

Direct payments

Direct payments are cash payments given by local authority social service departments to individuals who need community care services or carers' services. A person must have been assessed as needing services to receive a direct payment, and the payment must be used to purchase the services that the person is assessed as needing. This factsheet explains how direct payments work, and how to apply for them. This information applies in England and Wales. Different arrangements apply in Northern Ireland.

Who can get direct payments?

The Health and Social Care Act 2001 empowers local authority social services departments (local authorities) to make direct cash payments to people for services that they have been assessed as needing as a result of a community care assessment (see [Factsheet 418. Community care assessment](#)). In England, it is mandatory to offer direct payments to qualifying people, although in Wales direct payments are discretionary. Payments may be made to carers and to people with dementia.

Direct payments are available to carers and disabled people over the age of 16 who have been assessed as needing services. Any person who receives direct payments must be willing and able to manage them (alone or with assistance).

Local authorities may directly arrange some services for a person as well as making direct payments to them.

People receiving direct payments can ask a carer or another person to manage them and to act as their agent. Day-to-day control of the money and the care package passes to the person who is best able to ensure that it is spent properly on the most appropriate services for the person.

People in receipt of direct payments have to account for how the money is spent. The local authority will tell the recipient what records it needs and what information it expects them to provide - for example, timesheets or receipts for services provided. This is because it has to satisfy itself that the needs for which the direct payment is given are actually being met.

Since November 2009, local authorities can make a direct payment to people who lack [mental capacity](#) to consent to receive and manage them. Carers can receive the payment on behalf of a person who lacks capacity. The local authority must be satisfied that the carer is a 'suitable person' and will act in the best interests of the person with dementia. Each local authority will explain how to become a 'suitable person'.

What can direct payments be used for?

A range of support services is available, and direct payments can be used to buy either all of the support that a person has been assessed as needing, or just part of that support. Each person's needs are different, so it is important to discuss with the social worker what the direct payment will be spent on. The local authority must agree what the direct payment should be used for.

Are there restrictions on the use of direct payments?

Direct payments are made as an alternative to the provision of services, and are not intended as a replacement for [support](#) from families and communities.

Direct payments cannot usually be used to pay for care services provided by a close relative who lives in the same household. This may be possible in exceptional circumstances where it can be argued that the relative is the only person that could fulfil the role. The local authority can decide to make a direct payment in this case if it is satisfied that it is necessary to meet satisfactorily the person's needs.

While local authorities are free to formulate policies locally, they must, of course, comply with the legislative framework and must allow for exceptional situations and act reasonably when making decisions.

If a family member does not live with the person, direct payments could be used to pay for care provided.

Personal budgets

The government policy document, Putting People First - a shared vision and commitment to the transformation of adult social care (2007), and the local authority circular Transforming Adult Social Care (2008), set out the aim to transform care services so that users had greater ability to exercise choice and control over service provision. This is known as 'personalisation' of care.

Local authorities are encouraged to use personal budgets to develop personalisation of care, giving the user greater control and choice. A personal budget is an up front allocation of funding to meet the person or carer's eligible needs. The allocation may be:

- retained by the local authority and 'earmarked' for the person's needs
- managed through an individual service fund, which is paid to a third party, such as a care agency
- managed through a user controlled trust, which is run by trustees and spent on the person's behalf
- a direct payment to the person, a carer or a suitable person if the person lacks mental capacity.

Local authorities should ensure that service users have access to information, advocacy and advice to make informed decisions about their care and support.

For details of Alzheimer's Society services in your area, visit alzheimers.org.uk/localinfo

For information about a wide range of dementia-related topics, visit alzheimers.org.uk/factsheets

Useful organisations

Alzheimer's Society

Devon House
58 St Katharine's Way
London E1W 1LB
T 020 7423 3500
0300 222 11 22 (helpline)
E info@alzheimers.org.uk (general information)
helpline@alzheimers.org.uk (helpline)
W alzheimers.org.uk

The UK's leading care and research charity for people with dementia and those who care for them. The helpline provides information, support, guidance and referrals to other appropriate organisations.

Carers UK

20 Great Dover Street
London SE1 4LX
T 0808 808 7777 (free carers line)
E info@carersuk.org
W www.carersuk.org

Provides information and advice to carers about their rights and how to access support, including direct payments.

Department of Health

Richmond House
79 Whitehall
London SW1A 2NS
T 020 7210 4850
020 7210 5025 (textphone)
E use the enquiry form on the website (see below)
W www.dh.gov.uk

The government department responsible for health, social care, and the National Health Service (NHS). Provides information and literature on a range of topics, including direct payments. Useful publications include 'An easy guide to direct payments' and 'A guide to receiving direct payments from your local council - a route to independent living'.

In Control Support Centre

Carillon House
Chapel Lane
Wythall B47 6JX
T 0156 482 1650
E info@in-control.org.uk
W www.in-control.org.uk

A charity operating as a supportive community network of individuals, local authorities, government and other organisations providing information and tools to enable those who need services to self-direct their support.

National Centre for Independent Living

Unit 3.40
Canterbury Court
1-3 Brixton Road
London SW9 6DE
T 020 7587 1663
E info@ncil.org.uk
W www.ncil.org.uk

Not-for-profit support, advice and consultancy organisation providing information and advice on independent living and direct payments for disabled people and others working in the field.

Rowan Organisation

Eliot Park Innovation Centre
Barling Way
Nuneaton CV10 7RH
T 02476 322 860
E use the feedback form on the website (see below)
W www.therowan.org

An organisation of disabled people that provides other disabled people with access to information, services and resources. It offers a factsheet on direct payments and can provide advice and practical assistance to people using direct payments in certain parts of the country.

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Alzheimer's Society National Dementia Helpline

England, Wales and Northern Ireland: 0300 222 11 22

9.00am-5.00pm Monday-Friday

10.00am-4.00pm Saturday-Sunday

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