

# Adult Social Care Sefton Direct payments Policy. (Draft).

## *EQUALITY IMPACT.*

Adult Social Care strives to ensure equality of opportunity for people who access and use services, this includes:

- Carers.
- Local residents.
- Stakeholders.
- Sefton Council's workforce.

As an employer and a provider of social care Adult Social Care aims to ensure that none are placed at a disadvantage as a result of its policies and procedures.

This document has been equality impact assessed by the Adult Social Care Senior Management Team. This is to ensure fairness and consistency for all those covered by the protected characteristics in the Equality Act 2010. The results are shown in the Equality Impact Assessment at Appendix 1.

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## Introduction.

### 1. Statement of purpose.

- 1.1 The purpose of this Direct Payment policy is to provide details of Sefton Council's approach to direct payments for Adult Social Care. It also outlines the responsibilities of Sefton Council and the direct payment recipient. It should be read with the Direct Payments Agreement and the direct payment factsheets.
- 1.2 This policy is to help ensure that members of staff, Sefton residents and relevant parties have the information they need about direct payments.

### 2. The Legal Framework.

- 2.1 The main legislation, regulations and guidance that apply to this policy are:
  - The Care Act 2014 (sections 31,32,33).
  - Care and Support (Direct payments) Regulations 2014.
  - Care and Support Statutory Guidance issued with the Care Act 2014.
  - Health and Social Care Act 2012.
  - Section 117(2C) of the Mental Health Act.
  - Mental Capacity Act 2005.
  - Chronically Sick and Disabled Persons Act 1970.
  - Equality Act 2010.
- 2.2 Local councils have a duty to provide direct payments.
- 2.3 Direct payments will be available to all individuals who are eligible to receive them and who want them.

### 3. What are direct payments?

- 3.1 Direct Payments are monetary payments to enable people to make their own arrangements to meet their unmet eligible social care needs. They can request that the council makes the arrangements to meet these needs on their behalf. Alternatively, they can ask for a direct payment to be paid to themselves or to a nominated person.
- 3.2 A direct payment is one of the options where there is an assessed but unmet eligible need stated within a person's support plan. A direct payment has to be used to meet the needs and outcomes that have been agreed with a social care practitioner. It is a way for a person to have choice and control over who provides their care and support and when and how it is provided.
- 3.3 An individual can choose to have services arranged by the council and a direct payment at the same time. For example, the council could arrange and buy services to meet assessed personal care needs via an agency, and a direct payment could also be used by an individual to buy support for community activities.

- 3.4 Direct payments are paid into a dedicated bank account, that is only used to purchase care and support services. The payments are made to either the individual who has care and support needs, or someone acting on their behalf. The individual who the direct payment is paid to is known as the **recipient**.

The recipient is responsible for:

- Making sure that the direct payment funds are spent only on the assessed needs that are identified in the support plan.
- Meeting the legal requirements of managing the direct payment.
- Organising and managing the care and support needs, in line with the agreed support plan.

## The Councils duty to offer a direct payment.

### 4. Who can receive a Direct payment?

- 4.1 Most individuals assessed as being eligible for care and support services can ask for a direct payment. These include:

- Children.
- Young people.
- Adults.
- Adult carers.

A range of factors will be considered when deciding if a direct payment is an appropriate option, including the needs of the individual.

- 4.2 There are some criteria in the Care Act 2014 that must be met before a person can receive a direct payment:

- The individual or their authorised representative must have capacity to make the request for a direct payment.
- If the individual receiving the care and support does not have capacity to consent to or manage the direct payment, then a person can be nominated on their behalf. This nominated person must agree to receive the direct payment and consent to a Direct Payment Agreement. The nominated person can be a family member or friend.
- The nominated person cannot be someone who is prevented from receiving a direct payment under The Direct Payment Regulations set out in Section 33 of the Care Act 2014.
- The council is satisfied, that the individual or nominated person can manage the direct payment or manage it with support from others if required.
- The council is satisfied that the use of a direct payment is an appropriate way to meet the individual's assessed eligible needs.
- The direct payment will safeguard and promote the individual's welfare.
- The person receiving the direct payment will act in the best interests of the individual when buying care and support services.

4.3 In some instances a direct payment may not be the appropriate option, as a person:

- May want to have care and support provided by an organisation that the council already buys services from.
- May want to spend money that would not meet assessed eligible needs.
- Does not have the ability or capacity to manage the budget or legal responsibilities, and there is not a suitable person to do this on their behalf.

4.4 If it is decided that a direct payment is not appropriate, the reasons for this will be clearly recorded within the care assessment and shared with the individual or their representative.

## 5. Exclusions from receiving a direct payment.

5.1 A direct payment will not be agreed in the following circumstances:

- **Drug or alcohol dependencies** - people who have been placed under certain conditions or requirements by the courts in relation to drug and/or alcohol dependencies. This is specified in Schedule 1 of the Care and Support (direct payments) Regulations 2014.
- **Lacking capacity** – the individual or recipient lacks capacity to consent to direct payments and there is no nominated person willing to manage the direct payment.
- **No eligible needs** - a direct payment will be ended once an individual no longer needs or is no longer eligible to receive the services for which the direct payment was given. This will be after a review or re-assessment of a person's needs by their social care practitioner.

5.2 A direct payment will not be agreed for a person who:

- Is unwilling to enter into a Direct Payment Agreement with the council.
- Is not able to show that (with help) they can meet the responsibilities of financial management including evidencing how the direct payment has been spent.

## 6. Direct payment for carers.

6.1 A carer is someone who helps another person, usually a relative or friend, in their day-to-day life. This is not the same as someone who provides care professionally, or through a voluntary organisation.

6.2 Carers are entitled to an assessment of their own needs. The assessment is carried out by Sefton Carer's Centre, the outcome of the assessment may be:

- A referral to carers services provided by the Carers Centre such as holistic therapies, fitness activities and workshops.
- A one-off Carer's Direct Payment.

6.3 The Care Act 2014 outlines that a carer's need for support can be met by providing a service to the person being cared for, such as a respite break.

## Use of direct payments.

### 7. What can a direct payment be used for?

- 7.1 A direct payment can be used to buy care and support services to meet the eligible needs outlined in an individual's support plan. Some examples of what a direct payment can be used for including, but are not limited to, the following:
- Paying for a Personal Assistant to help with personal care such as bathing, dressing, eating.
  - Providing support to the carer when they are out or at work.
  - Helping to access leisure facilities, for instance a direct payment could pay for a personal assistant to accompany the individual to the gym.
  - Accessing day opportunities including place-based day care where appropriate.
  - Accessing the community, such as going shopping.
  - Using a care agency that is registered with the Care Quality Commission and not directly paid for by the council.
  - Engaging in work, training, volunteering activities.
  - Making use of facilities or services in the local community.
- 7.2 Where the council and integrated health board are jointly funding care and support services that meet both social and health care needs, it is possible for the direct payment to pay for the healthcare element too. Sefton Council will make a payment on behalf of health services and monitor the direct payment to make sure it is being used to meet both health and social care needs.

### 8. Restrictions on use of direct payments.

- 8.1 Under the Care Act 2014, there are restrictions when using direct payments money. Direct payments cannot be used to:
- Buy items that do not meet the agreed outcomes in the support plan.
  - Buy care from a close relative living in the same household. Unless approval is given by a Senior Manager within Adult Social Care that it is appropriate due to exceptional circumstances.
  - Buy a service for someone who's home is no longer in Sefton, other than by prior agreement in writing from Adult Social Care.
  - The account holder cannot pay themselves for care and support that they provide or for the management of the direct payment.
  - Buy equipment or minor adaptations that would be provided by the council or by the Integrated Care Board.
  - Pay personal contributions for other council services, such as day care meals, transport, or respite.
  - Buy long term care in a care home. Direct payments can be used to buy short breaks with agreement from a social care practitioner.
  - Pay everyday living expenses for the individual such as utility bills, loans or mortgage payments.
  - Buy a payroll or brokerage service if Sefton Carer's Centre Direct Payment Payroll Support is not used.

## Setting up and managing a direct payment.

### 9. The Direct Payments Team.

- 9.1 If a direct payment is the most appropriate option to meet an individual's care and support needs, then a social care practitioner will make a referral to the Direct Payment team at Sefton Carer's Centre. The team includes Direct Payment Advisors who provide support and advice to set up and manage the direct payment.
- 9.2 A Direct Payment Advisor will provide advice and information on the direct payment scheme. This is to make sure that the individual understands the terms of the Direct Payment Agreement and their legal responsibilities.
- 9.3 The Direct Payments team will contact the recipient within the first 4-6 weeks of the direct payment starting. This is to offer support with any issues that may have arisen with managing the direct payment and prepaid card system. They will provide ongoing support in relation to managing the direct payment.

### 10. Role of the person receiving a direct payment.

- 10.1 It is important that the recipient fully understands the terms of the Direct Payment Agreement that they are signing, and their responsibilities.
- 10.2 The recipient is responsible for making all arrangements for care and support services to meet the agreed eligible needs identified in the individual's support plan. This could be either by arranging services with a care agency, a Personal Assistant or day activities.
- 10.3 They must comply with all legal requirements that may arise in making such arrangements. If Personal Assistants are used to provide the care and support, the recipient becomes the legal employer.
- 10.4 The recipient must be aware of the legal responsibilities of becoming an employer before agreeing to a direct payment, including:
- Registering as an employer and operating under HM Revenue & Customs (HMRC) regulations.
  - Checking that the potential employee has the right to work in the UK.
  - Making sure that any employees have undergone Disclosure and Barring Service checks before they start work.
  - Making sure that they pay their employees at least the national minimum wage.
  - Following working time directives and legislation around holiday, sickness, and statutory payments.
  - Enrolling eligible employees into a workplace pension scheme.

- 10.5 The employer is responsible for the health and safety of their employees and must have up to date employers and public liability insurance cover.
- **Employer's liability insurance** - If an employee is injured whilst carrying out their duties this insurance will give protection, covering legal costs and any compensation.
  - **Public liability insurance** – this will insure an employer against any damages or injury to members of the public caused by the personal assistant whilst they are carrying out their duties.
- 10.6 The council provides a separate factsheet detailing the responsibilities of being an employer and the support available.
- 10.7 Where the direct payment recipient is not meeting their legal responsibilities as an employer the direct payment may be suspended. During the suspension the persons suitability to act as an employer will be considered and additional support offered.
- 10.8 If the Personal Assistant wants to be classed as self-employed then it is the recipient's responsibility to correctly determine their employment status
- 10.9 Services used that do not meet eligible needs may be considered a breach of the Direct Payment Agreement and could result in the direct payment being suspended or withdrawn.
- 10.10 Evidence of how the direct payment has been spent to meet the outcomes identified in the support plan must be provided. This includes providing copies of receipts and invoices to the council on a quarterly basis.
- 10.11 The recipient will be responsible for ensuring that any personal contributions are paid into the direct payment account, such as top-ups or client contributions.
- 10.12 Where the individual's circumstances change, and their care needs have either decreased or increased, then they should request a social care reassessment.
- 10.13 The recipient is responsible for notifying the council immediately if there are any risks identified in the delivery of care and support services. They must report any concerns that they have in relation to safety, abuse, or neglect of the individual.

## 11. Direct Payment Agreement.

- 11.1 The recipient must sign a Direct Payment Agreement, which outlines the terms and conditions of the scheme and sets out the arrangements between the recipient and the council.
- 11.2 The recipient must sign the direct payment agreement before the direct payment can be paid by the council.



- 11.3 The direct payment agreement is a legal document which details:
- The start date of the direct payment.
  - How payments are made.
  - The recipient's and the council's responsibilities.
  - Arrangements for monitoring and reviewing the direct payment account.
  - Ending the direct payment.
  - Data protection legislation.

## 12. Direct payment account.

- 12.1 The direct payment must be paid into an account which will be used solely for the purpose of managing the direct payment.
- 12.2 The council's preferred method is for individuals to receive their direct payment via a prepaid card account. A direct payment paid into a bank account may be available upon request.
- 12.3 The first payment will be made only after:
- The support plan has been agreed.
  - The signed Direct Payment Agreement has been received.
  - The completed Bankers Automated Clearing Service (BACS) form has been received.

Direct payments will be made by bank transfer into the recipient's direct payment account every 4 weeks in advance.

## Prepaid Card.

- 12.4 Direct payments will be paid into a prepaid card account, which will be opened by the council on behalf of the recipient.
- 12.5 The prepaid card is an online banking system which allows the direct payment recipient:
- To make payments.
  - Check account balances.
  - Upload supporting documents.
  - Produce bank statements through an online portal.
- 12.6 The prepaid card account can only be used to buy services that will meet the eligible needs, as agreed, and as stated in the support plan. The prepaid card account cannot be used for any other purpose.
- 12.7 The recipient must notify the council immediately if they become aware of any concerns relating to the prepaid card account in respect of the use of the direct payment.

## Virtual account.

12.8 A virtual account is where the council hold and manage direct payment money on behalf of the recipient. The council will make payments for care and support services on their behalf. Responsibility for arranging care and support services will remain with the recipient. In most cases the client contribution will be paid directly to the council.

12.9 Circumstances where the use of a virtual account may be considered are if:

- An individual is unable to manage the direct payment account but can still arrange their own care and support.
- There has been previous mismanagement of the direct payment account, and a service directly arranged by the council is not a suitable option.

## 13. Employing a Personal Assistant.

13.1 Direct payments give the opportunity to employ Personal Assistants. This can provide greater flexibility in relation to arranging care and support.

13.2 Where Personal Assistants are employed to provide care and support the recipient must check that they are suitably trained for the role.

13.3 Anyone who is employed as a Personal Assistant with the use of a direct payment will not be considered an employee or agent of the council.

13.4 Personal Assistants will have the same legal rights under employment law as any other employee, including the right to:

- A job description.
- A contract of employment.
- 5.6 weeks holiday pay per year.
- Sick pay and other statutory entitlements.
- Enrolment into a workplace pension scheme.

## 14. Self-employed Personal Assistants.

14.1 In most instances the Personal Assistant will be directly employed by the recipient. However, if a Personal Assistant wants to be classed as self-employed then the recipient must provide the council with proof of their employment status. They can do this by completing an online tool at [Gov.uk Check Employment Status for Tax](https://www.gov.uk/check-employment-status-for-tax). They will need to provide the Council with a copy of the report confirming that they are self-employed.

14.2 If the Personal Assistant is self-employed, they will be responsible for paying their own tax, national insurance, training, etc. They are only paid for the hours that they work and are not entitled to holiday and sickness payments. Expenses for materials and mileage are not payable from the direct payment.

- 14.3 The self-employed Personal Assistant should also provide contingency details of how their absences will be covered.
- 14.4 The council will not accept liability for the self-employed Personal Assistant and is not, under any circumstances, an employer of the individual providing care.
- 14.5 If the status check has correctly determined that the worker is self-employed, then the recipient is legally responsible for obtaining from the worker:
- A contract of engagement that states that they are not employed by the recipient, the rate that they will be paid and the terms and conditions of their work.
  - Evidence that they have professional indemnity and public liability insurance.
  - Evidence that they have a Unique Tax Reference Number (UTR) to confirm that they are registered with HM Revenue and Customs (HMRC) as self-employed.
  - Evidence that an enhanced Disclosure and Barring system (DBS) check has been made.
- 14.6 All the information above must be provided to the council before the worker starts.
- 14.7 The recipient must provide to the council invoices from the self-employed Personal Assistant in line with HMRC guidelines. This is to evidence how the direct payment is being spent.

## 15. Disclosure and barring service (DBS) checks.

- 15.1 The council recommends that DBS checks are carried out on all employees who are acting as Personal Assistants. This includes existing and new employees. The cost of the check will be met from the direct payment funds.
- 15.2 At present, when employing people via direct payments a DBS check is at the discretion of the employer. A DBS check must however be undertaken in the following circumstances:
- Where it is required by law as staff are working with vulnerable adults
  - Where there is a child aged 16 or less living in the household
  - Where the social care practitioner has assessed that a person may be vulnerable.
  - Where other vulnerable people living in the household may be putting themselves at risk if a DBS check is not carried out.

## How is a direct payment calculated?

### 16. Calculating the cost of the direct payment.

- 16.1 The social care practitioner will work with the individual to work out the level and cost of support that is needed when producing the support plan.
- 16.2 The direct payment will be calculated using the council's standard rates. The rates will depend on the type of care and support that is required. This will be recorded within the support plan.

### Personal Assistant rate.

- 16.3 If a direct payment is to be used to employ a Personal Assistant, then the rate paid by the council will be sufficient to cover the cost of:
- Paying the Personal Assistant the national minimum wage hourly rate.
  - Paying an allowance to meet the legal costs of being an employer, known as "employer on-costs".

**Employer on-costs** include the cost of paying:

- Employer's contributions for National Insurance contributions.
- Employer's contributions for workplace pensions.
- Holiday Pay.
- Mandatory Training.
- Employer's public and liability Insurance.

If additional costs are paid to your employee, such as travel expenses, the council is not obliged to fund these.

### Agency rate.

- 16.4 The agency rate paid will be hourly and in line with the Council's annual fee setting arrangements.

### Day activities.

- 16.5 A standard daily direct payment rate will apply if a person wishes to use the direct payment to buy:
- Day care in a building-based setting.
  - Alternative activities which are outlined in the support plan.

Payments.

- 16.6 Direct payments are paid 4 weeks in advance by the council. The recipient will receive a remittance advice with details of the payments made.
- 16.7 The amount of the direct payment may change following a review of assessed needs. If the review leads to:
- An increase in direct payments, the extra money may be paid as a separate payment or included in the next scheduled payment.
  - A decrease in direct payments, no further payments will be made until the amount of the overpayment has been recovered.
- 16.7 If a recipient wants to change how they spend the direct payment after it has been agreed, they must talk to the Direct Payment Team and get agreement before any changes are made. This could include changing from an agency service to employing a Personal Assistant. It is essential to discuss this as payment rates may not be the same or the proposed changes may not meet care and support needs.
- 16.8 The council may suspend a direct payment if an individual is likely to stay in hospital longer than 4 weeks. The council will ensure the care and support is in place upon discharge.

## 17. Financial Assessment.

- 17.1 Everyone is offered a financial assessment to determine whether they can pay a contribution towards the cost of their care and support services. This is known as a client contribution.
- 17.2 In most cases, client contributions are deducted from the direct payment amount paid by the council. The client contribution should be paid by the individual into the direct payment account on a regular basis. This is to make sure that there are sufficient funds to pay for services which meet the eligible needs, outlined in the support plan. It is sometimes necessary to pay the direct payment without deducting the client contribution, and the council may ask for the money to be repaid.
- 17.3 The client contribution should always be the first element used when buying care and support services.
- 17.4 If there is a change in circumstance that affects a person's ability to pay the client contribution, then the Financial Assessment Team should be contacted immediately for advice.

## 18. Personal top-up.

- 18.1 A direct payment recipient may choose to buy services that are more expensive than the direct payment rate paid by the council. In this situation, the individual will need to make a payment from their personal funds for the difference in cost, this is known as a **top-up**. The top-up will be paid in addition to any client contribution.

- 18.2 If the recipient chooses to purchase extra support to that identified in the support plan, a top-up should also be paid into the direct payment account to pay for this.
- 18.3 If the recipient chooses extra support from their Personal Assistant(s) they are responsible for paying the additional employer on-costs incurred. These additional costs must be paid as a top-up into the direct payment account.
- 18.4 If a Personal Assistant is employed in more than one role only the role(s) relevant to meet the needs identified in the support plan can be paid from the direct payment. For example, a person is employed as a Personal Assistant to provide personal care and also as a gardener to carry out gardening work. As gardening is not an eligible need in the support plan only the employment of the role of Personal Assistant can be paid from the direct payment.
- 18.5 If there is a shortfall in the direct payment account due to the top-up not being paid, an invoice will be raised by the council for repayment.

## **19. Financial review and monitoring of the direct payment.**

- 19.1 The council is accountable for the public money it manages. This includes direct payment funding. Direct payments must follow the council's auditing and accounting rules, therefore the recipient must keep detailed and accurate records of spending in the direct payment account. This is to identify how this money is used to support individuals.
- 19.2 The council's Self-Directed Support team monitor the use of the direct payment. This is to make sure that the direct payment is used to meet the terms of the direct payment agreement. The team will provide support to the recipient to help them to manage the direct payment account.
- 19.3 The Self-Directed Support team will review the direct payment account to check:
- That the direct payment is being paid correctly by the council.
  - That the direct payment is being managed well.
  - The direct payment is being used as agreed in the support plan.
  - That direct payment recipients are safeguarded from financial abuse or lack of care provision through insufficient funds.
  - That the client contributions are being paid into the account.
  - That employers are fulfilling their legal obligations.
- 19.4 The Self-Directed Support team will:
- Provide support to the recipient to meet the terms of the Direct Payment Agreement.
  - Conduct an initial 12 week 'light-touch' review of all new direct payment accounts.
  - Provide support to those who are struggling to manage a direct payment by offering a virtual account.
  - Undertake annual financial reviews of all direct payment accounts.
  - Review monthly spending on the pre-paid card account.
  - Highlight any safeguarding concerns to the relevant professionals.

- 19.5 The outcome of the review of the direct payment account is documented in a report, and a copy given to the recipient.
- 19.6 Unresolved issues identified during a review of the direct payment account will be discussed with the recipient and sometimes with social care practitioners.
- 19.7 If the individual cannot provide documentary evidence or a transaction has not been authorised in the support plan, then the council may ask that the money be repaid.

## **20. Management of the direct payment account.**

- 20.1 If a review of the direct payment account highlights concerns in relation to the management of the account, then the prepaid card account may be locked. Further enquiries will take place and payments for care and support services will then be made on behalf of the recipient by the council.
- 20.2 If after further enquiries, it has been found that the direct payment is being mismanaged, the council may suspend or end the direct payment. A review or reassessment of the person's assessed eligible needs will be undertaken by a social care practitioner.
- 20.3 Where the direct payment is suspended or terminated by the social care practitioner, the reasons will be discussed with the recipient. The recipient will receive four weeks written notice, advising of the date of suspension or termination of the direct payment.
- 20.4 The social care practitioner will then complete a review or reassessment of the individual's needs. This may result in the council buying a care service directly as an alternative, if services are still required. Where there is no alternative service available to meet the needs of the individual, then a virtual account will be considered.
- 20.5 Any direct payment funds that have been inappropriately used will be recovered by the council by issuing an invoice. Should the invoice remain unpaid, the matter will be referred to the council's Debt Recovery Team who will pursue the debt further with the recipient.
- 20.6 Any arrears in client contribution will be highlighted with the recipient and should be paid into the account from personal money within 14 days. If the arrears are not repaid into the direct payment account, an invoice for the debt will be raised. The council will consider an arrangement to pay the debt in instalments, if it considers it is appropriate.

## **21. Recovering direct payments funds.**

- 21.1 A total of eight weeks' direct payment funds can be held in the direct payment account. This is to cover direct payments made in advance, any outstanding invoices for care and support services and any employer's oncosts. If more

than eight weeks money has built up in the direct payment account, the council will ask for this to be returned. An invoice will be raised to the recipient to recover the unused/surplus money.

## 22. Ending Direct Payments.

- 22.1 Should a recipient no longer wish to receive a direct payment, they must inform the council of their decision and discuss alternative arrangements. The recipient must give appropriate notice to the care provider or Personal Assistant as outlined in their contract.
- 22.2 Direct payments will end when a person no longer needs the support for which the direct payment is made. This might happen in situations where the direct payment is for short-term care when leaving a care home or hospital.
- 22.3 If ending a direct payment, the council will ensure there is no gap in care and support that the person needs.
- 22.4 Either the direct payment recipient or the council can give four weeks' notice to end the direct payment and outline the reasons.
- 22.5 Should the person receiving the support pass away, the council will only make payment up to and including the date of death. No allowances will be made for any separate agreement that the recipient may have with an agency to pay after this date.
- 22.6 Should the individual receiving care and support move out of the Sefton area, the social care practitioner will support the individual with the transition. They will agree a date for transfer to the relevant council and end the direct payment with Sefton Council.
- 22.7 When a direct payment ends, the Self-Directed Support Team will complete a final review of the direct payment account. This is to make sure that all outstanding payments relating to care and support services are made. They will also request that any balances of funds held in the direct payment account are returned to the council.



## 23. Direct payments that have transitioned from Children's services.

- 23.1 The provision of a direct payment changes as a young person becomes an adult at the age of 18.
- 23.2 All recipients of a direct payment from Children's Social Care will require a Care Act assessment when they are approaching 18 years of age, if there appears to be a need for the direct payment to continue into adulthood. This assessment will be arranged through the council's transition process and will be completed by a social care practitioner from Adult Social Care.
- 23.3 The council will continue to provide the direct payment to the young person during the Adult Social Care assessment process. The Care Act 2014 requires the council to make sure that there is no gap in care services while this assessment is undertaken.
- 23.4 Usually, direct payments will be paid to an individual who has parental responsibility for a disabled child until the child reaches the age of 18. Following the transition to Adult Social Care, the young person can receive and manage the direct payment themselves. There may be situations where the young person lacks the capacity to consent to the direct payment. In such cases it will often be appropriate for the person with previous responsibility to remain as the recipient.
- 23.5 A new Direct Payment Agreement will be issued upon the transition from Children's Social Care to Adults Social Care, and a new prepaid card will be issued if applicable.
- 23.6 If a young person who is 18 years old is assessed as eligible for support from Adult Social Care, then a financial assessment will take place and they may be asked to pay a contribution to the cost of their care.

## 24. Complaints.

- 24.1 If there is a breach of contract by an employee or service provider, in the first instance this must be dealt with by using the procedure set out within the employment contract or agency contract. If this is not successful, the Direct Payments Team can advise how to resolve this issue.
- 24.2 If a recipient is unhappy about any action or decision within the direct payment process then they should contact the Senior Self-Directed Support Officer at the council. If they remain unhappy with the outcome, then they can make a formal complaint through the council's complaints procedure:
- By visiting [sefton.gov.uk Complaints](https://sefton.gov.uk/Complaints)
  - In writing to Health and Social Care Complaints Officer, 2nd Floor, Magdalen House, 30 Trinity Road, Bootle, L20 3NJ.
  - Calling Customer Access on 0345 140 0845

## Appendix 1 - Glossary

### Assessed eligible needs.

The council will not meet every need for care and support that an individual has. A person's needs will only be met if they satisfy the eligibility criteria following an assessment. This applies if a person has health problems which stop them from doing certain things, which will affect their wellbeing.

### Care assessment.

A care needs assessment works out what help or support a person needs with carrying out daily living activities. It is an opportunity to look at a person's strengths and abilities and explore informal and formal support with the person. Anybody is entitled to a care assessment if they think that they need help with their care and support.

### Care and support needs.

These are the needs which are identified in care assessment in relation to a person's care and support.

### Client Contribution.

This is the amount that a person may need to pay towards the cost of any social care services they receive. A financial assessment works out whether a person needs to pay, and the amount they need to pay.

### Financial assessment.

This is the method of working out how much if any, client contribution a person can afford to pay towards any care and support services they receive. This is based on a person's individual circumstances but following government guidance.

### Outcomes.

This refers to an aim or objective a person would like to achieve - for example, continuing to live in their own home, or being able to go out and about. Agreed outcomes are shown in the support plan.

### Personal Assistant.

A Personal Assistant is someone who is chosen and employed to provide the care and support a person needs, which is shown in their support plan. This may include help with personal care such as washing and dressing, and other help in the support plan such as getting out and about in your community.

Social care practitioner.

This is a professional who works with a person and those close to them to help improve their lives by arranging to put in place the things they need. This includes helping to protect adults and children from harm or abuse and supporting people to live independently In Sefton Council this will usually be a social worker or community assessor.

Support plan.

A support plan follows a care assessment, and details what a person's assessed eligible needs are and how these will be met.

## Appendix 2 – Direct Payments Agreement.

This is for information only and not part of the consultation process.

This agreement is between:

Name:	Sefton Council (Referred to in this agreement as ‘the council’).
Address:	Magdalen House 30 Trinity Road Bootle L20 9NJ

The person receiving the direct payment on behalf of the child or young person.  
(Referred to in this agreement as ‘you/your’).

Name	
Address:	
Relationship to the person	
Telephone number:	
Email address:	

The person receiving care and support.

(Referred to in this agreement as ‘the child or young person’).

Name:	
Address: If different from above	

Office use only.

Council ID:	
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This is a legally binding document, please read carefully before signing.

Direct payments will not be paid until this agreement has been signed and returned to Sefton Council.

If the terms of this agreement are not complied with, the council reserves the right to suspend or terminate the direct payment.

## About this Agreement.

1. The detail of this agreement is based on Sefton Council's Direct Payments Policy. This policy can be viewed online at [Sefton.gov.uk - Direct Payments](http://Sefton.gov.uk - Direct Payments)
2. The Care Act 2014 requires that where an adult has identified needs for care and support, the council is responsible for carrying out an assessment of the person's needs. This is to check that care and support is provided to meet those needs. The services that are identified to meet the needs are set out in the person's **support plan**.
3. In most cases, the person receiving the support is the person who manages the direct payment and signs the direct payment agreement. If they are not capable of managing the direct payment, they can have a representative who will be responsible on their behalf.
4. The representative will take responsibility for receiving and managing the direct payment and for buying care and support services.
5. The **Direct Payments Team** will provide support to set up the direct payment, support with recruitment of staff and provide a payroll service. The Direct Payments Team is based in Sefton Carers Centre, 27-37 South Road, Waterloo L22 5PE.
6. The **Self-Directed Support Team** are employed by Sefton Council, and are responsible for monitoring, reviewing, and supporting with all financial aspects of the direct payments account.

## Your Direct Payment

7. When the council has agreed to make a direct payment to buy care and support services, the calculation of the direct payment is based on the level of care and support identified in the support plan and the appropriate standard council rate. Any assessed client contribution will be deducted from this amount.
8. The direct payment should be used to buy services as detailed in the support plan. There must be prior agreement from the council if the direct payment is to be used for any other purpose.
9. The money paid as a direct payment belongs to the council until it has been used to buy care and support services identified. The council can recover money that is not used or not spent on these services.
10. Should the direct payment be used, without agreement, for services and payments not detailed in the support plan, then this could result in:
  - i. A review of eligible needs by a social care practitioner.
  - ii. A review of the direct payment, which may lead to the arrangements being suspended or terminated.
  - iii. The council taking steps to recover any money not used appropriately.
11. The responsibility for managing the direct payment cannot be given to any other person, without prior agreement from the council.

12. The direct payment must be paid into a bank account that can only be used for direct payments. Any assessed client contribution and 'top up' contributions.
13. Emergency plans must be put in place in case care and support services cannot be provided. If care arrangements breakdown, whether in an emergency or not, the council will offer support if required. This support might include the council arranging support from a care agency.
14. The council will arrange for a prepaid card account to be set up for the direct payment. You are responsible for the security of this account and must not share PIN numbers or online security details with anyone. The council will not accept liability for any incorrect payments and withdrawals due to security information being shared and this could result in the suspension of the direct payment.

15. The bank account for the Direct Payment is:

Bank Name:

Account name:

Account number:

Sort code:                    -       -       -

Cash cannot be withdrawn from a cashpoint machine or used to make cash payments to anyone without prior agreement from the council.

16. Bank transfers cannot be made from the direct payment account to any other bank account, except to the person or company that has provided the services set out in the support plan.
17. The council agrees to pay the direct payment into the above account as per the support plan. Payments will be made in advance every 4 weeks in line with the council's payment schedule. Any client contribution will be deducted from the direct payment amount that is paid.
18. The council will review the rates used to calculate the amount of the direct payment every year and will write to let you know of any changes.
19. The client contribution will be reviewed every year, and any changes could affect the direct payment amount which is paid by the council. Any change to the client contribution will be notified in writing.
20. Where care and support services cannot be provided, for example an unplanned hospital stay or short-term placement, the council must be told as soon as possible. The direct payment advanced pay can be used to fulfil any contractual obligations in these circumstances. For example, during a hospital stay by paying a personal assistant a 2 week retainer payment. If the hospital stay is likely to be longer than 4 weeks, then the direct payment may be suspended, and the council will make sure that the support is in place upon discharge.
21. Where the council and the local integrated health board are jointly funding care and support services, that meets both social and healthcare needs, the direct payment will include the healthcare element. Sefton Council will pay and monitor the direct payment to make sure it is being used to meet all outcomes.

## Your responsibilities.

22. You are responsible for making all arrangements for care and support services, either with an agency or by employing staff, to meet the needs identified in the support plan. You must comply with all legal requirements that may arise in making such arrangements. If personal assistants are used to provide the care and support, you will become the legal employer with the responsibilities involved in this role. The council accepts no responsibility for any matters that arise because of these arrangements.
23. You agree to pay any client contribution into the direct payments account from personal money so you have enough money to pay for the care and support outlined in the support plan. The assessed client contribution is the first element of the direct payment that is used to pay for any care.
24. A standing order should be set up to pay the client contribution into the direct payments account. This payment must be paid in advance and on a regular basis. The standing order will need to be amended when there are any changes in client contribution.
25. If you buy care and support services at a rate that is higher than the rate paid by the council or want additional care and support that is not in the support plan, then this must be paid from personal money. This is known as a top-up. Before agreeing to pay a top-up, you should be aware that this:
  - Must be paid into the direct payment bank account before paying for care and support, services.
  - Is in addition to client contribution, and both must be paid from personal money.
  - Arrangement may be long term, so you should consider if it is affordable before you agree to a contract.
26. You are responsible for any charges or fines incurred if the direct payment has not been managed correctly. For example, HM Revenue & Customs (HMRC) charge for late payment of employee contributions. These fines or charges must be paid from personal money.
27. You must tell the council immediately of any changes in circumstances which affect the delivery of care and support services or the management of the direct payment.

## Restrictions to direct payments.

28. The direct payment cannot be used to buy care and support services from the spouse/partner of the person receiving the support, or from a close relative who is living in the same household. However, in some circumstances this may be the only way that services can be adequately provided. This will be considered on a case by case basis. Permission must be sought before making any changes to the care and support provided.
29. The direct payment money cannot be used to buy some services that are provided by the council, or to pay contributions towards day centre meals, transport, respite, rehabilitation services or permanent residential care. These payments must be paid from personal money.

30. If you choose to use a third-party organisation for any payroll service rather than use the Direct Payments Payroll Support, then you will have to pay the cost from personal money.
31. Direct payments cannot be used to buy services, equipment and/or minor adaptations which are the responsibility of other public bodies.
32. You cannot be paid from the direct payment account for managing the direct payment, or for providing care and support.
33. Direct payments cannot be used as personal money or be used towards everyday living costs such as household expenses. Direct payments cannot be used to buy items that do not meet the agreed outcomes in the support plan.
34. Direct payments cannot be used to buy a service for someone who is no longer an ordinary resident of Sefton other than by prior agreement in writing.
35. Direct payments cannot be used to buy personal care services from a domiciliary care agency that is not registered with the Care Quality Commission (CQC). CQC defines personal care as 'supporting people with things like washing, bathing or cleaning themselves, getting dressed or going to the toilet'. Personal care is defined as a 'regulated activity' by the CQC, which means that agencies providing this support must be registered with them.

## Employing Personal Assistants.

36. Where personal assistants are employed to provide the care and support services detailed in the support plan, you must ensure that they are suitably qualified and experienced for the role.  
You are advised to obtain appropriately qualified independent legal advice regarding the legal risks and obligations of becoming an employer including HMRC and pension liabilities.
37. Anyone employed under the direct payment scheme will not be considered to be an employee of the council. The council will not be responsible for any pay as you earn (PAYE), national insurance contributions or any other payments or responsibilities in relation to the employee. It must be clearly stated in the employee's contract of employment that they are solely employed by you.
38. The Direct Payments Advisor will provide an Employers Guide which will detail all responsibilities and provide useful information and contact details for support.
39. All employees are legally entitled to 5.6 weeks leave per year. It is your responsibility to ensure that employees use their statutory leave entitlement for the periods 1st April to 31st March each year. As an employer there is a legal responsibility to ensure that employees take their statutory entitlement within this period.
40. You are responsible to arrange alternative support during the period that the employee takes their statutory leave.
41. You are also responsible for notifying the Payroll Support provider of any amendments to your employee's contracted hours worked to reflect that they have taken leave. Further information can be found in the Employers Guide.



42. The council will provide you with sufficient funds to pay the employee the National Minimum Wage rate and allow for additional funds to meet any costs of your legal responsibilities, for example:
  - Holiday pay,
  - Employer's national insurance contributions,
  - Employer's pension contributions,
  - Redundancy,
  - The purchase of employer's and public liability insurance.
43. Should you choose to pay employee(s) a rate higher than that recommended by the council, then these additional costs may have to be paid from personal money.
44. If there is any additional support required from your personal assistant(s) that has not had prior authorisation, you must make sure that you pay the additional employer on-costs incurred. These additional costs must be paid as a top-up to the direct payment account.
45. Adequate employer's and public liability insurance must be in place, the direct payment can be used to buy this. The Direct Payments Team can supply you with details of insurance providers. A copy of the insurance certificate must be provided within four weeks of employing any personal assistants. Failure to put in place the required insurance cover will be a breach of this agreement and may result in the suspension or termination of the direct payment. It is the employer's responsibility to renew the insurance policy when it expires. The council will not accept liability for any subsequent costs that may occur because you do not have a valid and up-to-date insurance policy.
46. Where driving is part of the employee's duties, you must ensure that the employee is in possession of a full UK driving licence and that the vehicle being used complies with all government regulations for Tax and MOT. The employee must have appropriate and valid business insurance cover for the vehicle and ensure that any necessary safety equipment is maintained. Any mileage allowance must be paid from your personal money.
47. If, in the opinion of the council, the potential employee you have selected is either unavailable or is unfit to provide a safe and adequate service, the council can request that you find alternative support.
48. The council strongly recommends that you undertake appropriate checks through references and Disclosure and Barring Service (DBS).
  - (i) DBS checks are **compulsory** for anyone who is providing care or support, to a child or an adult that lacks capacity. The employee cannot start employment until clearance has been obtained.
  - (ii) You must contact the Direct Payments Team to obtain a DBS check for your employee(s); the costs of the checks will be paid directly by the council.
  - (iii) The council will request further details, which could include a face-to-face interview, from the potential employee should the DBS check show they are unsuitable for the post.
  - (iv) DBS clearance must be renewed every 3 years in line with current DBS legislation.

49. Personal or sensitive data of all employees must be protected as defined in current data protection legislation:
- (i) Employees' personal information can only be used for the purpose of the employment and must be kept securely or on a system that is password protected.
  - (ii) All personal information relating to an employee must be destroyed 6 years after the employment ends, and any information obtained for unsuccessful interviewees must be destroyed within 6 months.
  - (iii) If you use the Direct Payments Payroll Support, all information held on your behalf will meet the regulatory requirements or obligations to third parties and be compliant with current Data Protection Legislation.

## Self-employed personal assistants.

50. You are responsible for checking the employment status of self-employed workers. They must confirm their employment status by completing the online tool on [Gov.uk Check Employment Status for Tax](https://www.gov.uk/check-employment-status-for-tax) and provide a copy of the report to the council. Expenses for materials and mileage are not payable from the direct payment account and cannot be allowed for when determining the employment status.
51. The self-employed worker cannot start working until their status has been confirmed in writing to the council. This is to ensure that you are not liable for paying the self-employed worker's tax and national insurance contributions. Also, this is to prevent at a later date the HMRC declaring that the person is employed (not self-employed) and backdating any tax or national insurance liability for you to pay. The council will not be held liable for any backdated contributions or penalties that may arise from you not determining the employment status of any employees correctly.
52. If the status check has correctly determined that the worker is self-employed, then you are legally responsible for obtaining from the worker:
- (i) A contract of engagement from them that states that they are not employed by you, the rate that they will be paid and the terms and conditions of their work.
  - (ii) Evidence that they have professional indemnity and public liability insurance certificate.
  - (iii) Evidence that they have a Unique Tax Reference Number (UTR) to confirm that they are registered with HMRC as self-employed.
  - (iv) Evidence that enhanced checks have been made through the Disclosure and Barring system (DBS).
- All the information above must be provided to the council before the worker starts their contract. The cost of insurance, training and DBS check must be paid for by the self-employed worker.
53. You must provide the council with invoices from the self-employed worker in line with HMRC guidelines, to evidence how the direct payment is being spent.

54. Self-employed workers are only paid for the hours that they work and are not entitled to holiday and sickness payments.
55. If it is deemed that the worker is **employed**, then they must be provided with a contract of employment, job description and be registered for correct deduction and payment of tax, national insurance, and pension contributions. (See Employing Personal Assistants).
56. If a worker's self-employed status is **not conclusive**, the council will be unable to accept them as self-employed and they should be paid as an employee.

## Monitoring and reconciliation of the direct payment.

57. The council has a duty of care to make sure the person receiving care and support is achieving the outcomes agreed in the support plan and that the terms of this agreement are being met. The council must confirm that public funds are being used as agreed.
58. You must keep invoices and receipts of all payments made from the direct payments account. All paperwork must be sent to the Self-Directed Support Team on a quarterly basis or upon request.
59. If the required paperwork is not provided within the timescales set, then the Self-Directed Support Team will arrange a review with the social care practitioner. This is to check if the direct payment is being managed within the terms of this agreement. The outcome may be that the direct payment is suspended, and alternative care and support arrangements arranged by the council if you are unable to provide evidence for what the direct payment has been spent on.
60. The direct payment account will be reconciled by the Self-Directed Support Team who will send you a report highlighting if there are any areas of concern. This may include non-payment of client contribution or top-up; low account balance/overspending; inappropriate spend, non-compliance with employer responsibilities. The report will outline any action that needs to be taken.
61. If you refuse to pay an assessed client contribution resulting in insufficient funds to meet the cost of assessed needs, then this will be seen as a breach of this agreement and the council will take steps to recover the shortfall.
62. The council will regularly assess the balance of funds held in the direct payments account. There should always be enough money in the direct payment account to:
  - Pay for any outstanding employee costs such as wages, tax, insurance.
  - Any outstanding invoices for agencies for care already provided.
  - Allow for 4-weeks payments that have been paid in advance.

You will be asked to return any unused money to the council by invoice.

## Prepaid card account.

63. The council is required by the Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2019, to verify the account holders' details, including confirming the account holder's identity and retaining documented proof of the account holder's name, address, and date of birth.
64. By signing this agreement, you are consenting to the council processing personal data, storing, and sharing the requested information with the council's prepaid card provider. This is in line with current data protection legislation and UK GDPR for assessing, implementing, and monitoring of direct payments, and to comply with any regulatory requirement or obligations to third parties. All personal information will be destroyed within 1 year of the prepayment account closing.
65. The council has administrative access to the prepaid card account and will, if necessary, review the account online, make payments on your behalf and download any stored supporting documentation.
66. The council has the right to lock access to the prepaid card account, if the account is not being managed within the terms of this agreement, for example misuse of card/funds and sharing of security access to the account. The council will write to you to confirm the reason for locking the account and provide details of alternative ways to pay for support.

## Review and repayment of the direct payment.

67. The council will ask you to repay either all or part of the direct payment if it has not been used appropriately in accordance with the terms of this agreement. If money owed is not repaid within 14 days, the council may take steps to recover this debt, in line with its debt recovery policy.
68. If the direct payment allocation is reduced, the council will give at least 4 weeks' notice in writing and give reasons for the change.
69. The council reserves the right to vary these terms and conditions and will confirm in writing any changes giving 4 weeks' notice.

## Ending the direct payments agreement.

70. You have the right to end this agreement upon discussion with a social care practitioner.
71. If the requirements of the direct payment agreement are not met, the council has the right to suspend and ultimately terminate the direct payment, giving 4 weeks' notice, until the terms of the direct payment agreement have been met.
72. The council may end this agreement immediately if, after investigation, it is found that the direct payment is being used illegally or not in the best interests of the person receiving the support.

73. Before ending the agreement, the council will work with you to find a solution wherever possible. In some circumstances, the payment may be suspended whilst additional support or investigations take place.
74. To enable the council to finalise the direct payment account when the direct payment has ended, you must ensure:
  - That any outstanding payments to employees, HMRC and agencies are paid.
  - You must act legally as an employer to ensure that adequate notice has been given to the employee.
  - That adequate notice has been given to the agency / provider of support as per their contract.
75. Should the person receiving the care and support service die, the council will make payment up to and including the date of death. No additional payments will be made for any separate agreement you may have for costs after this date.
76. When the direct payment ends, the council will request the return of any unused money and payments made in advance. The council will consider any outstanding payments in relation to the direct payment, when calculating the balance to be repaid.
77. The council will need details of the next of kin or executor of the estate, so that arrangements can be made to return money. The direct payment is not to be included as part the estate for either you or the person receiving support.
78. Should the person receiving care and support services move out of the Sefton area, the social care practitioner will support you with the transfer to the new local council and end the direct payment with Sefton.

## Safeguarding.

79. You are responsible for notifying the council immediately if there is any risk to the delivery of care and support and report any concerns that you have in relation to safety, abuse, or neglect of the person receiving care and support.
80. Concerns must be reported to the council to investigate further. You can contact the allocated social care practitioner, the Direct Payment Team or Self-Directed Support Team or by calling the council on 0345 140 0845 to report concerns.

## Complaints.

81. If there is a breach of contract by an employee or service provider, in the first instance this must be dealt with by using the procedure set out within the employment contract or agency contract. If this is not successful, the Direct Payments Team can advise who can assist you in resolving this complaint.
82. Complaints to the council concerning direct payments should be made either online at [sefton.gov.uk](http://sefton.gov.uk) or by contacting Customer Access on 0345 140 0845. A copy of the council's complaints procedure is also available on the council's website or the telephone number above.

## Data Protection Legislation.

83. Sefton Council are required to participate in the Audit Commission's National Fraud initiative and will share certain limited personal information with other bodies responsible for the auditing or administering of public funds. This is to prevent and detect fraud.
84. The council has a duty to protect the public funds it administers and may use information held about you or the person receiving support for lawful purposes, including but not limited to the prevention and detection of fraud, and matching Council Tax data with Electoral Registration records.
85. The council will also use the information for performing any of its statutory enforcement duties. It will make any disclosures required by law and may also share this information with other bodies responsible for detecting/preventing fraud or auditing/administering public funds.
86. By signing this agreement, you consent to the processing of any personal data or special category data as defined in the current data protection legislation for assessing, implementing and monitoring of direct payments and for complying with any or regulatory requirements or obligations to third parties.
87. All personal information will be destroyed 6 years after the final payment from the council.

## Declaration.

- I have read the direct payments agreement and understood that I have agreed to be bound by it.
- I understand that failure to comply with this agreement may result in the council ending the direct payment.
- I acknowledge that I have received sufficient information and support relating to the receipt and use of the direct payment and that I am aware of my obligations in receiving the money.
- I understand that I must contact the Direct Payments Team to request DBS checks for employee(s)
- I confirm that I hold an up-to-date copy of the support plan.

**Signed by the person receiving the direct payment and/or managing the direct payment account:**

Start date of agreement:	
Name:	
Address:	
Signature:	
Date:	
Telephone:	
Email:	
Name of Person receiving support	
Address:	

**Executor of Estate / Next of Kin details of Recipient:**

Name:	
Address:	
Telephone:	
Email:	

**Witnessed by:**

Name:	
Address:	
Signature:	
Date:	

**Signed on behalf of Sefton MBC:**

Name:	
Signature:	
Date:	
Job Title:	