

LGA/ADASS Covid19 Briefing Note – Financial Aspects of Direct Payments and support for Personal Assistants

Purpose of and background to this note

Nationally, there has already been considerable guidance and advice issued by Government, on the implications of the urgent emergency Covid19 measures taken and decisions made on expenditure – especially spending in support of care homes and other care providers - regardless of whether that extra expenditure is being incurred by Councils, the NHS, or jointly. LGA/ADASS have also recently issued a briefing note on adult social care service user income.

There is also government guidance and a set of frequently asked questions available to guide and support people in receipt of Direct Payments (DPs) and their Personal Assistants (PAs) through the Covid19 emergency period – see [DP FAQs](#) - these are being updated continuously.

Most recently, on 8th June the DHSC published [guidance to help people who buy care and support through a direct payment](#) to know how and when they can use the Coronavirus Job Retention Scheme to furlough employees during the coronavirus outbreak. The guidance includes examples of when direct payment holders may or may not choose to use the scheme.

However, based on feedback from councils and people holding Direct Payments it was felt it would also be helpful to bring together a briefing/advice note to cover the key financial aspects of DPs and support for PAs during this challenging period. The primary target audience for this note is local authorities, but people in receipt of DPs and their PAs may also find it useful to refer to.

There may also be important lessons about direct payments to be learned, collated and embedded into ongoing best practice beyond the Covid19 period, but the primary focus of this note is to share and promote good practice now.

Context

DP recipients effectively commission their own care and support and many are also employers. They may also of course be in the 'vulnerable' category due to age, disability or underlying health condition(s). PAs in many cases are their employees and are also understandably worried about their own health, how this may impact on others and their employment situation; they are an important part of the social care workforce and they may feel particularly isolated with Covid19 worries and infection prevention and control challenges.

We need to remind ourselves how significant Direct Payments are in the overall picture of adult social care and support. From nationally (England) published and validated data for 2018/19 (NHS Digital, Adult Social Care Activity and Finance 2018-19 report, 22nd October 2019):-

- Some 96,570 18-64 year olds and 53,090 people aged 65 and over received in full or part-received DPs, total 149,660. Furthermore, some 354,345 people (all ages) received

a managed personal budget (where the council holds the personal budget for the service user and commissions services on their behalf)

- Gross Expenditure. £1,237m was spent on DPs for 18-64 year olds (17% of the total spend on people in all settings, total £7,237m)
- £503m was spent on DPs for people aged 65 and over (7% of the total spend on people in all settings, total £7,407m) spent on 65+ DPs
- Or on average, approximately £145m per month spent on DPs overall
- Income from DP recipients. Unfortunately, the overall national service user/client income total of £2,920m is not broken down over care settings. Taking the overall 13.2% client income average “recovery” would suggest about £230m per annum income is collected to offset gross spend.

It is also important to note there are approximately 70,000 people employed as PAs across the country (Source: Skills for Care).

Headline messages for Councils to focus on

Since the middle of March, there have been a number of national emergency regulations and guidance that are just as relevant to DP holders, PAs and agencies “brokering” DP care and support as they are to other commissioners, providers and employees of adult social care. Attached as an appendix, with appropriate weblinks to key guidance, is a full list of the main issues and factors that we need to pay attention to in supporting people receiving DPs, and their PAs, during the Covid emergency.

Drawing from these, and focussing specifically on finance-related issues in prioritising DP holders and PAs, the headline messages for councils are:-

- Vital that DP funded services are prioritised locally and for LAs (and CCGs if relevant) to respond quickly and flexibly eg consideration to paying family members to provide care in temporary/emergency circumstances. People in receipt of DPs are of course more likely to be in the shielded groups
- Expectation that LAs, CCGs and DP holders will adopt the most flexible possible approach to the use of DPs, to keep people healthy, well and out of hospital
- Initial LGA/ADASS/CPA advice and principles on resilience during the Covid19 period (see weblink in the attached appendix) apply equally to direct payment recipients, and financial support should flow from these – need for trust and effective communications, business continuity, cash-flow consideration, sick pay, simple approach to later reconciliation of payments and their usage, flexible and support approach to workforce availability, rapid adjustments of support, and crucial importance of infection prevention and control arrangements (eg PPE supply and how to use)
- On sick pay specifically (PAs), a reminder that Government emergency support includes fact that SSP to be paid from day one of sickness to those affected by Covid19, as a temporary measure, and that PAs on zero-hour contracts may be entitled to SSP if average earnings are at least £118 per week – if not, there are eligible for Universal Credit and/or Contributory Employment and Support Allowance

- Be aware also of the DHSC's latest guidance on how and when people in receipt of DPs can furlough employees during the emergency period – see above link
- DPs, as far as possible, to be used as agreed in the care and support plan but if circumstances, eg staff absence, make this impossible, LAs need to be as flexible as they can be as regards the suspension of or how existing DP allocations can be spent
- Receipts and other evidence of spend to be retained
- Flexibility on unspent DP allocations and not seeking clawback
- Consideration of the provision of extra emergency payments or other support, on top of maintenance of existing DP payments
- Longer-term eg 2 months' and in advance, payments to DP holders to be considered
- LAs and CCGs to take a proportionate approach to reviewing how DPs have been spent and making sure DP holder are assured about this

Good practice examples to consider and follow

We have identified some examples of how individual LAs are supporting people in receipt of direct payments including:

- Mirroring the up-front payments made to other care providers, a 5-10% contingency advance payment added to DP holder budgets – to cover PPE, testing of PAs, etc – to cover up to 3 months' emergency period, or month by month, in advance
- Such payments to be based on contracted/planned budgets or spend
- Similar advance contingency payments to be made to DP "brokering" agencies, based on recent period averages
- Non-repayable one-off grant payments made to DP holders or on request
- Maintain DPs at existing rates, even if agreed services they were to be used on have been reduced but not cancelled, to enable alternative use
- Maintain payments to PAs even where the employer has had to curtail services to ensure continued availability of PA cover
- Sympathetic consideration of reasonable requests for increased DP payments – within a simple tolerance level eg a fixed percentage
- Sympathetic consideration for the temporary cessation of DP holder income contributions
- Specific PPE "packs" sent to all DP holders for their PAs and themselves
- A PPE pooled fund or central stock to help DP holders/PAs to acquire or purchase PPE where their normal supplies cannot supply
- Pools of self-employed PAs to deploy to support contingency arrangements
- Temporary extra investment in linked, key local micro-enterprises/voluntary and community sector organisations
- Continuing to pay DP transport costs to ensure supply remains in place through and beyond Covid19 period
- Temporary relaxation of DP usage regulations and procedures - including no clawbacks and more flexible, delayed reviews