Havering
LONDON BOROUGH



Managing Your Care through Direct Payments Guide for Service Users 2025

Contents

1.	Introduction	
2.	What are direct payments?	
3.	Who can have a direct payment?	
4.	How can I receive a direct payment?	
5.	How much will I receive?	
6.	What will be included in my direct payment?	
7.	What can I spend my direct payment on?	
8.	What can I not spend my direct payment on?	
9.	Will my direct payment affect my benefits?	
10.	What if I have to make a financial contribution towards my care?	
11.	What are my responsibilities when using a direct payment?	8
12.	What are Havering Council's responsibilities?	8
13.	What happens once I choose to have a direct payment?	9
14.	What happens if I fail to comply with the direct payment agreement?	9
15.	Ending a direct payment agreement?	10
16.	Employing someone using a direct payment?	10
17.	Prepaid accounts	11
18.	Legislations	14
19.	Compliments and complaints	14
		14

1. Introduction

Havering Council aspires for residents to live independent and fulfilling lives based on choices important to them. Being independent means having the ability to control your day-to-day life, including how your care and support are provided. One of the ways we enable you to do this is through a personal budget via direct payments.

The money you receive via direct payments can be used to buy the services you need to meet your care and support needs, or to help make life easier for you if you are a carer. This booklet provides information and advice regarding direct payments and aims to give you the information you need to decide whether a direct payment is right for you.

2. What are direct payments?

Direct payments are payments made to individuals with care and support needs or carers eligible for support. This can include the parent of a child who has care and support needs. The money you receive can be spent on things that help meet your needs, as agreed in your support plan. How your direct payment works will vary depending on whether you are receiving a direct payment due to care and support needs or because you are a carer.

3. Who can have a direct payment?

To get access to a direct payment, you must be over the age of 16 and have had a care assessment by social services to determine that you are eligible for support.

There are two types of direct payments you can receive:

- You have care and support needs or are the parent of a child who has care and support needs
- You are a carer

Receiving a direct payment for care and support needs

You may be eligible for a direct payment because you have:

- Needs because of the effects of getting older

Someone who has been assessed and is eligible for support may not have the capacity to consent to receive or manage a direct payment. However, a suitable person can decide or agree to manage the direct payment on their behalf. If you cannot nominate an appropriate person, the local authority can assist in finding a suitable person for you.

If you need help making decisions about the care and support you receive, and if no one is appropriate to represent you, you can get help from an independent advocate.

Receiving a direct payment because you are a carer

If you are a carer, you may be eligible to receive a carer's direct payment that you can spend on things that make caring easier for you.

A carer is someone who looks after a relative or friend who, because of age, physical or other disability, cannot manage at home without help. The type of care they may provide ranges from personal care – such as toileting, washing and feeding – to domestic work – such as visiting, shopping and carrying out housework. They can live in the same household or separate from the person they care for. Carers are not to be confused with paid care workers, personal assistants, shared lives carers or volunteer carers.

If you are a carer, you are entitled to an assessment from the local authority about what you need to continue caring for and maintaining a life outside your caring role. You can have an assessment as a carer even if the person you care for does not receive support from the local authority. A carer who has identified care and support needs cannot receive a direct payment and a carer's direct payment simultaneously.



4. How can I receive a direct payment?

To receive a direct payment, Havering Council will set up a pre-paid account for you. A pre-paid account has your direct payment money paid into it every four weeks, 13 times a year. You can choose the best option for you in how your pre-paid account is managed.

You can:

Manage your direct payment yourself

You can have your direct payment paid directly into the pre-paid account that you manage yourself. If you are managing your direct payment yourself, you will be given a card for your account that you can use to make payments.

Nominate someone to manage your direct payment for you

If you are unable to manage your direct payment yourself, you can nominate a person to look after your account for you. To do this, Havering Council will set up a pre-paid account

in the nominated person's name for them to manage payments on your behalf. The nominated person will be given a card for the account that they can use to make payments. Your pre-paid account will enable you to pay for services online, over the phone or via card payments using a card machine.

Have a payroll agency manage your direct payment for you

If you do not wish to manage your direct payments yourself, they can be paid to a payroll agency that will manage the payments on your behalf. There is a cost for this service, which the money in your direct payment will cover. Your payroll agency will not be issued with a card for the account as they will not need one to make payments.

5. How much will I receive?

The amount of money you receive will depend on your care and support needs that have been assessed with your social worker. The amount of money you will receive in your direct payment will vary according to your:

- Individual assessment
- Needs and eligibility
- Unmet eligible needs
- Professional judgment
- Or how your needs could be met by other means

If you are a carer, the amount you receive will also vary according to your needs and eligibility.

6. What will be included in my direct payment?

Your direct payment money will include money to pay for:

- Assessed needs
- Administrative costs or accounting requirements
- Recruiting and training your personal assistant, if you choose to have one
- Cover holiday/sickness pay for your personal assistant, if you choose to have one, and to arrange alternative support at these times.

7. What can I spend my direct payments on?

How you can spend your direct payment money will depend on your situation and what your assessed needs are. Your needs will be identified as part of your assessment with your social worker and written into a support plan that is unique to you.

Direct payments for care and support needs

If you have care and support needs, your assessment may mean that your direct payment can be used to:

- Pay for support to help you at home
- Employ a personal assistant
- Pay for small equipment to help you
- Pay for you to attend some support groups, day centers or community activities
- Pay for certain transport to activities



Carers' direct payments

If you are a carer receiving a direct payment, you can use your payments on anything that helps make caring easier for you, as long as you do not spend them on items included on the what I cannot spend my direct payments on list.

8. What can I not spend my direct payments on?

Your direct payment can only be spent on things that will meet your assessed needs, as detailed in your support plan. If you spend a direct payment on something that does not meet your needs, the local authority can recover the money from you or discontinue your direct payment agreement.

Direct payments for care and support needs

You cannot spend your direct payment on:

- Food or alcohol
- Holidays Abroad or breaks that have already been taken
- Debt
- Relocation costs
- DVDs or CDs
- TVs or audio equipment
- Clothing
- Day to day transport costs such as taxis, buses, trains etc.
- Gambling (including bingo)

Carers direct payments

You cannot spend your direct payment on:

- Utility bills
- Alcohol
- Holidays Abroad or breaks that have already been taken
- Debt
- Relocation costs
- Gambling (including bingo)
- TVs or audio equipment
- Clothing
- White Goods
- Labour Costs for Tradesmen

9. Will my direct payment affect my benefits?

Direct payments you receive to meet your needs are not counted as 'income' and therefore do not affect your benefits. This applies to those who are a carer, a cared for person or someone receiving direct payments because they are eligible.

If you are a carer and the person you are looking after pays you using their direct payments, this would count as 'earnings' and might affect any benefits you get.

If you are paying someone using your direct payments, then this would count as 'earnings' for the person you are paying and might affect any benefits the person you are paying gets.

10. What if I have to make a financial contribution towards the cost of my care?

If you are receiving support from the local authority to meet your needs, you may have to make a financial contribution towards the cost of your care.

A financial assessment is carried out to determine whether you need to contribute to the cost or cover the full cost of your care. For more information about financial assessments visit:

https://www.havering.gov.uk/info/20015/adult_social_care/594/paying_for_care/6

If you have to contribute towards the cost of your care, you will be able to transfer payments directly into your direct payment pre-paid account. You can do this online, over the phone, or by contacting your own bank to set up a standing order.

11. What are my responsibilities when using a direct payment?

Once you have agreed to receive direct payments from the local authority, you will be accountable for the payments and will be required to meet certain duties and obligations.

You must:

1	Ensure that you have services to meet your needs when you need them.
2	Have a contingency plan or back up arrangement when the unexpected happens, or when things go wrong. This could be someone you can call in an emergency or, if you have a you with care when your personal assistant is unavailable.
3	Satisfy Havering Council that the payments are being spent on things that meet your assessed needs as detailed in your support plan.
	Keep financial records, including invoices and receipts, for six years as part of the evidence of your direct payment expenditure at any time for audit purposes.

12. What are Havering Council's responsibilities?

Havering Council has a duty to:



1	
2	Ensure that you are meeting your care needs as identified in your support plan. In
3	Provide you with services if you decide that you do not wish to pursue direct payments,
4	Ensure that your direct payment money is paid on the agreed regular basis into your
5	
6	Monitor your direct payment spend.

13. What happens once I choose to have a direct payment?

If you are eligible to have a direct payment, you will need to make a request to your local authority to have one set up for you. Once you have discussed having a direct payment from your local authority and have decided to have one, you will need to sign an agreement about the payments and how you will use them.

Before signing this agreement, you should have information about:

- The amount of money you will receive
- How you can meet your assessed needs using your direct payments
- The things you cannot use your direct payments for
- Where you can get help to arrange and manage your direct payments, if you need it

Once you have the information you need, you will be asked to sign an agreement about your direct payment where you agree to:

- The amount of money you will receive
- When your direct payments will start
- How your direct payments will be paid
- How you will use your direct payments

In this agreement, you will also be asked to detail your back up arrangements to cover contingencies and emergencies.

Once you have signed this agreement, the local authority will work with you in setting up your direct payment and will provide you with the support you need to get started.

14. What happens if I fail to comply with the direct payment agreement?

In line with Havering Council's responsibility to ensure that public funds are accounted for, the local authority may suspend or terminate direct payments if there has been any misuse of the spend.

If the local authority is not satisfied that the direct payment is being used to meet assessed needs, Havering Council can suspend a direct payment service at any time to investigate and will work with you on proceeding correctly with direct payments.

If the decision is taken to terminate direct payments, the local authority will provide you with four weeks' notice.

15. Ending a direct payment agreement?

If you have a direct payment agreement, you or the local authority can end the service at any time. The local authority will end a direct payment agreement if:

1	You or your representative no longer agrees to receive a direct payment. The direct payment recipient can give the Council four weeks' notice if they wish to end the direct payment agreement.
2	You are no longer entitled to social care support from Havering Council.
3	You or your representative/s has not kept to the terms and conditions of the direct payments contract and agreement.
4	The local authority believes you can no longer manage the direct payment effectively to meet your needs, and no suitable assistance is available to help you to do so.
5	If misappropriation of funds is suspected and, following investigation, the local authority may demand for the misappropriate funds to be repaid.
6	If the local authority believes that you or your carer are no longer suitable to receive and manage a direct payment.
7	If it has become apparent that the direct payment has not been used to achieve the outcomes detailed in the Care and Support Plan
8	If personal contributions are not paid (if applicable)

If your direct payment agreement is terminated by either yourself or the local authority, Havering Council has a duty to arrange and deliver care via alternative arrangements such as commissioned services.

16. Employing someone using direct payments

If you choose to employ someone to meet your care needs and pay them using your direct payment money, there are some things you need to consider.

You can use the money to employ:

- Someone you have interviewed and is suitable for the role of a personal assistant.
- Someone you have employed as a live-in carer.
- Someone from a care agency to help support you.

Using your direct payment money, you cannot employ:

- Your partner, except in exceptional circumstances, which will need to be agreed with the local authority.
- Anyone living in the same household as you, except in exceptional circumstances, which will need to be agreed with the local authority.



Everyone experiences life differently and has care and support needs that are unique to them. It is important to choose the right care for you based on your situation and your own individual personal needs.

If you choose to have a personal assistant, you will need to think about what support you need from them and what qualities and experiences they should have.

If you choose to employ your own personal assistant, you will have employer and legal responsibilities that you need to be aware of. You will need to ensure that you treat the people you employ fairly and in accordance with the law. It is important that you fulfil all legal employer responsibilities so you do not break the law or breach your own safety or that of others.

For more information on employing a PA, please refer to the Personal Assistant Guide for Service Users information booklet or visit:

https://www.havering.gov.uk/info/20015/adult_social_care/612/help_at_home/2

17. Pre-paid accounts

What is a pre-paid account?

A pre-paid account is similar to a standard bank account and will come with a card. The pre-paid account is loaded with your direct payment money from the Council every four weeks. You can use the card to pay for your care and support and items that meet your needs, as identified in your support plan.

The card works just like any other debit card. This means that it can be used for payments in person, over the phone or online. It also means you can set up standing orders from your pre-paid account to pay for the care and support you need on a regular basis.

What are the benefits of the pre-paid account?

By having a pre-paid account, you will no longer need to submit quarterly spend forms, receipts or invoices to the Council, as long as you do not withdraw cash from your pre-paid account. This is so we can see your spend online, making it easier for us to monitor your direct payment spend and reduce paper submissions.

Having a pre-paid account will also make it easier for you to track your spend and manage your finances. You are able to be notified by text or email when there is activity in your account and view your spend online.

Do I have to have a pre-paid account in order to receive my direct payment?

We will set up a prepaid account for anyone who receives a direct payment. You can manage the account yourself or you can have a payroll agency or someone you trust manage your direct payment for you if you chose to. In exceptional circumstances only, you may be able to receive your direct payment without a pre-paid account.

How can I use the pre-paid account?

Similar to a standard bank card, you can use the pre-paid account to make online payments, telephone payments and payments in person using a card reader.

Are there any fees for using my pre-paid account?

There is no charge for you to have a direct payment pre-paid account. However, you will be charged a fee of £5.00 to replace any lost pre-paid card.

What if I try to spend more than what's in my pre-paid account?

If you try to spend more money than you have in your pre-paid account, your card will be declined and the transaction will fail.

Will my pre-paid account have a credit limit?

No, there is no credit limit on your pre-paid account. You will only be able to spend the amount of money that is in your pre-paid account. You will not be able to spend any more money than is allocated to you.

If I pay a financial contribution, can I pay this into my pre-paid account?

If you contribute towards the cost of your care, you will be able to transfer payments directly into your pre-paid account online. You can do this online, over the phone, by setting up a standing order or by contacting your own bank.

Can I withdraw cash from an ATM using my card?

You cannot withdraw cash from an ATM using your card. If you think you will need to use cash in order to pay for your care and support, you will need to discuss your circumstances with the direct payments team at the Council.

Will I have to keep my receipts?

We strongly advise that you keep hold of your invoices and receipts for up to six years as HM Revenue and Customs may request it. The Council may also request evidence of transactions that are not compliant with what is in your care and support plan or during a Council audit.

When will I get my new card and pre-paid account details?

You will receive your new card and account details in the post after you have signed your direct payment agreement with the local authority. You will receive instructions on how to activate your pin number when you receive your new card and pre-paid account details.

Will my card ever expire?

You can find the expiry date on the front of your card. The Council will request renewal of your card prior to the end of the month in which they are due to expire. However, if you have not received a new card one week into the following month, you can email the direct payments team to check. Once you card has renewed, any balance remaining on the card will be transferred to the new one before it is sent to you.

What should I do if my card is lost or stolen?

If your card is lost or stolen, you should contact EML Payments Limited as soon as you notice the card is missing on 020 7127 6804. As mentioned above, you will have to pay a fee for a replacement card.

What should I do if I forget my pin number?

If you forget your pin number for your pre-paid account, you can call EML Payments Limited on 020 7127 6804 or by email to Directpayments@havering.gov.uk to have your pin number reset or given to you.



18. Legislation

The legislative context for Direct Payments is set out in Section 31-33, The Care Act 2014 and the Care and Support (Direct Payments) Regulations 2014.

https://www.legislation.gov.uk/ukpga/2014/23/part/1/crossheading/direct-payments/enacted

https://www.legislation.gov.uk/uksi/2014/2871/contents/made

19. Compliments and complaints

Havering Council's Complaints Policy and details can be found on the Council website below:

https://www.havering.gov.uk/info/20047/consultations_complaints_and_feedback/208/complaints

If you wish to praise a Council service or one of our staff on their good work, please visit the Council's website below to make a compliment:

https://www.havering.gov.uk/info/20047/consultations_complaints_and_compliments/209/compliments

20. Further information

For further information on direct payments, visit the Council's information and advice about care and support for adult's website below:

https://www.havering.gov.uk/info/20015/adult_social_care/594/paying_for_care/2

or you can email the Direct Payment team below:

directpayments@havering.gov.uk