.

6 Becoming an employer

If you plan to employ carers using direct payments, there are important factors you need to be aware of. Although the local authority expects you to take out employer's liability insurance and provides you with advice about that, you also need to consider your contractual arrangements with care staff in your employment. As well as local authority arrangements in your local area, you can contact Disability Rights UK specialist advice line for information about employing a personal care worker (see Useful organisations).

Employment law sets out what a contract should include. These are:

- the start date
- hours of work
- remuneration (which must meet national minimum wage)
- place of work
- job title
- whether fixed-term or permanent
- statutory entitlement to sick pay and annual leave
- pension scheme provision, and
- notice requirements.

The costs of becoming an employer must be recognised

If you use a direct payment to employ one or more care workers/personal assistants, it should cover all costs associated with being an employer. These include national insurance, holiday and sick pay, pension contributions, maternity arrangements and potentially redundancy payments when the employment ends. It is necessary to take out insurance to cover employer's liability. Your direct payment amount should take account of these basic legal requirements.

Making pension contributions on behalf of your carer(s)

You have a legal requirement as an employer to enrol your employees into a pension scheme and contribute towards their pensions, known as 'automatic enrolment'. Until recently, only large companies were required to do this, but the law is widening to include smaller employers and starts to affect people employing carers or personal assistants between now and 2017.

If you currently employ a carer over the age of 22 (and under state pension age), and you pay them over £192 a week or £833 a month, you need to make arrangements to enrol them into a pension scheme. The Pensions Regulator will contact you with a date by which you need to start making payments into a scheme (known as your 'staging date').

If you pay your employees less than this amount, you do not have to put them into a pension scheme. You do need to give them the option to join a scheme, unless they are aged under 16 or over 74. If they do join, in some cases this means you have to pay contributions to the scheme on their behalf.

If you are not yet employing a carer but intend to do so, or you are currently employing a carer but are unsure of what you need to do, contact the Pensions Regulator for further information (see Useful organisations).

7 Contracting with an agency or someone who is self-employed

If you prefer not to have the responsibility of being an employer, you can use your direct payment to contract with an independent agency or a person who is self-employed.

It is important to check carefully that the contract you make with someone who is self-employed means that they are genuinely self-employed. If anything later goes wrong in the working relationship and in reality, you have employed the care worker, you could incur financial liability, as, for example, you would not have made relevant employer's contributions.

If you decide to use a local independent care agency, you should be able to find them through your local authority as part of the advice and information they have to provide, or by personal recommendation. Agencies must be registered with the Care Quality Commission, the national agency responsible for regulating care services.

Before entering into an agreement, confirm with the agency or individual involved: the tasks you expect the staff to do and the way in which you would like them done; what the quoted price covers (some agencies add VAT or charge extra for travelling); what insurance cover they have; what training the staff have had; cover arrangements, for example, for sickness, and what happens if you have to cancel the service suddenly.

As well as help in your local area, there are some useful sources of information nationally. HMRC website has an online tool to determine a worker's employment status called the 'Employment Status Indicator', which is at www.hmrc.gov.uk/calcs/esi.htm. There are factsheets about taking on a personal assistant on the Disability Rights UK website, at: <http://disabilitytaxguide.org.uk/about/resources>.

8 Support and help to manage direct payments

Many people like the flexibility that direct payments bring, but find the idea of being an employer and managing public money quite daunting.

Local authorities are encouraged to put in place systems to provide advice and information to help you with this. Sometimes, this is done through local authority staff employed as a direct payments team and sometimes the local authority commissions another specialist organisation to provide this support service.

You can get this support whether you manage your own direct payment or whether you are a nominated or authorised person managing it for someone else. When you discuss the possibility of a direct payment with your social worker at the care planning stage, you should be given all the advice you need to help you get started and you should be put in touch with other organisations offering help and support.

The sort of help and support that you should be able to access ranges from one off advice on manual handling issues or suitable insurers through to services to advertise for staff, help with recruitment, contracts of employment and running the payroll for you. You may be able to discuss some of the questions that concern you with someone who is already managing their own direct payment. This can be extremely helpful and reassuring.

8.1 Equipment and home adaptations

As direct payments can be used to meet any non-care home-related eligible needs, this can include specialist equipment or small home adaptations. These are usually recommended when an occupational therapist (OT) carries out the needs assessment. If the recommendation comes from another professional, you can seek advice from the OT department within the local authority.

You need to clarify with the local authority when a direct payment is being set up whether you or the adult social care department own the equipment, who will be responsible for its on-going care and maintenance and how these costs are to be met.

Equipment and small adaptations (under £1,000) must be provided free of charge by local authorities. More expensive adaptations, particularly those that are structural (such as a wet room) are generally provided via means tested Disabled Facilities Grants, in conjunction with the housing department or district housing authority.

There are about 40 Disability Living Centres across the UK, which display a wide range of equipment and have staff to give advice. You can visit one if you are unsure about a piece of equipment and would like to try it out, for example an electric bath lift.

See factsheet 42, *Disability equipment and home adaptations*, for further information.

8.2 Harmonising NHS and social care direct payments

Depending on your health and social care needs, your care package may involve joint funding between the NHS and your local authority. Alternatively you may have a continuing NHS healthcare package funded in full by the NHS, but also receive some additional social care funding from the local authority.

Health personal budgets, for NHS funded services, can be delivered by way of a direct payment. Similar principles apply, although the NHS can refuse a direct payment if they do not think it is a cost-effective way of meeting your healthcare needs.

So you could find yourself with two direct payments, one for healthcare needs and one for social care. In that case, the statutory guidance stresses the importance of cooperation between both these bodies to make sure the system is harmonised and runs smoothly. For example, you should not have to set up two separate bank accounts or reporting systems. These should be coordinated and it is likely that the local authority will play the lead role.

8.3 Reviews

Under the direct payment regulations, your case will be reviewed within the first 6 months and annually after that. The purpose of a review is to ensure you are managing the direct payment and complying with any conditions attached to it. For example, the local authority needs to be satisfied you are meeting obligations you have as an employer, such as deducting PAYE income tax and national insurance contributions from wages.

The statutory guidance says that once the local authority is confident that you are coping well with your direct payments and the system is stable, the reviews can become more 'light touch'. Your carer and an authorised or nominated person are involved in the review as well as you. You can ask for anyone else to be involved if you want.

As well as providing an opportunity for the local authority to make sure that the system is working smoothly, it is also an opportunity for you to raise any concerns you may have and to ask any questions.

It is important to remember that you are free to change your mind. If you feel that the direct payment scheme is not right for you, you can and should ask the local authority to arrange care services for you instead. You can also ask for a review assessment at any time.

8.4 Terminating direct payments

You may want to end a direct payment agreement because it is not working for you, or the local authority may be thinking of doing so for some reason. If you want to finish your direct payment arrangement, you should contact the local authority and ask for a review, both of your care plan and your direct payment arrangement. If there is a crisis, explain why and ask for the review to be undertaken urgently.

Unless you are working closely with a support organisation, it is probably not a good idea to terminate contracts with any staff you employ without getting advice, to ensure you don't incur unnecessary liability.

There are several reasons why your local authority might consider bringing your direct payment to an end. It could be because your situation has changed and adult social care staff can see that you are struggling to manage the payments or they think it is no longer an appropriate way of meeting your needs.

In this situation, the statutory guidance says that the local authority should carry out a review and make sure any outstanding issues are dealt with. There must be no gap in the services you receive when you change from one method of delivery to another.

The same principles apply if the local authority decides to bring the arrangement to an end because they think you have not spent the money on meeting your care needs or you have not complied with a condition of the payment. If you no longer need the help that the direct payments are designed to meet, that would be a reason to bring the payments to an end.

The statutory guidance stresses that, unless the legal requirements are no longer being met, direct payments should only be terminated as a last resort. Before that happens, you should be offered help or a revised care plan to help you manage better.

Where the local authority brings the payments to an end, they should give you a reasonable period of notice. What is 'reasonable' depends on the circumstances, especially the degree of urgency and the seriousness of the breach of any conditions. Very exceptionally, the local authority might stop them immediately, for instance if you were being seriously financially exploited.

Useful organisations

Care Quality Commission

www.cqc.org.uk

Telephone 03000 616 161 (free call)

Independent regulator of adult health and social care services in England, covering NHS, local authorities, private companies or voluntary organisations and people detained under the Mental Health Act.

Carers Trust

www.carers.org

Telephone 0844 800 4361

Offers practical help and assistance to carers.

Carers UK

www.carersuk.org

Telephone 0808 808 7777

Provides information and support for carers, including information about benefits.

Citizens Advice

www.citizensadvice.org.uk

Telephone 0344 411 1444 (England)

National network of advice centres offering free, confidential, independent advice, face to face or by telephone.

Disability Rights UK

www.disabilityrightsuk.org

Telephone 020 7250 8181

Personal Budgets Help Line 0300 555 1525

An organisation run by and for disabled people working on campaigns and policy. It provides a wide range of publications relating to personal budgets, direct payments and personal assistance. It also offers training and consultancy on direct payments and personal assistance. There is also a helpline.

New Employers' Helpline

www.hmrc.gov.uk

Telephone 0300 200 3200

Helpline run by the HMRC providing information to those considering becoming employers.

Pensions Regulator (The)

www.thepensionsregulator.gov.uk/en/employers/

Telephone 0345 600 1011

Provides information for employers about their duties to automatically enrol their employees into a pension scheme

Think Local, Act Personal Partnership (TLAP)

www.thinklocalactpersonal.org.uk/

A national, cross sector leadership partnership set up to drive the development of personalisation forward. TLAP produces a wide range of resource and publications.

Age UK

Age UK provides advice and information for people in later life through our Age UK Advice line, publications and online. Call Age UK Advice to find out whether there is a local Age UK near you, and to order free copies of our information guides and factsheets.

Age UK Advice

www.ageuk.org.uk

0800 169 65 65

Lines are open seven days a week from 8.00am to 7.00pm

In Wales contact

Age Cymru

www.agecymru.org.uk

0800 022 3444

In Northern Ireland, contact

Age NI

www.ageni.org

0808 808 7575

In Scotland, contact Age Scotland by calling

Silver Line Scotland

www.agescotland.org.uk

0800 470 8090

(This is a partnership between The Silver Line and Age Scotland)

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