



# Direct Payments

*A Guide for Existing Users*



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## **Introduction to our new Direct Payment process**

Welcome to this guide to getting started with our new Direct Payment process. Please read through the information carefully and you should find the answers to most questions, your Social Worker should be able to answer any additional questions that you may have.

## **Changes to the Direct Payment process**

The Council has introduced a pre-paid card system for managing Direct Payments. This system is a more efficient and effective way of managing Direct Payments than the current paper based system.

You will be provided with a bank account with a chip and pin card and online banking facility to manage your Direct Payment. There is also a telephone banking facility to help you manage your account if you need it.

The new system means that we can reduce the amount of paperwork you have to send into us as we will be able to monitor your account through the system.

As part of your review, the reviewing officer will give you a brief overview of the changes and ask you to complete some new forms to get your new account started.



## What happens next?

Once you have read through this document, completed the new forms and they have been received by us, we will set up a new Direct Payment bank account for you and arrange for your payments to be paid in to.

We will write to you to confirm the new details of your bank account and provide you with details of how to use your account and what you need to do next.

### The letter you receive from us will tell you:

- The date that the payments will change to your new bank account
- The date that you need to provide your completed expense forms, bank statements and receipts up to for the old account
- What your new account details are
- Who to contact if you have any problems with the new account

### What you will need to do next:

- Send in completed expenses forms with receipts, bank statements and invoices up to the date we advise you
- Arrange to transfer the balance of your old Direct Payment account to your new Direct Payment account
- Start using your new account for managing your Direct Payment

## What is a Direct Payment prepaid card?

It is a card loaded with your Direct Payment money from Bedford Borough Council.

It allows us to pay funds to individuals who are eligible for Direct Payments as part of their care services.

The Card can be used to make either one off or regular payments.

You will only be able to make payments with the card when there are enough funds in your account and you will not be able to spend more than the overall balance within the account.

The Direct Payment card looks like any other bank card or debit card. It will have your name printed on the front and it has the MasterCard symbol which means that it can be used anywhere this symbol is displayed.

## How does it work?

The Direct Payments prepaid card works like any other bank debit card. If you wish to buy a product or service you can use the card in person, over the internet or by using the telephone service.

You may need to enter your PIN code to complete the transaction. The cost of the items or service will then be deducted from your Direct Payment card account.

You can view all of your spending activity online and this information is retained and available to print at your convenience. You can also telephone the service operator to get a balance of your account.

The Council will have access to view the transactions on your account so that we can monitor and ensure that you are spending your Direct Payment money on meeting the needs agreed in your support plan.

If you or a family member has agreed to make additional payments towards your care, please ensure that these payments are also paid into your card account.

In addition to the Council's payment, you should have been financially assessed and advised if you have to pay a client contribution towards the cost of your care. The Council will arrange to invoice you for this contribution on a monthly basis; the prepaid card account **must not** be used to pay your contribution.

## What are the benefits for me?

The Chip and PIN card can be used anywhere that accepts MasterCard and is a secure method of making payments; some cards also include the contactless feature for transactions below the current regulated value.

As you are aware, you currently need to provide the Council with regular evidence of receipts, timesheets and bank statements to show that you are spending your Direct Payment money on meeting your agreed care needs.

Once your account has transferred to the pre-paid card you will not have to send us paper copies of the following:

- Expenses Forms
- Receipts for transactions under £50
- Bank statements
- Timesheets (please remember that these must still be sent to your payroll provider to ensure your carers receive their pay)
- Invoices

You will still need to keep evidence for **2 years** from the date it occurred but instead of sending it to us through the post, you will need to attach the following documents to your online account:

- Payslips
- Agency invoices
- Tax Bills
- Employer's insurance documents
- Invoices and receipts for transactions over £50

If your card transactions are under £50, you do not need to upload evidence to your account but you need to keep the receipts safe for 2 years. We will do regular spot checks and may ask you to provide the receipt for specific transactions on your account.

Please be aware that you may need to keep documents related to payroll and HMRC transactions for longer so please check with them before disposing of any documents.

## **What if I don't have online access?**

There is a telephone banking number for you to use as well in case you cannot access your account online or if you have any difficulties in using the account.

Your prepaid card can be used to make payments over the telephone and in establishments where MasterCard is accepted.

## **Can I ask someone to help me manage my account?**

Yes, if you want to nominate someone to help you manage your Direct Payment you can do so. They will need to provide their details on the Direct Payment Agreement (Section 2) and ask them to sign the form.

The person who helps you manage your Direct Payment should not be someone who you pay to care for you.

## **How will I pay my carers?**

You will be able to make bank transfers directly to your carer's bank account using your online account or telephone banking.

If you receive an invoice from your provider you will be able to make a payment to them using your online account, the telephone banking facility or by using your card if they can accept MasterCard payments.

## **Can I withdraw cash using my card?**

You will not be able to get cashback from shops. You should be able to pay in establishments using your card and PIN or the contactless method if the function is available. Cash withdrawal is possible in certain circumstances and with the permission of your key worker. The bank account can be opened for this and then it will be closed after the cash has been withdrawn. It will not affect your usual method of card payment.





## Direct Payments Agreement – Terms & Conditions

### 1. Introduction

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**This agreement is made on the basis that:**

- 1.1. You have been assessed as being eligible to receive a social care service and have agreed that the services identified in your support plan should be provided via a Direct Payment.
- 1.2. The Council and Direct Payment recipient (you) have agreed that you should take direct responsibility for the provision of the services required to meet your needs and will be responsible for the day to day management of the Direct Payment.
- 1.3. You have agreed to make all necessary arrangements to ensure the said services are provided, with support if necessary.
- 1.4. The Council has agreed to make arrangements to fund the provision of the said services as set out in your support plan.

### 2. Bedford Borough Council will:

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- 2.1. Ensure that you have access to adequate information and support to make best use of the Direct Payment.
- 2.2. Make payments into your Direct Payment bank account, at the agreed frequency, in accordance with the details listed in your support plan, in order to meet your assessed eligible needs.
- 2.3. Review your Direct Payment and this agreement within 12 weeks, to decide whether the service is meeting the assessed needs at to review how the Direct Payment is being managed.
- 2.4. Assess your needs and review your support plan and the operation of this agreement regularly, if there is a change in circumstances or a high level of risk, to determine whether the assessed needs have changed, how arrangements for the provision of services are being managed, whether you remain willing to receive Direct Payments and whether you remain able to manage the Direct Payment.
- 2.5. Following a review, advise of any changes in assessed needs and give appropriate notice of any changes (at least two weeks' notice in writing stating the reasons). Payments may be decreased or increased. If there is a reduction in the Direct Payment, Bedford Borough Council will take into account any employment or contractual responsibilities that are in place.

### 3. The direct payment recipient will:

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- 3.1. Use the Direct Payment account set up by the Council for the sole purpose of securing services that meet the care needs identified in the support plan. This account may only be used for monies relating to Direct Payments.

## **Direct Payments for Existing Clients**

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- 3.2. Be liable for any bank charges which arise as a result of mismanagement of Direct payments.
- 3.3. Secure services and comply with all safety and legal requirements that may arise in making such arrangements.
- 3.4. Pay all invoices and costs relating to the purchasing of service using the Direct Payment on time, including employee costs and any services purchased from an agency or organisation.
- 3.5. Have a contingency plan that can be implemented if the arrangements for the provision of service that meet the assessed needs break down.
- 3.6. Notify and/or advise next of kin/executor that, the Council must be informed at the earliest opportunity of any changes in circumstances which would affect your assessed needs or entitlement to Direct Payments. This includes any changes in capacity to consent or ability to manage a Direct Payment or in the event of death of the Direct Payment recipient.
- 3.7. Notify or advise next of kin/executor that in the event of death, the Direct Payment account and any funds contained in it will not be regarded as an asset of the estate.
- 3.8. Following the ending of the Direct Payment, arrange for the next of kin/executor to provide documents relating to the Direct Payment in order for a full financial audit to be undertaken and recovery of any money due. If the expected amount is not available to be returned from the Direct Payment account the Council may claim from the estate.

## **4. Financial and monitoring requirements**

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- 4.1. Bedford Borough Council will assess your financial contribution to the Direct Payment under the Care Act eligibility criteria and send notification of any service user contribution separately.
- 4.2. If you are assessed to make a financial contribution towards your care the Council will arrange to invoice you for this contribution on a monthly basis. The prepaid card account must not be used to pay your contribution.
- 4.3. Invoices raised in relation to your assessed financial contribution will be adjusted in line with annual changes in state benefits following the annual review of your financial assessment.
- 4.4. You will comply with the financial and monitoring requirements, agreeing to maintain adequate financial records of all Direct Payments made.
- 4.5. You will keep your financial and administrative records in a safe place and in an orderly manner and agree to submit these for auditing, when required. Failure to submit records as requested may lead to suspension or withdrawal of the Direct Payment. Documents include:
  - Completed timesheets, holiday and sickness records – if relevant
  - PAYE, national insurance and any other payroll records, as applicable
  - Bank statements relating to the Direct Payment account
  - A record of all payments (cheque number, payee, amount)

- Related invoices
- Related receipts
- Items purchased as specified in the support plan
- Insurance documents.

We collect this information to keep you and the council safe. If you have difficulties in keeping this information, let us know as soon as possible so that we can help you.

- 4.6. You will inform your allocated case worker or contact the Duty team if you have not received a service for more than four weeks, or if you know in advance that you will not need the service for a while.

## **5. Use of direct payments**

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- 5.1. You will be given a copy of your assessment and support plan, which states your assessed eligible needs. A Direct Payment is being provided to meet these needs, instead of a service provided by Bedford Borough Council.
- 5.2. You agree to only use the Direct Payments to meet the assessed needs as described in your support plan.
- 5.3. Unless there are exceptional circumstances and this is expressed within your support plan you will not:
- Use the Direct Payment to secure services from a partner, close relative or anyone else living in the same household as you unless agreed by the Council in writing.
  - Use the Direct Payment to buy health services, long term residential care, pay household bills, to buy food or other personal expenses.
  - Use the Direct Payment to pay any other charges owed to the Council.
  - Use the Direct Payment for gambling including bingo, lottery, scratch cards and betting.
  - Use the Direct Payment to pay for anything illegal.
- 5.4. You agree to repay the Direct Payment or any part of it if the Council is satisfied that it has not been used appropriately in accordance with this agreement and Direct Payment legislation.
- 5.5. The misuse of Direct Payments may lead to payments being stopped with immediate effect. Bedford Borough Council will require you to repay any part of the Direct Payment that is not spent on meeting your assessed needs.

## **6. Acting as an employer and contracting with a service provider**

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- 6.1. You understand that the arrangements for employing staff or contracting with a service provider is between you and the employee(s) or service provider and those people you employ or contract with to provide a service is a private arrangement. Bedford Borough Council is not involved in the arrangement and bears no responsibility to you or the service user or the personal assistant(s) or service provider that you employ, with regard

to the employment relationship or contract.

- 6.2. You will make any changes with agencies, organisations or employees from which services are obtained, following an increase or decrease in Direct Payments.
- 6.3. If in the opinion of Bedford Borough Council, the service provider is not able to provide an adequate service or is unfit to provide a service, Bedford Borough Council will require you to find an alternative service or Bedford Borough Council will suspend the Direct Payment either temporarily or permanently, if necessary.
- 6.4. If you are employing staff with a Direct Payment you must ensure that you understand your legal obligations as an employer and agree to:
  - Carry out a DBS (Disclosure and Barring Services) check of all Personal Assistants you employ who carry out a regulatory service, to safeguard you and your family
  - Ensure that all staff have up to date DBS checks
  - Give the Personal Assistant(s) notice, as outlined in their contract, and redundancy pay when applicable, as per statute
  - Ensure that tax and national insurance are paid for all employees
  - Provide a pension scheme for all entitled Personal Assistants and ensure that pension contributions are paid
  - Ensure that you have an up to date certificate of Employers Liability and Public Liability insurance and supply policy documentation when requested
  - Seek advice regarding any employment concerns and issues from this insurance
  - Provide a safe working environment, ensure safe working practices, provide appropriate staff training and comply with employment legislation
  - Provide staff with a contract of employment and a job description
  - Give staff reasonable notice of when they are required to work
  - Treat staff properly and ensure that they have adequate breaks, refreshment and accommodation if necessary, when working
  - You will agree not to use the Direct Payment to employ a spouse, partner or close relative living in the same household without explicit written agreement from Bedford Borough Council.
  - You will inform the Direct Payment team and any support service you use when an employee leaves and when you wish to recruit a new Personal Assistant.

## 7. Suspension and termination of the direct payment agreement

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- 7.1. The Council may suspend payment of the Direct Payment temporarily if the Direct Payment recipient is admitted to hospital or is otherwise temporarily unable to receive services. Any decision to suspend payment will take into account any reasonable existing liabilities including periods of notice to service arrangements and retainer payments to Personal Assistants.
- 7.2. Unless specifically agreed, the Council has the right to suspend or stop the Direct Payment if high balances in excess of 8 weeks' money have accumulated in the account. This includes deducting amounts from our four weekly payment run to recover costs

that are not spent on meeting your assessed needs.

- 7.3. The Council has the right to suspend or stop the Direct Payment if it is decided that the arrangements made for purchasing services are not adequate to meet the needs and outcomes of the support plan.
- 7.4. The Council has the right to suspend or stop the Direct Payment if any of the terms and conditions of this agreement has not been met.
- 7.5. The Council will terminate this agreement with immediate effect if any part of the Direct Payment is used for the following purposes:
  - Anything illegal
  - Gambling
  - Investment
- 7.6. The Council will consider the Direct Payment recipient's contractual and statutory responsibilities when determining the balance of the Direct Payment to be repaid to the Council in the event of the death of the Direct Payment recipient or in the event of them becoming unable to manage the Direct Payment.
- 7.7. The Council will stop the Direct Payment when the entitlement to Direct Payments has ended or Direct Payments are no longer required.
- 7.8. Subject to the Council's right to terminate the agreement with immediate effect under section 7.4 above, either party may terminate this agreement by giving the other party 4 weeks' notice in writing. This period of 4 weeks will commence on receipt of the written notice.
- 7.9. If notice for termination is given, the amount of the payment due for the period in which the date of termination falls shall be adjusted pro rata and any overpayment to the recipient will be reimbursed to the Council, not later than 30 days from notice of termination.
- 7.10. The Direct Payment recipient agrees to repay the Council any overpayments as soon as such overpayment is identified. The Council reserves the right to charge interest on any monies owed, which are not repaid within 30 days of receipt of invoice requesting payment. Interest will be charged at 2% above bank of England base rate.
- 7.11. If such monies are not repaid upon demand the Council reserves the right to issue county court proceedings against the recipient, which will include a claim for costs, fees and interest.

## **8. Data protection**

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- 8.1. The Council will keep the information you give us both on computer and paper records and treat it as confidential and will not pass it on to any unauthorised person however it may pass on some of the information to meet legal or welfare needs.
- 8.2. The Council is under a duty to protect the public funds it administers and to this end may use the information you have provided for the prevention and detection of fraud. It may also share this information with other bodies responsible for auditing or administering public funds for these purposes.

## Direct payment client agreement

This agreement sets out the responsibilities and obligations of:

Bedford Borough Council and:

Service User Name .....

Service User ID .....

Address .....

Contact No .....

Email .....

DOB .....

### **Under this agreement you agree that:**

- You will use the Direct Payment to purchase the support set out in your care and support plan.
- You agree to the terms and conditions set out in the information pack provided.
- You will provide proof of expenditure for the support you purchase.

### **Personal Assistants –**

If you employ or intend to employ a personal assistant, by signing this agreement you are confirming that you understand and accept your statutory responsibilities as an employer, this includes keeping up to date with any changes to employment law.

### **Will the Service User be managing their own Direct Payment?**

Yes, I will manage the Direct Payment on my own – **go to Section 4**

Yes, but with support by a nominee – **go to Section 2**

No, the Direct Payment will be managed by a third party – **go to Section 3**

## Section 2

**If you would like a person to act as a nominee to help and support you to manage the Direct Payment, please provide their details below:**

Name of Nominee .....

Relationship to Service User .....

Signature of Nominee .....

Date .....

Address of Nominee .....

.....

.....

Telephone .....

Email .....

**Once this section is complete, go to Section 4**

### Section 3

**If you are unable to manage your account please give details of the person (third party) whom you want to receive and manage the Direct Payment on your behalf:**

Name of third party .....

Address of third party .....

.....

.....

Relationship to Service User .....

Telephone .....

Email .....

Legal status – Power of Attorney, Deputy, Other (please specify)

.....

Once this section is complete, go to Section 4



## Section 4

**I consent to receive Direct Payments and confirm that I understand and will comply with the terms and conditions of this agreement set out by Bedford Borough Council.**

Name of Direct Payment recipient: .....

Signature of Direct Payment recipient: .....

Date: .....

If the person understands the terms and conditions of the Direct Payment but cannot sign because of their disability, please mark in the box below:

Witness Name: .....

Witness Signature: .....

## Finding out more

If you would like further copies, a large-print copy or information about us and our services, please telephone or write to us at our address below.

Për Informacion

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Informacja

برای اطلاع

Za Informacije

Per Informazione

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