

Putting Residents First



LONDON BOROUGH OF
HARROW

Personalised Adult & Child Social Care

Direct Payments Policy

2026/2027

Policy Versions			
Version	Policy	Date	Notes
V 4.1	Personal Budgets in Harrow	2012	Original Version
V 5.0	Direct Payment Policy	2018	Updated in line with Care Act 2014
V 5.1	Direct Payment Policy	2020	Updated in line with current Direct Payment process
V 5.2	Direct Payment Policy	2021	Removed references to PayPal
V5.3	Direct Payment Policy	2026	Updated in line with current Direct Payment process

Contents

1	Background	4
2	Statutory Framework	4
3	Introduction	5
	Equality and Diversity	5
4	Eligibility	5
5	Using Direct Payments	6
6	Consent and capacity	7
7	Receipt and payment of direct payments	10
	Payments.....	10
	Client contribution	11
	Carer Payments.....	12
	Payments by integrated care board (ICB) (Health)	12
	Reporting changes	13
	Information and advice.....	13
	Personal Assistants.....	13
	Self Employed Personal Assistants.....	15
	Support through Providers.....	15
	Short breaks	16
	Equipment.....	16
8	Direct Payment Exclusions	16
9	Safeguarding and DBS checks	17
10	Reviews	17
11	Financial Monitoring & Audit	18
	Monitoring client contribution (Adults only)	19
	Queries and Missing Financial Monitoring Information	20
	Incorrect Spending of Direct Payment Money.....	20

Reclaiming Unspent or Excess Money	21
Temporary and Permanent stops.....	210
Hospital Stays	22
Leaving the borough or the UK	23
12 Complaints	23
13 Core Offer - Direct Payment	24
Monitoring of Core Offer Direct Payment Funding.....	26
14 Supporting Documents and Policies:	27

1 Background

London Borough of Harrow (LBH) has been a longstanding champion of the personalisation agenda across both Children and Young People with Disabilities (CYPD) and Adult Social Care. LBH is committed to ensuring that people of all ages—children, young people, adults, and their families—can access personalised support that promotes independence, wellbeing and choice.

Personal Budgets have been central to this approach, enabling citizens and families to have greater flexibility and control over how their assessed needs are met. Whether support is arranged for a **child or young person** through an Education, Health and Care Plan (EHCP), or for an **adult** through a Care & Support Plan, Personal Budgets provide a consistent mechanism for tailoring support to individual outcomes.

Under the Care Act 2014, Children Act 1989, and the Children and Families Act 2014, LBH has statutory duties to offer Personal Budgets to eligible citizens and families, and to work collaboratively with them to plan their care and support.

Direct Payments are one of the ways in which Personal Budgets can be accessed. They allow **children, young people, adults, and parents/carers** to arrange support in a flexible and personalised manner, provided that the assessed needs and required outcomes can be met in this way.

This document sets out LBH's Direct Payments policy¹ in line with sections 31-33 of the Care Act 2014, the Care and Support (Direct Payments) Regulations 2014, Children and Families Act 2014 and Children Act 1989. It provides guidance for **citizens of all ages, their families, carers, and** LBH staff on requesting, managing, and reviewing Direct Payments.

2 Statutory Framework

- 2.1 Direct Payments in addition to personal budgets and personalised care planning legislation, is set out in the Care Act 2014, Care and Support Statutory Guidance, Care and Support (Direct Payments) Regulations 2014, Section 117 (2C) of the Mental Health Act 1983, Section 17-A of Children Act 1989, and Section 2 Chronically Sick and Disabled Persons Act 1970. Sections 31 to 33 and Schedule 4 of the Care Act 2014 provide the legal framework for direct payments, along with the Care and Support (Direct Payments) Regulations 2014.
- 2.2 This Policy is based on LBH's application of the relevant legislation, and government guidance. It outlines LBH's statutory duties to provide care and support services to its citizens in relation to:
 - The Care Act 2014

¹ Personal Budgets in Harrow 2012

- Care and Support (Direct Payments) Regulations 2014
- Care and Support Statutory Guidance issued with the Care Act 2014
- Section 117(2C) of the Mental Health Act 1983
- Mental Capacity Act 2005
- Chronically Sick and Disabled Persons Act 1970
- National Health Service Act 2006
- Equality Act 2010
- Children Act 1989
- Children and Families Act 2014

3 Introduction

- 3.1 Direct Payment is a monetary payment given to a citizen or their representative from their Personal Budget to be spent on the care and support needs outlined in their agreed Care & Support Plan. This enables the citizen to choose how and when they receive services instead of LBH arranging services on their behalf.
- 3.2 In this policy Direct Payments are those payments that are made by LBH Adult Social Care or Children' Services. It can be paid either into a dedicated bank account or authorised nominated representative that can be an individual or an organisation.
- 3.3 LBH is responsible for ensuring that citizens can make informed decisions about the suitability and uses of Direct Payment, including providing support and guidance around using and managing the payment appropriately.

Equality and Diversity

- 3.4 LBH is committed to ensuring fair and equitable access to services for all citizens regardless of a citizen's socio-economic status or protective characteristic including; age, gender, disability, race, religion or belief, sexual orientation, gender reassignment, marriage and civil partnership, or pregnancy and maternity.
- 3.5 LBH promotes inclusivity and will consult with citizens who are likely to experience discrimination or disadvantage; ensuring that their needs are incorporated into planning and delivery of services. The Policies and procedures will continuously be reviewed to ensure non-discriminatory practice is at the centre of planning.

4 Eligibility

- 4.1 Direct Payments give children, young people, adults and carers more choice, control and flexibility over how their support needs are met. LBH is committed to empowering citizens to live independently, stay connected, and choose the support that works best for them. If eligible, Direct Payments can be requested from LBH by citizens residing in the borough.
- 4.2 Direct Payments are available to a wide range of citizens, including:

4.2.1 Adults & Young People (18+)

- Adults and young people with a disability
- Parents or adults with disabilities who also have caring responsibilities for a child
- Citizen with parental responsibility for a child who has a disability
- Carers aged 18+ with eligible needs in their own right.
- Elderly people who need community care services

4.2.2 Children under the Age of 18

- Children under the Age of 18 with a disability
- Children or young people receiving Disability Living Allowance (DLA) or Personal Independence Payment (PIP) at the middle or higher rate

- 4.3 The request can be made by the citizen or their representative at any time through the allocated practitioner or by making contact through Access Harrow or MASH Team. All requests for Direct Payments will be considered by LBH.
- 4.4 A Direct Payment must be an appropriate way to meet the needs and outcomes set out in the citizen's Care & Support Plan. The allocated practitioner must ensure that the citizen is fully informed of the processes involved in arranging and receiving Direct Payments.
- 4.5 Citizens that agree to receive Direct Payments including carers will need to sign a Direct Payments agreement. Where a request to receive Direct Payments has been refused, the citizen will receive a full explanation in writing and be made aware of how to appeal the decision through LBH's complaints² process.

5 Using Direct Payments

- 5.1 Direct Payments must be used to meet the outcomes agreed within the individual's Care & Support Plan or Education, Health and Care Plan (EHCP). They are intended to enable children, young people, adults and carers to access support in a flexible, personalised and outcome-focused
- 5.2 Direct Payments are designed to promote independence, wellbeing and choice. They should be used flexibly, creatively and without unnecessary restrictions, provided the expenditure clearly meets the assessed needs and agreed outcomes for the individual as identified in the Care and Support plan
- 5.3 In line with the Care Act 2014, Children Act 1989, Children and Families Act 2014, and the Care and Support (Direct Payments) Regulations 2014, Direct Payments may be used across all age groups for a wide range of support. Examples include, but are not limited to:

² See section 12 for further details

- Employing a Personal Assistant (PA) or purchasing support from an approved agency/provider
 - Short breaks or play / youth / respite activities where these are included in the support plan
 - Support with developing independent living skills, communication, personal care, or home-based support
 - Attendance at day provision or equivalent structured opportunities appropriate to the age and needs of the citizen
- 5.4 Cash withdrawals are not permitted. All Direct Payment expenditure must be made via online transfer, and spending must be clearly evidenced through bank statements, invoices, or receipts, as outlined in Section 11.
- 5.5 If a citizen (or their representative) wishes to use Direct Payments for anything not currently included in the Care & Support Plan or EHCP, they must contact their allocated practitioner/care manager/social worker. They will review whether the request:
- Meets the assessed needs and outcomes,
 - Complies with the regulations governing Direct Payments, and
 - Requires an update to the support plan.
- 5.6 Requests may be declined where the proposed use is not consistent with assessed needs or statutory requirements
- 5.7 If a citizen (or their representative) wishes to use Direct Payments for support required during a holiday (abroad or within the UK), prior approval from LBH is required. LBH may authorise the use of Direct Payments to fund eligible Care and Support needs that arise while the citizen is on holiday. Direct Payments must not be used to pay for general holiday costs, including travel, accommodation, or any other personal holiday expenses for the citizen or their carer.

6 Consent and capacity

- 6.1 Eligible citizens must consent to receiving their support through Direct Payments. LBH must ensure that all citizens are provided with clear information, advice and guidance so they can make an informed decision about whether Direct Payments are the right option for them
- 6.2 LBH will always begin with the presumption that every citizen has capacity to make decisions about Direct Payments. A mental capacity assessment will only be carried out where there is a reason to doubt the person's ability to understand, consent to, or manage Direct Payments. Direct Payments can only be made where LBH is satisfied that the citizen has the capacity to consent, or where an authorised person is acting on their behalf in line with Section 6.4.

- 6.3 Where there is reason to doubt a citizen's capacity, an assessment will be completed in line with the Mental Capacity Act 2005. This will consider whether the person can understand the relevant information, retain it long enough to make a decision, weigh it as part of the decision-making process, and communicate their decision in any way. LBH will ensure that all reasonable steps are taken to support the person to make their own decision before concluding that they lack capacity.
- 6.4 Where the citizen or parent/guardian of a child has capacity to make a request for direct payments to cover some or all their care needs, LBH will ensure that all of the following conditions are satisfied before granting a request for Direct Payments:
- LBH is not prohibited in law from meeting the citizen's needs by making direct payments to the citizen or parent/guardian of a child or nominated person;
 - LBH is satisfied that the citizen or parent/guardian of a child or nominated person can manage direct payments either by themselves, or with whatever help LBH thinks the citizen or parent/guardian of a child or nominated person will be able to access; and
 - LBH is satisfied that making direct payments to the citizen or parent/guardian of a child or nominated person is an appropriate way to meet the needs in question.
- 6.5 Where a citizen assessed as having eligible care and support needs is found to be lacking capacity to request Direct Payments, an authorised person can request them on the citizen's behalf. The authorised person is someone who consents to managing the Direct Payment for a person who lacks capacity under the Mental Health Act 2005. The authorised person may be the parent/guardian, spouse, civil partner, partner, close relative (or spouse or partner of a close relative), friend involved in the provision of care of the person lacking capacity or an independent broker or a solicitor acting as a professional deputy. The authorised person must have a lasting power of attorney or be a court appointed deputy appointed by the Court of Protection.
- 6.6 The authorised person will be considered suitable if:
- LBH is satisfied that the authorised person will act in the citizen or parent/guardian of a child's best interests in arranging for the provision of the care and support for which the Direct Payments under this section would be used.
 - LBH is satisfied that the authorised person is capable of managing Direct Payments by himself or herself, or with whatever help the authority thinks the authorised person will be able to access
 - LBH is satisfied that making Direct Payments to the authorised person is an appropriate way to meet the needs of the citizen
 - Where the person is not authorised under the Mental Capacity Act 2005 to make personal welfare decisions for the citizen, but there is at least one person who is so authorised under the 2005 Act, that person who is authorised must support the person's request; and

LBH is not otherwise prohibited from meeting the citizen's needs by making Direct Payments to the authorised person.

- Where the authorised person is not a direct family member, a DBS check becomes mandatory. LBH will fund the DBS check for that authorised person, as a further protective measure for the person lacking capacity. (See further details in Section 9 about DBS.)

6.7 The Authorised Person may also be required to obtain:

- Personal budget management training from a suitable agency which provides such training.
- Lasting power of attorney where the adult currently has capacity.

6.8 The authorised person should be included in the care and support planning stages and receive information, advice and guidance as per what the citizen would receive. They will also need to sign the Direct Payment/Personal Budget agreement to receive and manage the money on behalf of the citizen.

6.9 Citizens who have capacity but do not wish to take on the responsibilities of managing the direct payment can nominate a person to do this on their behalf.

In this case the nominated person:

- Will need to sign the Direct Payment/Personal Budget agreement to receive and manage the money on behalf of the citizen and will be prone to the same checks as an authorised person.
- The nominated person will receive information regarding LBH's direct payments processes, as well as information and advice on using and managing the direct payment to help the nominated person understand their legal obligations to act in the best interests of the person requiring care and support

6.10 The capacity to consent should be reviewed at regular intervals (during every scheduled review of the care package) to take into consideration fluctuation in mental capacity and to ensure that citizens have maximum control over decisions that affect them. The care and support plan should detail procedures to undertake when a person's Mental capacity changes.

6.11 If a citizen with capacity loses the capacity to consent and manage the payments whilst in receipt of Direct Payments, LBH will instead consider making the payments to an authorised person. Where the payments are received by a nominated person and the nominated person loses capacity the LBH will continue this arrangement on a temporary basis until an authorised person can be appointed.

6.12 Payments to the authorised person will cease if the supported citizen regains capacity on a long term or permanent basis depending on their instruction.

7 Receipt and payment of direct payments

- 7.1 All or part of a personal budget can be paid as a direct payment. Identifying the amount of direct payment required is an integral part of the support planning process.
- 7.2 The citizen or their nominated person will be responsible for receiving the direct payment as follows:
- If the recipient of the Direct Payment is the citizen eligible for care and support and they also manage the account and purchase of care services; then the recipient is solely responsible for meeting the terms and conditions of receiving the payment as set out in this policy, and the Direct Payments/Personal Budget agreement.
 - If the nominated person is acting on behalf of the citizen assessed as eligible for care and support and the citizen has the capacity to consent and agree to this arrangement.; then the nominated person will be responsible for meeting the terms and conditions of receiving the payment as set out in this policy, and the Direct Payments/Personal Budget agreement.
 - If the citizen assessed as eligible for care and support has been assessed as lacking capacity and an authorised person has been appointed to manage the account; then the authorised person is responsible for meeting the terms and conditions of receiving the payment as set out in this policy, and the Direct Payments/Personal Budget agreement.
 - The person receiving the direct payment and/or their nominated or authorised appointed person is entering into a contractual agreement with adult or children's services, it is important that they make sure they fully understand the terms of the agreement and what is involved.
- 7.3 The Direct payment/Personal Budget agreement should also be signed by Financial Representative or Next of Kin, who will be responsible for meeting the terms and conditions of agreement in the absence of the citizen requiring support or their nominated/authorised person.

Payments

- 7.4 Direct Payments can be paid in the following ways:
- **Regular direct payment** - This is a payment made monthly to the client.
 - **One-off payment** - This is a single lump sum payment to pay for items or services that will not need to be paid for again.
 - **Annual lump sum** - This is a payment that is paid once a year, every year, for example, employer's liability insurance.
 - **Advanced payment** - This is a single payment when the direct payments commence. It is to pay for something up-front in the first year but can be included in the regular payment in following year.

- 7.5 Most payments are paid monthly, (5 to 6 weeks in advance) and received around the 20th of every month. It is encouraged that for the first payment to include any annual lump sum or advanced payments such as employer liability insurance, etc and can be used for that agreed purpose. Thereafter the regular direct payments amount will be paid.
- 7.6 For **existing Direct Payment users**: The citizen/nominated person/parent/guardian must hold a separate bank or building society account specifically to receive their Direct Payment. The account should not be used for any other purpose than to receive Direct Payments and to pay for the assessed care needs, as defined in the care and support plan. The account will be monitored by LBH to ensure it is being used appropriately for Direct Payments only and as set out in the Care & Support plan. Existing users are encouraged to request to move to a prepaid card account. For **new Direct Payment users**: a virtual pre-paid card and associated account will normally be offered as the default method for receiving and managing Direct Payments. This system supports timely payments, simplifies monitoring, and reduces administrative burden. However, in line with statutory duties, LBH will offer alternative methods of managing Direct Payments where appropriate and where the citizen, parent/guardian or authorised person expresses a preference for a different arrangement. Any alternative option must still enable LBH to meet its responsibilities for audit, monitoring and safeguarding

Client contribution

- 7.7 All adults (18 and above) will need to undergo a means tested financial assessment³ of their assets, savings, and income to determine if they are required to contribute towards their care and support costs. The financial assessment and monitoring team will notify the citizen or their representative of how much their contribution is and how it will be collected.
- 7.8 The person responsible for managing the Direct Payment—whether the citizen, nominated person or authorised person—must ensure that any required financial contribution is paid towards the Direct Payment in accordance with LBH’s Adult Social Care Charging and Assessment of Resources Policy
- 7.9 LBH will pay the Direct Payment net of the citizen’s assessed contribution. The citizen or their representative must then pay their contribution into the Direct Payment account (or pre-paid card account) regularly to ensure there are sufficient funds to meet the agreed support.
- 7.10 Where a citizen receives part of their personal budget via direct payments and part through LBH-commissioned services, the assessed contribution will be deducted from the Direct Payment first. If the contribution exceeds the Direct Payment amount, no Direct Payment will be issued, and the remaining balance will be invoiced.

³ See Adult Social Care Charging and Assessment of Resource policy 2025-2026

- 7.11 The direct payment will not start until the citizen's financial assessment has been completed.
- 7.12 Charges cannot be applied to support provided under Section 117 of the Mental Health Act 1983 (aftercare). Therefore, Direct Payments issued in lieu of Section 117 aftercare services will **not** include any financial contribution.

Carer Payments

- 7.13 Unpaid carers who provide regular and substantial care may be eligible for a personal budget in their own right, subject to a carer's assessment. The carer can request to receive their personal budget via direct payments.
- 7.14 Carer direct payments can either be paid as one-off lump sum or as an ongoing payment paid monthly. For existing users, payment will be made into a designated bank account specific to receiving carer payments. For new users, a pre-paid card will normally be offered as the default method for receiving and managing the payment, as this supports timely payments and simplifies monitoring. However, alternative methods of managing the payment may be offered where appropriate and where the carer expresses a preference for a different arrangement, provided LBH can continue to meet its responsibilities for monitoring, audit and safeguarding
- 7.15 Financial contribution will be applied to both monthly and annual carer payments where the carer has an assessed charge. For annual lump-sum payments, the weekly assessed contribution will be used to calculate the amount to be deducted for the period the payment covers, and the carer will receive the balance net of their assessed contribution
- 7.16 Direct Payment must always be used to meet the specific outcomes agreed in the support plan; this may include:
- Management of stress or therapeutic services
 - Developing new work skills, to enable the return to or continuation of paid work alongside the caring role
 - Engaging in hobbies
 - Support with staying in touch with family and friends.
- 7.17 Carer Direct Payment cannot be used for items or purposes excluded under Section 8 of this policy. Where the person being cared for moves into long-term residential care, the carer's Direct Payment will end, and any surplus or overpayment must be repaid to LBH.

Payments by integrated care board (ICB) (Health)

- 7.18 Direct Payments can also be made by Health under S.12A of the National Health Service Act 2006. Where a person is also receiving direct payments for healthcare, the LBH must take reasonable steps to co-ordinate its direct payment systems and processes to minimise the administrative or other burdens it places on the citizen or authorised person. Therefore, direct payment offered by LBH Adult Social Care may be

combined, by agreement, with the direct payment offered by Health via the Personal Health Budget.

Reporting changes

- 7.19 The London Borough of Harrow must be notified, in writing, if there are any changes to the citizen's, carer's, financial representative or authorised person's details such as name, address or bank details.
- 7.20 In the event of death of the citizen in receipt of direct payment or someone acting on their behalf, it is essential that the LBH is notified as soon as possible. Any accrued direct payments must be paid back to LBH and cannot be considered as part of the citizen's estate. The financial representative or the next of kin will be responsible for returning any accrued payment and /or the surplus in the citizen's direct payment account

Information and advice

- 7.21 Information, advice and guidance will be provided to all citizens that are eligible for social care or have an education, health and social care need, detailing what support is available to enable them to manage the Direct Payment. During the assessment of needs, support planning and review, all practitioners will make citizens aware of how to access advice and support services.
- 7.22 Information, advice and support relating to Direct Payments is available to the public through LBH's website (<https://www.harrow.gov.uk/adult-social-care/direct-payments-social-care/2>), and through voluntary organisations such as Harrow Association of Disabled people and Age UK Harrow.
- 7.23 It is the responsibility of LBH to use public funds responsibly and to curtail overspending on Social Care; therefore, citizen's may be referred to charity organisations or community centres which can fulfil their assessed needs without relying on Direct Payments.

Personal Assistants

- 7.24 Where a citizen/nominated person/parent/guardian chooses to employ a Personal Assistant to help them meet their/cared for person/child support needs, the citizen/nominated person/parent/guardian will take on the responsibilities of an employer. All employment arrangements must adhere to employment legislation. LBH does not take on any responsibilities or liabilities for this arrangement.
- 7.25 Citizens are encouraged to get employment advice and support to help them set up and maintain their employment relationships. Reasonable costs relating to this can be paid from the personal budget. Care Manager/Social workers should ensure that citizens have the appropriate help, advice and information to enable the citizen to choose the right support for them.

- 7.26 A written contract of employment is required to be signed by both the Direct Payment recipient or their authorised/nominated person and the Personal Assistant (PA), within two months of commencement of employment. The contract should outline the terms and conditions of the Personal Assistant's work including all the statutory entitlements (e.g. Holiday pay, maternity leave) and the job description.
- 7.27 Citizen or Parent/Guardian of a child or authorised person (Acting as an Employer) should consider opportunities for continued professional development for their PAs. Training and advice are available through Harrow Association of Disabled People (www.had.org.uk)
- 7.28 The supported citizen will need to be aware of their responsibility as an employer to ensure PA's use safe moving and handling methods. LBH recommends that PA's have training on safe practices. In some circumstances, citizen moving and handling instruction may also be provided by occupational therapists.
- 7.29 PAs have the same employment rights as any other employed person and therefore may be entitled to redundancy payments if their employment comes to an end. This means that the employer is responsible for arranging and paying this. Redundancy may be due to any employees who qualify and whose contract comes to an end. This does not include dismissal or staff resignations. Expert employment advice should always be sought to calculate redundancy allowance.
- 7.30 When a redundancy payment is due, it should be paid from the personal budget/direct payment and needs to be considered at the support planning stage.
- 7.31 Anyone who employs PAs must ensure that they have the appropriate employment and public liability insurance cover before any employee begins work.
- 7.32 It is the citizen/nominated person/parent/guardian's responsibility to ensure that they are fully covered. This should be evidenced in the support plan along with any related cost. The cost of insurance can be covered by the personal budget/direct payment and can be paid as a lump sum, in advance, if required.
- 7.33 Social Workers are not expected to check the detail of the insurance policy; however, they should ensure the person fully understands the relevance of having such insurance.
- 7.34 Insurance usually needs to be renewed annually. Payments to meet the costs can be made from the personal budget/direct payment at the renewal of each year.
- 7.35 Employers must build in contingency arrangements into their support plan in case they need to purchase any extra support due to unforeseen events.
- 7.36 Employers must ensure that any care purchased over and above the approved care plan must be covered by the employer from their own sources.

- 7.37 The nominated/ authorised person cannot also be employed by the supported citizen as a Personal Assistant.
- 7.38 LBH will maintain a “Duty of Care” and will seek emergency cover arrangements if necessary. Access Harrow or Emergency out of Hours contact details will be given to the Direct Payment recipient/nominated person/parent/guardian. If planned cover arrangements breakdown, a practitioner/social worker/care manager may be allocated to provide support to make alternative arrangements. Brokerage can be accessed by Direct Payments recipients to assist them to find cover where arrangements breakdown.

Self Employed Personal Assistants

- 7.39 It may be possible to purchase the services of a self-employed PA. This may be advantageous for people who do not wish to enter into an employment arrangement. Anyone looking to procure services from a self-employed PA must receive the person’s unique reference number from Her Majesty Revenues and Customs (HMRC) to prove that they have been granted self-employed status in a suitable capacity. It is strongly recommended that a written agreement which covers what is expected by the two parties is drawn up and that the self-employed person’s insurance documents are checked.
- 7.40 LBH retains the right to check that any self-employed PA is registered with the HMRC and holds Liability Insurance. Please note that our advice from the HMRC is that it is rare for a PA to be considered self-employed due to the nature of the role: for example, the PA needs to be available at the employer’s discretion rather than as a self-employed person who specifies their availability.
- 7.41 It is the responsibility of the employer to ensure that the personal assistant has permission to work in the United Kingdom. The employer can be sent to jail for 5 years and pay an unlimited fine if they are found guilty of employing someone who they knew or had ‘reasonable cause to believe’ did not have the right to work in the UK. An employer can also be penalised if they employ someone who does not have a right to work and they did not do the correct checks. If this happens the employer may receive a civil penalty notice of up to £20,000.00 for each illegal worker.
- 7.42 The LBH strongly recommends that the citizen or nominated person/representative/guardian use the “[Employer Checking Service](https://www.gov.uk/employee-immigration-employment-status)” by visiting (<https://www.gov.uk/employee-immigration-employment-status>)” to make sure that the PA has permission/right to work in the UK.

Support through Providers

- 7.43 If a citizen chooses to buy support from a support provider, it is strongly recommended that the citizen uses a provider registered with Care Quality Commission (CQC). When the support is for ‘regulated activity’, i.e. personal care, then the provider must be CQC registered.

- 7.44 The 'Care Place' website (www.careplace.org.uk) can assist citizens with selecting services to meet their Care and Support needs by enabling them to create their own support plan and source suitable providers. LBH can advise and help citizens purchase the right support to meet their needs. Citizen/representative can contact LBH at 02089012680 or via email at ahadults@harrow.gov.uk

Short breaks

- 7.45 Direct Payments can be used to fund a short stay in a registered care setting (e.g. care home) if included in the citizens' Care and Support Plan and provided the stay doesn't exceed a period of four consecutive weeks in any (rolling) 12-month period. The break between stays in a care home needs to be more than four weeks in order for it not to count as a single stay.
- 7.46 Where a single stay is more than four consecutive weeks in total or is two or more periods separated by less than four weeks which added together total four weeks, the Direct Payment cannot be used to pay for any more care home services until 12 months have passed from the start of the four-week period. It may be possible to arrange care for additional weeks in a care home if the four-week maximum has been reached, but only through other means beside a direct payment, e.g. commissioned services. Please contact LBH to get help via email or phone (details in 7.44)
- 7.47 A Direct Payment cannot be used to fund a long-term stay in a care home.

Equipment

- 7.48 Direct Payments should not be used for the purchase of equipment to aid daily living for adults or children. Occupational Therapists and Rehabilitation Officers should give advice about how to purchase equipment.

8 Direct Payment Exclusions

- 8.1 Direct Payments **cannot** be used:
- To employ a spouse, partner or other close relative, as the Direct Payments recipient unless agreed in extenuating circumstances where LBH is satisfied that it is the only option that will meet the persons' needs, or if the person needing care is a child and it is necessary in order to ensure the child's welfare and wellbeing.
 - To pay the person who is responsible for managing the Direct Payments account.
 - For anything which is not detailed in the care and support plan or Education, Health and Social Care Plan.
 - For any personal contributions resulting from a financial assessment, such as the person's financial contribution towards their care and support, telecare charges, or personal contribution for any short term/permanent care in a residential/nursing home.
 - To fund personal daily living costs, debt repayment, investments, gambling or for any illegal purpose.

- By citizens subject to a court order for a drug or alcohol treatment or similar programmes regardless of their capacity to consent and as stipulated in Schedule 1 of the Care and Support (Direct Payments) Regulations
- Long term residential/nursing care as set out in section 7
- Equipment as set out in section 7
- For the purchase of toiletries, pads, cosmetics, creams or groceries etc even if it is required for personal care
- To pay for funerals or any other unauthorised costs.
- For any Cash Purchases including Cash Payments to Carer/Agency
- Tuition for Educational/Academic purposes including Online Learning
- Health related therapies (i.e. Physiotherapy etc.)
- Property adaptations
- Toys or computer equipment (unless approved by LBH and made part of the support plan)
- For anything which has not been agreed or recorded under the support plan.

Please contact LBH if you are in doubt or need clarity

- 8.2 Where direct payments have been used for unauthorised items or expenditure or is above authorised budget, the responsible citizen/nominated person/parent/guardian of child will be liable to refund this money back to the LBH.

9 Safeguarding and DBS checks

- 9.1 The care and Support (Direct Payments) Regulations require DBS checks for anyone (Personal Assistant/Carer/tutor/trainer etc) providing a service obtained through a direct payment. LBH must be satisfied that the provision of Direct Payments will not worsen safeguarding concerns.
- 9.2 Where a citizen/nominated person/representative/parent/guardian of a child chooses to employ Personal Assistants as Carer/tutor/trainer etc, a DBS check is mandatory and must be carried out before taking on a prospective PA and where a DBS has not yet been completed, LBH may provide interim alternative support arrangements if necessary
- 9.3 LBH has a duty to safeguard and promote the welfare of a child. Therefore, where a Personal Assistant as Carer/tutor/trainer etc (employed or self-employed) will be working and there are children under the age of 16 years, an **Enhanced DBS is mandatory** and must be carried out before taking on a prospective PA and where this Enhanced DBS has not yet been completed, LBH may provide interim alternative support arrangements if necessary .
- 9.4 Where a citizen/family/nominated person/parent/guardian of a child has chosen a self-employed provider (i.e. a music teacher, drum lessons instructor, horse riding trainer etc) and working with child(ren), an Enhanced DBS check for that individual/instructor/teacher/trainer is mandatory.

- 9.5 When a DBS check does not come back clear, LBH will consider if it is appropriate for the PA as carer/tutor/instructor etc to take up employment. This decision will be taken in conjunction with the citizen; however, the ultimate decision on whether to make direct payments to employ that specific PA remains with LBH.
- 9.6 Where the authorised person is not a direct family member, a DBS check becomes mandatory. LBH will fund the DBS check for that authorised person, as a further protective measure for the person lacking capacity.
- 9.7 The costs of these DBS checks can be funded from the personal budget/Direct Payment only if they have been employed by the citizen/representative/parent. However, if PA is self-employed, then that carer/PA/tutor etc will be required to cover the cost from their own source
- 9.8 These DBS checks must be carried out through an umbrella organisation.

10. Reviews

- 10.1 The Direct Payment may be reviewed within the first six months of making the first payment, and at least every 12 months thereafter. Reviews will concentrate on whether agreed outcomes were achieved and what did or did not work well.
- 10.2 The review will include a discussion with the citizen about how their direct payment has worked for them. Prior to the review the social worker/Care manager/practitioner will contact the Financial Assessment & Monitoring/Direct Payment team to provide the last monitoring summary on how the direct payments have been spent.
- 10.3 As part of the annual review of the citizen's care and support needs, LBH will confirm whether the Direct Payment account (including pre-paid card accounts) contains the agreed contingency amount. If the full contingency is in place, it will roll forward into the next year. If the contingency is lower than required, a top-up may be provided where appropriate. Any decision regarding contingency levels will be based on the outcomes of the care and support review
- 10.4 Also, as part of the annual review of the citizen's care and support needs, LBH will also confirm whether any annual lump-sum payments or previously agreed advanced payments remain appropriate for the following year. Where required, these payments will be built into the revised Direct Payment amount following the review.
- 10.5 LBH will keep a record of the outcome of each review and provide a copy to all relevant parties. Where the citizen, nominated person or authorised representative is acting as an employer, LBH will consider, as part of the annual review, whether employer responsibilities are being met—including PAYE submissions to HMRC, payment of tax and National Insurance, and other statutory duties. Any checks carried out will be proportionate and based on the findings of the annual needs review

11. Financial Monitoring and Audit

- 11.1 Citizens who choose to receive their personal budgets via direct payments take on the responsibility of meeting LBH's financial monitoring process. The citizen or the nominated representative is liable to provide the monitoring information whenever requested by LBH.
- 11.2 The financial monitoring process checks that the direct payment is being spent appropriately and in line with support agreed through the support plan sign off record or within agreed parameters for flexible spending.
- 11.3 Citizens who receive direct payments are required to keep financial records relating to their direct payment spending. LBH has the right to request information as and when required including but not limited to; bank statements, invoices, receipts, employee contracts and pay details and other records evidencing how the money is spent.
- 11.4 Financial monitoring information can be submitted electronically via email, online, prepaid card account or by post.
- 11.5 Citizens can submit their financial monitoring information in their own preferred format as long as all the necessary information is supplied. However, we anticipate the majority to use the electronic system, and this is encouraged
- 11.6 The citizen/nominated person/parent/guardian of a child is required to submit financial monitoring information on quarterly basis. LBH may, at its discretion, reduce the monitoring requirements for citizens that have been managing direct payments without issues for a long period of time.
- 11.7 Information including original bank statements, receipts, payroll information, invoices, employee contracts etc. must be kept by the citizen/representative for a minimum of six years, which is a standard requirement of HMRC. LBH can request to see this information at any time.
- 11.8 When a citizen/representative does not comply with LBH's financial monitoring procedures (including a failure to provide or complete the requested monitoring information) it could result in the direct payments being stopped. In such case an alternative support arrangement may be put in place to meet the needs of the citizen i.e. the personal budget may be changed from Direct Payments to a Commissioned service. In such circumstances, LBH will ask the citizen to repay part or all of the funds where no evidence is provided to the satisfaction of LBH

Monitoring of client contribution (Adults only)

- 11.9 As part of the financial monitoring process LBH will check that citizens who are required to make a financial contribution towards their care are making the payments into the dedicated account.

- 11.10 Where the citizen or their authorised/nominated person is not paying their financial contributions, and instead off-setting the charge by reducing their planned care package, then the Direct Payment/Financial Assessment & Monitoring team will refer the citizen for review. In such case the citizen will be considered as having chosen to reduce their level of care. The Care manager will then be required to assess the risks to the citizen and if no significant risks are identified, the Direct Payment amount will be reduced to reflect the lower level of support the citizen now requires.
- 11.11 If non-payment of assessed contributions continues then the suitability of continuation of the Direct Payment will be considered by care management which will result in suspension or termination of the Direct Payment. Any outstanding client contribution will be considered as an overpayment and will be subject to debt recovery processes.
- 11.12 The citizen should be aware that LBH takes no responsibility for any shortfalls in money because the citizen/nominated person/representative has not paid their financially assessed contribution.

Queries and Missing Financial Monitoring Information

- 11.13 The Financial Assessment & Monitoring team deal with any queries relating to the financial monitoring information which has or has not been supplied regarding adult (Above 18) citizen. For Children, a Direct Payment officer will deal with queries. They will work with the citizen to resolve any queries or to obtain missing information. The relevant teams have a structured procedure outlining the steps and time frame for receiving information. However, if every step has been exhausted, or if contact with the citizen/nominated person has been impossible, intervention from the social work team will be necessary. This is because LBH must meet its duty of care to the citizen and ensure appropriate spending of public monies. The Financial Assessment & Monitoring team and Direct Payment Team will liaise with the Social Worker to ensure the person is safe while accounting for their direct payment or if necessary, make alternative arrangements for the personal budget to be managed.

Incorrect Spending of Direct Payment Money

- 11.14 Where it appears that money has been spent outside of personal budget spending guidelines or approved plan, the respective teams will attempt to contact the citizen/nominated person. They will inform them of LBH's intention to invoice and/or ask for further clarity on the spending. A 14day deadline will be given for the person or their nominated representative to respond.
- 11.15 When a response is received, the respective teams will decide if the expenditure was outside of the personal budget spending guidelines. Where it is not clear if it has been spent on support or the person's outcomes, social work advice will be sought. If evident that money has been misspent the respective team will liaise with the Finance department to raise an invoice to recover the funds from the citizen/nominated person/guardian

- 11.16 Members of the Financial Assessment & Monitoring team and Direct Payment Team can attend any planned visits to the citizen to discuss financial monitoring.
- 11.17 Where it appears that false information has been submitted, or there is intentional misuse of direct payments, or a repeated failure to provide monitoring information, the matter will be referred to the Corporate Anti-Fraud Team (CAFT) and/or the Police for further investigation.
- 11.18 Deliberate misuse of funds may result in legal proceedings being taken against the citizens responsible for managing the budget and/or those responsible for the misuse. These proceedings may involve criminal action for misuse contrary to the Fraud Act 2006 and/or civil recovery action.

Reclaiming Unspent or Excess Money

- 11.19 The citizen may use their direct payment flexibly and there is no expectation that the same amount of support or money is spent each week or month. Details of the flexibility should be stated and agreed in the support plan. However, there are some limits in terms of holding maximum excess money. The person may hold up to four weeks' worth of their regular direct payment amount plus any agreed contingency. LBH will look at each case individually and seek to claim back anything over this amount. LBH reserves the right to reclaim the full amount.
- 11.20 Where money has built up over the allowed threshold or there is misuse/unauthorised use or the Cash Personal Budget/Direct Payment has ended and there is an overpayment in the account, the respective team will contact the citizen or their nominated/authorised representative and arrange for this money to be reclaimed. In the absence of such individual, the Next of Kin/executor/administrator will be contacted and will be responsible for arranging the repayment.
- 11.21 As part of this process the Direct Payment and/or Financial Assessment & Monitoring team will make sure that this money is not required for any outstanding bills or planned support. If it is not, or there has been no response to this enquiry, an invoice will be raised to claim this money from the citizen/nominated person. All invoices will be processed in line with LBH's financial management procedures, including debt collection for non-payment of invoices.

Temporary and Permanent stops

- 11.22 When a direct payment needs to stop temporarily due to holidays/hospital admission etc, citizen/nominated person is required to inform LBH. Where LBH identified misuse/unauthorised use of direct payment, LBH can suspend the payments too until satisfied. Before the payment is temporarily stopped the consequences of doing so should be considered. Employment relationships and notice periods on support should be taken into account.

- 11.23 When the direct payment is ready to re-start the citizen/representative should inform LBH. LBH may decide to complete a review (Specially if care is care is suspended for more than 6 weeks) and re-start the payments as soon as possible
- 11.24 A Direct Payment will end under the following circumstance(s):
- The citizen is no longer eligible for care and support services.
 - Direct Payment is no longer a suitable method of meeting their care and support needs.
 - The citizen has passed away.
 - The citizen has moved out of the borough of Harrow or has moved to a residential placement.
 - The citizen has chosen to end the Direct Payment.
 - The citizen or their authorised/nominated person has misused or mismanaged the Direct Payment, and a decision is made by LBH that a Direct Payment is no longer a suitable option.
 - There is an overpayment on the account.
 - The citizen is fully funded by Health CCG.
 - A citizen who had capacity, permanently loses capacity to consent. The LBH will discontinue direct payments to the citizen and consider making payments to an authorised person instead. In the interim, the LBH will make alternative arrangements to ensure continuity of support for the citizen.
- 11.25 Where a Direct payment is to be ended, the LBH will discuss this with the citizen or their nominated/suitable representative or next of kin. The citizen or their nominated/suitable representative or next of kin may then give notice to any employed workers and calculate any outstanding bills. The LBH can support the citizen with this process.
- 11.26 To permanently close a direct, citizen/nominated person/representative will be required to submit final monitoring and repay any surplus/overpayment to LBH. The citizen/nominated person/representative must pay any outstanding support bills from the personal budget and follow redundancy procedures where necessary. The Financial Assessment & Monitoring team/Direct Payment Team will then collect final financial monitoring information and any unspent money.
- 11.27 A direct payment can be suspended temporarily or ended permanently, if the citizen/nominated person/representative failed to provide the monitoring record within the specified time and to the satisfaction of the LBH. 11.22 & 11.23 must be considered for temporary/permanent closure of Direct Payment. In such circumstances, LBH may ask citizen to repay part or all the funds where no evidence is provided to the satisfaction of LBH

Hospital Stays

- 11.28 Citizens admitted to hospital for 1 week or less can continue to receive Direct Payments. This is to ensure that any employment arrangements can be maintained, and support required following discharge from hospital does not break down.
- 11.29 Where a hospital stay is longer than 1 week, the LBH will explore with the Citizen, their carer and the NHS the options to ensure that both the health, care and support needs of the Citizen are being fully met in the best way possible. However, a temporary suspension of payment will be applied until the citizen is discharged from hospital. If a PA is employed, whilst in hospital, care cannot be provided in the hospital by them and payments for this will not be authorised.
- 11.30 Where hospital stays exceed 4 weeks, but it is known that services will need to resume following discharge, or, where the support purchased via the direct payment needs to continue during the hospital stay, direct payments can continue at the discretion of the LBH.
- 11.31 During the hospital stay the direct payment can continue however, the citizen's benefit entitlement may change and affect their ability to make the assessed financial contribution. The citizen may ask for a re-assessment of their ability to pay a contribution towards their support. For further details please see the LBH's Adult Social Care Charging and Assessment of Resources Framework 2025-2026.

Leaving the borough or the UK

- 11.32 Where a client moves out of borough, a one-off payment of up to six weekly payments net of client contribution may be made to cover the transition period.
- 11.33 If a Citizen is going abroad, they should notify LBH social services team by calling at 02089012680 or via email at ahadults@harrow.gov.uk. Failure to inform may result in suspension or termination of the Direct Payment and any overpayment will be recovered accordingly. Direct Payments for time spent abroad will not normally be authorised, except where prior approval has been given in line with section 5.7 (Use of Direct Payments).
- 11.34 It is not allowed to use Direct Payments to pay for support or employ staff based in another country due to differences in tax and health and safety regulations.

12 Complaints

- 12.1 LBH will take all reasonable steps to resolve appeals or dispute through effective care and support planning, and transparency in the direct payment process.
- 12.2 If the citizen remains dissatisfied about any action or decision within this process, they have the right to make a formal complaint. Direct payment recipients should be made aware of the LBH's Complaints Procedure, as outlined in the LBH's Corporate Complaint's policy.

- 12.3 LBH encourages recipients to directly resolve any difficulties with employees/agency. Should the problems persist, they can contact Access Harrow for support and guidance.
- 12.4 If a citizen in receipt of Direct Payments needs support to appeal or complain they should be referred to the appropriate advocacy service.

13 Core Offer – Direct Payment (Under 18 only)

- 13.1 The Core Offer is a discretionary fund, subject to the annual budget review of the LBH, to enable families with children with disabilities to access services, without the need for a Social Care Assessment. Short Breaks form part of a range of services provided by the Children and Young People with Disabilities (CYAD) Service. The team works with children and young people up to 25 years old. Short breaks provide the child or young person with the opportunity to take part in fun and exciting activities; and for their parent/carer to also have a break from care giving so that they can spend more time with other family members, pursue their own interests either educationally or socially or just take time to relax.

Short breaks can take place within or away from their home, after school, at the weekend, during school holidays or overnight. Regular short breaks can contribute to building resilience in families.

The Core Offer is currently set at £1,235 per financial year, which runs from April to the following March. Payments are made on a pro-rata basis.

- 13.2 Who is eligible for Core Offer?

The Core Offer is available only to children and young people aged 0–17 years who meet all of the following criteria:

Resident in the London Borough of Harrow
In receipt of DLA (middle or higher rate) or PIP

- 13.3 Young people aged 18–25 are not eligible for the Core Offer. Support for this age group is delivered through other CYAD pathways, where they are assessed as appropriate.

- 13.4 Families can apply for the Core Offer by contacting the MASH Team

- Telephone: 020 8901 2690
- Email: duty.assess@harrow.gov.uk

- 13.5 The Core Offer should be used to purchase support and activities for children with disabilities in a family, that will meet their social care needs or respite. Parents/Carers can use the money to purchase meaningful activities for the child and supervise themselves, or they can:

- Pay for supervised activities, such as swimming, music lessons etc.
- Pay for a child to attend a supervised playscheme/club at weekends, before or after school or during school holidays
- Use commissioned services as part of the Short Breaks Scheme
- Pay for carer via an agency or directly employ someone to offer care and support for a child

13.6 The Core Offer can be used as explained in 13.4. Unless approved by LBH, it cannot be used for any other purpose. Some of the unacceptable uses are below:

- Any cash purchases
- Food
- Activities at school or during normal school hours
- Online learning (i.e. Tuition /Coaching)
- Toys or computer equipment
- Fares to get to and from activities
- Entrance fees for days out/cinema
- Family holidays Activities overseas
- Health related therapies
- Property adaptations

Please contact Core-Offer team at Core-Offer@harrow.gov.uk if unsure about any expenses. Any expense which is not authorised is subject to recovery or adjustment in next payment.

How to apply for a Core Offer

13.7 If a child has not received this service in the past or is not in receipt of this service from LBH, they will be required to contact the MASH team on 020 8901 2690. If they had received this service in the past or currently in receipt, they need to contact core offer team via email at Core-Offer@harrow.gov.uk

13.8 Before any payments or services can be provided, the parent/carer/guardian, as the nominated person, must complete the Core Offer online training and view the accompanying guidance video. The Core Offer Direct Payment will normally be provided via a pre-paid card, which is the default method for receiving and managing the funds. This supports timely payments, clear audit trails and reduces administrative requirements. Where a pre-paid card is not appropriate, LBH may agree an alternative method of payment. Any alternative must enable LBH to meet its responsibilities for monitoring, audit and safeguarding.

13.9 If the Core Offer Direct Payment is requested at the start of the financial year in April, the amount provided will be £1,235, subject to completed application with satisfactory evidence/supporting documents received within due time. Payments are

processed from the date of complete documents received and not the date of first submission.

- 13.10 The nominated person will be required to complete and return the application form with appropriate evidence no later than 2 weeks from the date of the letter/contact by the Core-Offer Team (Direct Payment). The Core Offer – Direct Payment Team is available to answer any queries or to request assistance in completing the form via email at Core-Offer@harrow.gov.uk
- 13.11 Should the nominated person fail to provide the required information within 4 weeks after the contact has been made, LBH will close the application, and a fresh application would be required
- 13.12 Payments are calculated pro-rata. For any citizen who takes up the Core Offer during the year, they will be paid the number of months left in the financial year from the date of acceptance of application with required documents.
- 13.13 For example, an initial application was made in April, but LBH received the full completed application with satisfactory documents in June, they will not be paid the full year amount. They will receive payment equivalent to ten months (£1029.17). Another example is, if satisfactory documents are received in August, the citizen will receive payment equivalent to eight months (£823.33)

Monitoring of Core Offer Direct Payment Funding

If Core Offer is paid via Direct Payment, the following is applicable.

- 13.14 The financial year starts from 1st of April to 31st of March of the following year and the nominated person is required to complete the Core Offer Direct Payment Monitoring Form and submit it by the due date (Last Friday of the April in new financial year), with all the supporting documents and evidence of the spending that has occurred in the year.
- 13.15 Failure to send in the monitoring form by the due date, with the required documents, will result in the claim being delayed; and payment for the following year will be suspended.
- 13.16 Parent/Guardian/nominated person is liable to repay LBH any amount of funding for which they cannot produce evidence of appropriate use.
- 13.17 LBH will reclaim any excess unused amount in the account over and above £100.
- 13.18 If there are circumstances that prevent a family managing a Core Offer Direct Payment, the LBH can arrange third part (i.e. Harrow Association of Disabled People, HAD) to manage the funds.

- 13.19 Supporting documents must be provided in accordance with the guideline provided (Please see Appendix “AAAA” (i.e. invoices must have all the required information about carer and cared for person, Enhanced DBS check for self-employed carer and/or private instructor/trainer, Business information for privately run activities etc)
- 13.20 Parent/Guardian/nominated person are required to obtain a copy of Enhanced DBS from all PA’s and privately arranged instructors/trainer which is valid and within 3 months of the start of activity/care/PA role. Please see details under DBS section 9
- 13.21 Parent/Guardian/nominated person are required to obtain Unique Tax Reference (UTR) from all Self-Employed PA’ and instructors/trainers
- 13.22 Parent/Guardian/nominated person are required to obtain a copy of the liability insurance from self-employed PA’s and privately arranged activity providers including any self-employed tutor/instructor which is valid during the period of activity
- 13.23 All the payments to be made from Core Offer account. Any payments made from any other account will not be accepted and parent/guardian/representative will not be able to claim those expenses

14. Supporting Documents and Policies:

This Policy must also be read in conjunction with the following documents and policies:

- Charging and Assessment of Resources Framework Policy 2025-2026
- Travel Assistance policy for Children and young people (0-25) living in Harrow
- Transport Policy for Adults Living in Harrow
- Corporate Debt Recovery Policy