





IMPROVING DIRECT PAYMENTS OVERSIGHT



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CONTENTS





SUMMARY

How can we support direct payment recipients and council staff to maximise control over care and support while also meeting the core legal and financial obligations of councils?

This document aims to share solutions to improve efficiency and reduce unnecessary process in direct payment oversight. It identifies some of the barriers and suggests practical steps to take, including examples from participating councils. It will be useful to people involved in administering and overseeing direct payments for adult social care and support improvement work. Our work can be used to reflect on your own local arrangements, and consider the ways councils involved in this project have improved their own ways of working.

Who should read this document?

- Directors of Adult Social Services, finance directors, council finance managers and their staff
- Auditors, information systems designers and administrators
- Direct payment support services staff, social workers, people undertaking assessments and reviews
- Commissioners
- People who receive a direct payment and their supporters

People in receipt of direct payments will recognise some of the issues we identify and may wish to share the document with their council to suggest improvements in local arrangements.



FOREWORD

Twenty-five years on from the introduction of direct payments it is pleasing to know that councils have made significant progress in supporting people to have more choice and control over their care and support. There is more to do, however, to ensure that the experience of people taking a direct payment is as good as it can be.

There are pressures which may stifle and, in some cases, even unwind the progress made. These include the need to find savings and to manage budgets, to satisfy requirements that the money is spent appropriately, and to set up new direct payments to meet council wide requirements. They have led to the introduction or deepening of processes and constraints that limit the flexibilities and freedoms which people need to be creative and achieve outcomes, to the extent that some have felt this to be oppressive.

It has been helpful to hear about councils that are now determined to do something about this, reversing these trends. The Local Government Association (LGA) and the Association of Directors of Adult Social Services (ADASS) have been pleased to work closely with Think Local Act Personal (TLAP) in convening some of these councils with people who take and manage a direct payment. We hope this resource will support more places to make similar positive changes.

Simon Williams

Director of Social Care Improvement, Care and Health Improvement Programme **Local Government Association**

How we worked

People using direct payments and a small number of local authorities shared their experiences and described work to address the challenges through a series of workshops. These included Shropshire Council, Sheffield City Council, Leicester City Council and Essex County Council. See appendix for practical examples of the outputs from their work. This document has also been informed by a group of senior finance officers, which included Surrey Council, and a group of people administering direct payments, along with input from ADASS.



WHY WE DID THIS WORK

In some places peoples' lived experience of taking and managing a direct payment is falling short of the intentions enshrined in policy. The principle is that people should be able to maximise the choice and control they have over the care and support they are entitled to. An area of frequently expressed frustration is the degree of scrutiny people experience when their spending is reviewed and audited by social care and finance staff.

These experiences are now well documented across **Personal Budgets Outcome Evaluation Tool** surveys, the **Social Care Innovation Network** and in **Direct Payments: working or not working?** See also TLAP's accompanying publication 'Making Direct Payments Work' for guidance and best practice.

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Most councils have developed practices to underpin the management and control of their budgets and to account for the money funding direct payments. There is a risk that these practices are not fully compliant with policy or statutory Care Act guidance.

It sometimes feels like cost is the key to packages, not the real life outcomes.

Isaac Samuels, National Co-production Advisory Group

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The councils' task that has appeared difficult to achieve is brought to life in the Care Act Guidance section 12.4 'For direct payments to have the maximum impact, the processes involved in administering and monitoring the payment should incorporate the minimal elements to allow the local authority to fulfil its statutory responsibilities. These processes must not restrict choice or stifle innovation by requiring that the adult's needs are met by a particular provider, and must not place undue burdens on people to provide information to the local authority. An effective monitoring process should also go beyond financial monitoring, and include aspects such as identifying wider risks and issues, for example non-payment of tax, and provision of employers' liability insurance where this is appropriate.'

During the Covid-19 outbreak, some places allowed more flexibility for direct payment recipients, and have found ways to incorporate more flexible approaches to oversight, whilst also meeting their core financial and legal responsibilities. This approach seeks to be in line with the aspirations and expectations expressed in the Care Act and statutory guidance. It is useful to learn from the experience of these councils.

This work also meets central government objectives to support and encourage the continuation and wider adoption of practices, established during the period of coronavirus outbreak, that reduce unnecessary bureaucracy.

2 KEY FINDINGS

Key areas of concern to address:

- ▷ initial information for those using direct payments
- ▷ how a personal budget is set, including a fair contribution, determining the direct payment
- ▷ the level of flexibility around how a direct payment can be used
- ▷ accounting for the money including contingency
- ▷ reasonable expectations of those actually using or organising direct payments including family members, recognising that they are often employers
- ▷ having a supportive culture that sees direct payments as a positive option and written and verbal communication that reflects this
- initial set up time
- ▷ oversight of direct payments in a way which values co-production.

It is difficult to balance simplifying processes that satisfy people and make taking a direct payment straightforward with the need to satisfy council requirements for budgetary control and assurance that direct payments are being used appropriately by people. We have looked for places that are seeking to achieve this.

We have learned from some of the places on this journey, even if they are just starting the process. They have shared experiences and produced some resources co-productively with people that could benefit others seeking to improve their direct payment offers. Councils have found it helpful to share experiences with each other. See examples in the appendix.

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My experience of Shropshire is that a key driver is the amazing leadership.

Kate Sibthorp, National Co-production Advisory Group

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Any change to processes requires the support of the wider council at a senior level.

Assessment, resource allocation, care and support planning and reviewing are critical associated processes that frame what direct payment monitoring workers do and the procedures they use in their work. More work is needed to understand the impact of current assessment practice on these processes and how they often seem to frustrate the purposes of making a direct payment to people in lieu of services.

Clarity about what is and isn't allowed, what 'the deal is' between people and the council, and more human communication about monitoring processes have emerged as a good starting point for detailed improvement work and co-productive conversations with people.



PRIORITIES TO ADDRESS



1 INFORMATION AND CLEAR EXPECTATIONS

Initial information for people thinking about using direct payments, and setting clear mutual expectations – the 'deal'.

- Information will be based on local policy and practice but should be checked for Care Act compliance.
- ▷ There should be clear information about what responsibilities will be taken by people using direct payments, what processes they need to follow, and what the council will do.
- Information should include where people can get support both from the council and from others, so they know they won't be on their own.
- Shropshire, Essex, Leicester and Surrey Councils are working on 'guides' for people and workers.
- Surrey County Council have a good working relationship with a user-led organisation which advises, supports and gives guidance relating to direct payment recipients and personal assistants.

2 SETTING A PERSONAL BUDGET

Setting a personal budget, including how a support plan is turned into a costed personal budget, and how charging and contributions are applied to get to a net budget, which is the actual amount of a direct payment a person has to spend.

- This may include a calculation based on notional hourly rates multiplied by the number of hours required, but this should not lock a direct payment recipient into paying these rates or having to follow the detailed support plan to the letter. More detail in 3 below for what a direct payment can be used for.
- The support plan should describe the agreed outcomes to be achieved, and not constrain the direct payment recipient or provider of support to follow a prescribed pattern of support.
- Charging policies should consider any time requirements in calculating and reviewing a fair charge. People said there are often delays in getting direct payments set up and waiting for these calculations to be completed.

3 WHAT A DIRECT PAYMENT CAN BE USED FOR

What a direct payment can be used for, including any appropriate exclusions.

- A direct payment should be achieving the agreed outcomes based on eligible needs; beyond that there should be caution about blanket exclusions for their use. This will need to be explained in any initial information.
- There should be flexibility over time in how it is used to achieve an outcome. An example given was Shropshire identifying x hours per week for physical exercise rather than specifying swimming so people can change the exercise to cycling or other physical activities without needing to go back for authorisation.
- Councils should avoid changes in rules about the use of direct payments, unless consulted on and recipients given time to make any adjustments.
- There have been comments about practice in some places that has gradually eroded people being able to use their budgets for anything other than personal assistants. This needs further investigation.

4 BALANCING CHOICE AND SAFETY

Balancing choice and safety. Are there any necessary processes to ensure that direct payment recipients are not being exploited or potentially causing unacceptable risks to themselves?

- Councils retain a duty to ensure that people are not exposed to unacceptable and unmitigated risks, whilst still seeking to maximise choice and control for that person.
 Risks may include the broad range of safeguarding risks and also some risks specific to using direct payments, such as those for an individual employer.
- ▷ Some of these risks should be identified and addressed on a person-centred basis in the support plan.
- Other risks will be addressed through policies and procedures within the direct payments scheme, and is part of a support function. An example is employment advice and sample employment contracts.

'We have a supportive role to play and we ensure that clients have access to the [local] user led organisation for advice and support too. We ensure that we have a culture that is supportive and aware of potential problems - that we could, if needed, step in to safeguard and advise' – Surrey County Council

5 ACCOUNTING FOR THE MONEY

Accounting for the actual money, including pre-paid cards, managed bank accounts, yearend reconciliation, dealing with unused funds.

- There should be simple ways for direct payment recipients to record how the direct payment is being used and to account for the money. A practical example is standard template reconciliation sheets that people could use.
- ▷ Managed bank accounts have a role to play, but there may be risks of the accounts not having enough funds, sometimes due to people not paying in their contributions.
- Prepaid cards are also useful, as long as they are not used to inappropriately restrict categories of spend. Councils should be working to minimise on-costs of these cards and consider a variety of platforms.
- There should be clear rules on contingency funding, which balances the need for direct payment recipients to plan prudently for unexpected or large costs against the need for funds not to accumulate to an unjustifiable amount.
- Councils should consider the cost benefit ratio of detailed auditing of receipts for small amounts of expenditure.
- There should be early and more intensive support for new direct payment recipients to ensure that they are accounting for funds in the correct way, with the aim that in most cases it can then become lighter touch. Support can include peer and user led support.

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6 SHORTENING THE SET-UP TIME

Initial set up time can be an issue, and councils and direct payment recipients should work together to shorten this.

Councils might support direct payment recipients to find personal assistants more quickly. For example, proactively and collaboratively establishing a pool people can choose from, or working with local skills and employment partnerships to promote being a personal assistant as an employment choice.

Often, when someone expresses that they want a direct payment, they are not even offered an interim package if they want to employ, the DP doesn't start until the PA is recruited.

Jenny Hurst, London SDS Forum

The need for proactive action is illustrated by one example given of a council where it takes 6 weeks to set up a direct payment versus getting a contracted provider within 24 hours.

'Setting up the direct payment is quite a quick process, helping the client to find the appropriate service can take some time. We have been working closely with the user led organisation to develop a collaborative way in supporting people. We have done a recent recruitment drive with them to engage with PAs and use a PA finder.' – Surrey County Council

7 CULTURE AND LANGUAGE

Culture and language are important. How can councils communicate in a way that does not make direct payment recipients feel like cheats, and how can they be treated as real customers while also being asked to meet mutual expectations?

- ▷ Think about the language are direct payment recipients customers or partners? The language used will influence the relationship.
- Shropshire Council provided an example of saying 'eating/drinking what's good for me' rather than the Care Act language of 'maintaining a healthy diet'. Examples of rewriting letters from Leicester City Council demonstrate how this can be addressed coproductively – see page 8.

8 CO-PRODUCTION AND GOVERNANCE

Co-production and governance. How do councils and direct payment recipients work together in a mutually respectful and co-produced way?

- Co-production needs to be at all levels individual, family, peer/more formal support, policy and strategy.
- ▷ The governance and partnership structures can be used to receive feedback from people and agree any necessary changes at an overall level.
- At an individual level, co-producing support plans and ensuring they are person-centred and outcomes focused could save a lot of time, reducing plans and budgets going to and fro between the person and the council until they reach agreement. People should be able to attend assessments and reviews with clear ideas up front.

'We are engaging in a co-production report to look at the culture, the service outcomes, the administration and functionality around direct payments. Looking to future proof our service and ensure that the support and outcomes give the optimum choice and control for our clients. Feedback that we have had about the letters being sent out was they were too long and complicated and people didn't read them. So we will be amending our style, creating more headlines and then giving relevant links to websites for more information.' – **Surrey County Council**

CONCLUSION

This document is intended for councils to reflect with local stakeholders on how direct payments work locally and what might be improved. Examples in the appendix might be a helpful place to start, together with TLAP's **Making It Real framework** for what good care and support looks like.

The role of the LGA and TLAP is to support the sector to continually improve, usually by shining a light on good practice and helping to make connections between those leading examples and those places that want to improve. Get in touch if you need help with this.

Our aim is to articulate what's needed to enable people to arrange the care and support which best meets their needs and aspirations in line with the original intentions of the Care Act, whilst enabling councils to meet their obligations. 66

Every local authority needs to coproduce with their own direct payment recipients to get an authentic local way of working and being.

Kate Sibthorp, National Co-production Advisory Group



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APPENDIX

The examples here illustrate ways in which processes can be simplified, made more personalised and aligned to the spirit of the Care Act.

LEICESTER CITY COUNCIL

Leicester City Council has focused on co-production. From small beginnings and a committed but small group of local people, priority improvement work has been identified and completed. These letters were a particular concern for people.

Good co-productive conversations were able to address the language used in these to make things work much better for everyone.

Before (right) and after (below)

Dear John Doe,

DIRECT PAYMENTS RETURN - Up to 31.12.20

Please submit your Financial Return from the end date of the last submission till 31 December 2020, as soon as possible but not later than the **31.01.21**. Please remember to submit all the following documents:

- Direct Payments Financial Return Form.
- Copy of Bank Statements covering the above period. Receipts / Invoices for expenditure over £10.00 within this period.

Please tick the box if you attend college or go on respite placements – If applicable, please return this letter along with your returns.

If you are wishing to use the Direct Payments Support Service for the completion of this return, then please speak to your social worker, who will then contact the agency. Please ensure that you provide all the information and relevant paperwork to the agency well before the deadline, to help them to submit the return correctly and within the set timescale.

Please note that as per your Direct Payments Agreement if you do not submit your timely returns, do not pay your contribution or misspent the care money, then we will refer your case to your care management team to review. This may lead to your services being moved to commissioned care. It is important that you send your returns in accordance with the terms of assessment and your Direct Payments Agreement.

Should you have any concerns, please do not hesitate to contact the Direct Payment Monitoring Team on the number(s)/email mentioned above.

Yours Sincerely,

Direct Payment Monitoring Team

P.S.: Any original documents sent will NOT be returned/you may send scanned copies of your return via email, if it is safe to do so.

Please also note that the "AUP ay' PREPAYMENT card option is still available. Should you wish to opt in, then you do not need to submit any future quarterly returns and will be able to use the card as any other debit card to pay for your arranged care fee. Please contact your social worker or us if you choose to do so.

Dear John Doe,

Please send us your direct payment financial details - Up to 31.12.20

I am writing to let you know that we require the details of the money spent as part of your direct payment agreement with us.

Please send us a copy of all the following that cover the period between 01.10.20 and 31.12.20 $\,$

- Direct Payments Financial Return Form
- Bank Statements
 Receipts or invoices for payments you have made over £10.00
- If possible, email these to directpaymentreturns@leicester.gov.uk.

If you are not able to do this, we are happy to receive copies by post. The address for this is on the bottom of this letter.

If it is easier for you to send us originals and you would like these to be returned, you must enclose a stamped addressed envelope.

It is important that we receive the information above so we can support you to know that all is well with your financial(money) account.

These checks protect both you and us.

We would be grateful for you to return the above items by 15 August 2021.

If you have any questions or would like us to explain anything further, including any difficulties with finding the information requested, or you need more time to gather the information, please call us on 0116 4541010 (option 2,3,2).

I look forward to receiving your financial documents shortly.

Yours Sincerely,

Direct Payment Monitoring Team

	BEFORE		AFTER		
Clearer purpose of letter	Please submit your Financial Return from the end date of the last submission till 31 December 2020, as soon as possible but not later than the 31.01.21. Please remember to submit all the following documents:		I am writing to let you know that we require the details of the money spent as part of your direct payment agreement with us. Please send us a copy of all the following that cover the period between 01.10.20 and 31.12.20		
Removing intimidating wording	Please note that as per your Direct Payments Agreement, if you do not submit your timely returns, do not pay your contribution or misspent the care money, then we will refer your case to your care management team to review. This may lead to your services being moved to commissioned care. It is important that you send your returns in accordance with the terms of assessment and your Direct Payments Agreement		It is important that we receive the information above so we can support you to know that all is well with your financial (money) account. These checks protect both you and us.		
Being more polite	P.S. Any original documents of returned/you may send scan return via email, if it is safe to Please also note that the "All card option is still available. Sl to opt in, then you do not new future quarterly returns and y use the card as any other deb your arranged care fee. Please worker or us if you choose to	ned copies of your o do so. Pay" PREPAYMENT nould you wish ed to submit any ou will be able to it card to pay for e contact your social	If it is easier for you to send us originals and you would like these to be returned, you must enclose a stamped addressed envelope.		

A new co-produced information leaflet about reviews



Your social care review is changing – in a good way

Hello

It's time for a social care review for yourself or for someone you care for. The way we review has changed and may feel a bit different, so we want to let you know what to expect.

Why has it changed?

We heard from some people that they found their review stressful. They often had to repeat information that hadn't changed and the questions were too focused on practical tasks, such as washing and dressing. These are important, but social care is about more than this. It's about being able to do things that matter to you, maintain connections with others and improve your wellbeing.

To help, we at Leicester City Council are now doing things a little differently. We are making things more personal for you.

My review felt really different in a good way – I was able to talk about things that I care about doing, not just tasks like washing and dressing." Anna (who uses direct payments)

"This change in our approach matters because we want to know that you are doing the things that are important to you and how we can better support you in achieving that." Lyn (adult social care manager)

What has changed?

Look at the letter we sent you with this leaflet. The person who sent that letter will arrange to talk with you. This conversation may feel different to previous conversations you've had with our staff. They will ask you about what matters to you in your life, about things that are working well and things you want to change. It is up to you what you wish to discuss – there are no right or wrong answers.

It might help you to start thinking about what you want to say about your social care during your review. If you want to discuss anything about your review, please contact the person who wrote to you. Their email address and phone number are on the letter.

From Anna Severwright (Leicester resident who uses social care)

Lyn Knights (Adult social care manager)



making it real

SHROPSHIRE COUNCIL.

Shropshire Council are well advanced with their improvement programme. They described to us some of the detail of the work. People could describe what good looks like and issues that hinder:

WHEN IT HINDERS

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Enough in budget to cover needs Lack of contingency Ability to pay staff a fair wage on time Payroll constraints with rigid rules Ability to attract quality of staff needed Being restricted to a set rate of pay The ability to train staff to match changing needs Training costs not included in personal budget Ability to cover holidays, sickness and the Lack of emergency pool of PAs unexpected Moving goalposts for audit requirements Clear audit requirements Trust to manage small changes Lack of ability to change small aspects within overall support aims Ability to get on with life Some of the language and tenor of finance letters Being trusted Feeling suspected

Local people described how being involved helped build trust with council workers and to explore issues and work out solutions together to issues.

Key messages from sessions:

- ▷ Communication should be easy and simple from an early stage
- ▷ The system drives the process rather than focuses on individuals
- Experts by experience can advise on support plans and use some of the best as best practice models
- ▷ The council need to be open about eligibility for direct payments
- ▷ Do not duplicate assessments in support plans
- Workers need to think about language, they focus on justifying costs rather than describing the actual support needed with a people perspective
- People get too much paperwork Some local people demonstrated 10 years worth of information supplied which they had not read – so how useful was it?

Co-production outcomes:

- ▷ Reviewed finance letters
- Changed 'audits' to 'financial checkup'
- ▷ Changed use of term 'unauthorised expenditure' in letters
- Asked rather than demanded
- Assumed the best, not the worst
- Becoming more human
- ▷ Reviewed the direct payment agreement
- Started with easy read versions
- ▷ Worked with legal to meet their requirements
- Vision statements are our measure
- Policy completely redeveloped from scratch based on statutory guidance covers areas where there is scope to make localised decisions
- Created a guide to the Care Act and eligibility before an assessment conversation (see graphic below). Full document can be found **here**.



ESSEX COUNTY COUNCIL

Essex County Council have initiated a significant programme of improvement broadly around personalisation.

They asked TLAP to help with some initial workshops to refresh their vision and to think about how they could improve their direct payment offer.

Building a co-productive approach was key. Trust was built with a group of willing and committed direct payment recipients who have worked with a wide range of workers from their local system.

Workshop: Vision for Personalisation Draft version for personalisation and values

'We will ensure that personalisation is at the heart of everything we do. We will work in a way that puts people at the centre; acting with respect and always focusing on you as an individual to support you to achieve your vision of a good life.

We will be working to ensure that we get support from senior leaders and for this to influence work currently underway to refresh a social care offer and wider vision for the future.'

Workshop: What support is needed to effectively manage a direct payment?

This workshop helped to identify what currently works well and not so well with regard to direct payments. Some following points were highlighted as needed working on:

- Constraints on choice
- Lack of contingency plans
- Lack of information
- Lack of transparency
- Difficulty recruiting and retaining personal assistants and support for them
- ▷ Lack of consistency.

SHEFFIELD CITY COUNCIL

Sheffield City Council are taking a similar strategic approach to Essex, defining a programme of work.

The aims for their improvement programme are:

- ▷ People have the choice and control to use their budgets flexibly in order to meet their needs, prevent escalation or crisis and to avoid unnecessary social care interventions
- People have access to a thriving market place from which to purchase the right support for them at the right time
- People have access to specialist support to set up budgets, and to arrange their support in the best way
- ▷ People confidently using direct payments in innovative ways that create value for money
- ▷ Everyone understands their responsibilities in relation to direct payments and the council has relevant checks and balances in place to ensure money is being spent appropriately
- ▷ Budgets are recorded on the system in a way that allows for planning, financial forecasting and good market management.

Co-productive work with local people has resulted in:

- A direct payments Vision for Sheffield
- > A factsheet and video on what direct payments are
- A personal assistant rates decision making tool The tool was designed following substantial research on pay rates and the role of personal assistants. It supports joint decision making about the rates a person can pay to their personal assistants and is designed to aid the conversation between the worker and the individual employer. This tool ensures our practice is consistent and fair for deciding rates rather than paying the same rate of pay to all.
- A refreshed personal assistant employers handbook
- New direct payment terms & conditions and suite of direct payment letters refreshed, changed and co-produced to be more supportive, informative and transparent, in line with what people told us.



Think Local Act Personal would like to thank all those who shared their time and expertise so freely in this work.

Useful resources

Direct payments: working or not working? Personal Budgets Outcome Evaluation Tool Social Care Innovation Network Personal budgets minimum process framework The 3 R's of Social Care Reform Payment Cards as a means of managing a personal budget Making Direct Payments Work (forthcoming)

Think Local Act Personal is an alliance of over 50 national social care, health and housing partners committed to improving the delivery of personalised, community-based care and support. It brings together people who use services and family carers, central and local government, provider bodies and other key groups to work together to ensure people live better lives.

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local.gov.uk

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