



Gofal Cymdeithasol **Cymru**
Social Care **Wales**

What are direct payments?

First published: 19 March 2019

Last updated: 25 September 2022

This document was downloaded from socialcare.wales and may not be the latest version.

Go to <https://socialcare.wales/resources-guidance/improving-care-and-support/care-and-support-at-home/what-are-direct-payments> for the latest version.

Find out what direct payments are, what they can be used to achieve, and how people can use them

An introduction to direct payments

Direct payments are a way that local authorities can help to meet individual's eligible need for care and support, or a carer's need for support.

They are a way for people to arrange their own care and support.

Direct payments are not a form of income but are paid specifically to buy services or equipment. This means they don't affect benefit entitlement or income tax.

Direct payments are intended to improve choice, control and independence for people.

Individuals can work with the local authority to decide how their care and support needs will be met using direct payments.

They can decide who provides that support and control how, where and when it is delivered.

What does Welsh legislation say about direct payments?

[The Social Services and Well-being \(Wales\) Act 2014](#) underpins the use of direct payments.

There are four key principles of this Act:

- Voice and control - putting the individual and their needs, at the centre of their care, and giving them a voice in, and control over reaching the outcomes that help them achieve well-being
- Prevention and early intervention - increasing preventative services within the community to minimise the escalation of critical need
- Well-being - supporting people to achieve their own well-being and measuring the success of care and support
- Co-production - encouraging individuals to become more involved in the design and delivery of support plans as well as wider policy or service development.

According to the [Code of Practice \(Part 4 - Meeting Needs\) of the Social Services and Well-being \(Wales\) Act 2014](#), local authorities must consider direct payments as an integral part of meeting people's needs through care and support planning and must not regard them as a separate, secondary consideration.

Who can receive direct payments?

Direct payments are suitable for a wide range of people who have been assessed as eligible for social care services, including:

- Adults of any age with an eligible care and support need
- Carers aged 16 or over who need support
- People with parental responsibility for a disabled child.

Direct payments can't be made purely to meet a person's healthcare needs, unless this is secondary to doing something else to meet their needs.

There are some cases where an individual may not be eligible for direct payments, such as those with a court order relating to drug or alcohol dependency.

Appointing a ‘suitable person’ if the individual lacks capacity

If a person wants to receive direct payments but lacks the capacity to consent under the [Mental Capacity Act 2005](#), a ‘suitable person’ may be appointed to receive direct payment on their behalf.

If the local authority considers the suitable person to have the individual’s best interests at heart, they must provide direct payments to them.

The suitable person must be willing and capable of managing direct payments (on their own or with support).

They must also understand their responsibilities for making arrangements to obtain care and support.

In most cases the suitable person will be a close friend or family member involved in the care and support of the individual.

Whatever the relationship, the local authority must put the best interests of the person lacking capacity above all other considerations.

Suitable persons are appointed in the following order of priority:

- someone who has been awarded Lasting Power of Attorney (LPA) (but not just a financial LPA on its own)

- someone who has been appointed a deputy for the person using care and support by the Court of Protection under section 16 of the Mental Capacity Act 2005
- someone who the local authority themselves agree is suitable to act as a suitable person
- someone who offers to act as a suitable person and who the local authority considers is acting in the best interests of the person lacking capacity
- someone employed by an organisation or third party appointed by a local authority to act as a suitable person.

The local authority must ensure the suitable person understands what is involved in managing direct payments and must give them information and support to achieve this.

Just like when an individual receives direct payments on their own behalf, the suitable person can [access support to help them manage direct payments](#).

[Part 4 Code of Practice for the Social Services and Well-being Act \(Wales\) covers 'suitable persons'](#)

How do people receive direct payments?

A practitioner such as a social worker will have a conversation with the person or carer about what is important to them, and about their strengths and their needs.

This is known as a ['what matters' conversation](#) and is part of an assessment about whether a person has needs that are eligible for care and support from

the local authority.

Individuals have a right to access [support from an independent professional advocate to help participate fully in the assessment process](#).

If the individual has eligible needs, they would work with the social worker to develop a care and support plan.

The practitioner should talk through direct payments as an option and discuss how they could work for the individual or carer.

If an individual chooses to receive direct payments they will agree with their local authority how the money will be used to meet their assessed needs.

The practitioner should review the support package with the individual to make sure it's working or if it needs changes.

The review should be no more than six months after the first payment is made and no more than 12 months following the first review.

We want your feedback

Help us to improve the Direct payments resource by telling us what you think about it in our short [four question survey](#).