

FACTSHEET 2 - MANAGING A DIRECT PAYMENT



There are different ways a Direct Payment can be managed, depending on how the person receiving it wants to do this. These are:

Self-Managed Direct Payment

A self-managed Direct Payment is managed by the person with care needs receiving it, provided they have capacity to agree to this.

They are responsible for organising and managing their care arrangements and meeting their care needs recorded in their support plan.

They receive the Direct Payment money and manage this, and are responsible for paying the costs incurred in meeting their care needs.

Nominated Person Direct Payment

In this example, the Direct Payment is managed by a person nominated by the person with care needs, provided they have capacity to do this and the nominated person has agreed to receive the payments.

This arrangement is suitable where the person with care needs can organise and manage their care arrangements but prefers not to manage the money themselves.

The nominated person is party to the Direct Payment agreement and is responsible for paying for the costs of the care received by the person with care needs. The person with care needs still has overall responsibility for their Direct Payment.

Authorised Person Direct Payment

Under section 32 of the Care Act 2014, an authorised person can request on behalf of an adult without capacity, a Direct Payment to meet some or all of the adult's care and support needs, by making payments to the authorised person.

The authorised person must be authorised under the Mental Capacity Act 2005 to make decisions about the adults needs for care and support.

For more information visit www.newham.gov.uk/directpayments

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They are responsible for organising and managing the care arrangements for the person with care needs and meeting the needs recorded in their support plan.

They receive the Direct Payment money and manage this, and are responsible for paying for the costs of the care received by the person with care needs.

Third Party Fund-Managed Direct Payment

In this example, a third-party organisation, not an individual, receives and manages the payments on behalf of the person with care needs.

This arrangement is suitable where the person with care needs can organise and manage their care needs but prefers not to manage the money themselves. An authorised person can also request this arrangement if they want to.

In some cases, the organisation receiving the Direct Payment also provides and manages the care arrangements of the person with care needs. This is sometimes referred to as an Individual Service Fund.

The person with care needs or the authorised person still has overall responsibility for their Direct Payment.

Council Managed Direct Payment

In certain cases, the Council can offer a Council Managed Direct Payment.

These are usually short-term, where the person with care needs or the authorised person wants some initial support from the Council while they become familiar in managing a Direct Payment themselves.

The person with care needs or the authorised person still has the responsibility to organise and manage the care arrangements, and meet the care needs recorded in the support plan.

For more information or advice, please contact our Direct Payments team.

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