

## **Direct Payments.**

### **Default DP from 'net' to 'gross'.**

#### **What is a NET DP and what is a GROSS DP?**

A 'net' Direct Payment means that RBK deduct your contributions before it is paid to you. A 'gross' Direct Payment means that RBK pays the full Direct Payment to you and charges contributions separately.

#### **Why is RBK changing the process?**

The majority of DP holders are already on this method. We want to make it consistent. Those that are already on gross DP will not see any change.

Although this is regarding how we deducted your contributions this decision was made by the social care team in order to better support you in the future.

#### **I don't understand why this is easier?**

Many DP holders find the process complicated to understand. This will affect people depending on their individual circumstances but in general the administration is reduced.

Reviews have found that DP holders spend a lot of time working out the remittance advice slips and adjusting contributions into the DP account. If DP holders don't pay in the correct amounts there is often a shortfall or overpayments that need to be adjusted.

RBK will do this for you resulting in an invoice/deduction for contributions separately. Allowing us to support you better and not having to worry about adjusting contributions or complicated calculations.

#### **It's not clear what funds I will get after contribution deductions, how will this change?**

You will receive the amount that is assessed and confirmed by your allocated worker. You can find this on your care and support plan. This will give you certainty that the amount agreed on their support plan is what they expect to receive. If you do not have a copy of your support plan please contact your allocated worker to request this.

#### **Who is responsible for monitoring?**

The DP monitoring process will be managed and monitored by your allocated workers. This should ideally be the same person who assessed, completed the support plan with you. If you don't know who this person is you can contact [ascdirectpayments@kingston.gov.uk](mailto:ascdirectpayments@kingston.gov.uk) or 0208 547 5005.

#### **How do you know this will work and make it easier for us to manage?**

The majority of DP holders are already on this method so it's not new to us. DP holders said that reviews take too long and more time is taken discussing finances. If you combine this with a DP account arranged by RBK reviews are much faster and significantly less discussions around monitoring is needed. This is proven by those that are on a gross DP and using a prepaid card. Why not give it a try and see the difference for yourself?

#### **What support will I get and what will I need to do?**

DP holders would be aware of RBKs Direct Payment officer either from previous support or correspondence. Melvyn Narraidoo will be supporting Social Workers and corresponding with the finance team during this process. He will also support you.

Once a date has been confirmed you will be notified and advised what you need to do. RBK will give you the option to pay contributions by invoice or if you prefer it can be deducted by

Direct Debit. Most people prefer contributions to be taken directly so there is less hassle to them.

### How DP holders feel about the 'net' DP process.

- If I don't pay in my contributions correctly into the DP account regularly there will be a shortfall of funds and risk of being short of money to pay for the support.
- If I decide to change to a managed service or have a mixed service (council arranged service and a DP) the process changes which is complicated.
- The remittance advice slips are complex and no one understands what it means especially when adjustments are made.
- Mixing the DP and contributions can cause some confusion when it comes to the council clawing back funds. If not understood DP holders feel the Council are taking their money.
- DP monitoring/ reviews are often delayed and take several weeks or months to complete because Social Workers have to wait for bank statements for monitoring and take a long time working out the figures.
- Backdated contributions may go back several years meaning the DP holder receives no money to pay support if the finance team takes it from next payments.

Process	Example NET (Contributions £50pw)	Example GROSS (Contributions £50pw)
Care needs assessment/review completed (Eligibility met)	Yes	Yes
Social Worker agrees support plan and Direct Payment funding (This is the exact costs of support agreed).	£250 per week	£250 per week
Financial Assessment/review completed	Yes	Yes
Letter sent by finance team	Yes - DP holders must then arrange standing orders with their bank/amend details if this has changed.	Yes- Letter advises what will be invoiced/taken by Direct Debit. Any changes are adjusted. Any queries can be discussed without affecting support.
RBK pays support	£200 per week x 4 weeks = £800 paid to DP holder	£250 per week x 4 weeks = £1000 paid to DP holder
Contributions	DP holder to pay £50 per week into DP account £200 4-weekly or £216.66 monthly as per letter from finance.	£50pw raised as an invoice on the billing run in arrears or taken by Direct Debit if preferred.
Review completed	6-8 weeks on the initial set up then either, monthly, 6	6-8 weeks on the initial set up then either, monthly, 6

	<b>monthly or annually depending on risks.</b>	<b>monthly or annually depending on risks.</b>
<i>Prepaid cards</i>	<b>Monitored periodically, any discrepancies are raised to allocated workers who will discuss with the DP holder. Quick reviews are routinely monitored however more time is required to ensure the correct amounts are paid in.</b>	<b>Monitored periodically, any discrepancies are raised to allocated workers who will discuss with the DP holder. Quick reviews as it's routinely monitored.</b>
<i>When contributions change.</i>	<b>DP holders need to adjust contribution payments by standing orders with their bank.</b>	<b>RBK sends a letter to advise and amend invoice or Direct Debit.</b>
<i>What happens to the Remittance Advice Slips (RAS) if my contributions change.</i>	<b>Adjustments made showing changes in contributions. This can be very confusing to DP holders who often ask for explanations.</b>	<b>RAS will not change if contributions change as it will only show the Direct Payments paid out.</b>

#### **What does RBK want to do to help DP holders?**

- Keep the DP funds and contributions separate to ensure better outcomes for the DP holder. Reducing overly complicated processes.
- Allow consistent practise and reduce complex monitoring/ adjustments.
- Make the process easier to understand for DP holders and RBK staff.
- Increase uptake of DP and confidence in discussing and encouraging DP.
- Ensure DP reviews are not delayed and can be reviewed on time.
- Better DP service delivered to DP holders that is less financially driven.

#### **Benefits to DP holders**

- Challenges around calculation can be reduced.
- Easier and more efficient way to calculate surplus and adjust contributions.
- Changes in contributions do not affect the ongoing support.
- Improve consistency and confidence DP holders have in their allocated workers.
- Won't be short of money in the DP account to pay for the support.
- DP holders can decide to change to a managed service or have a mixed service with a smoother transition.
- The remittance advice slips will be simple and easy to understand. (Paid in full, 4-weekly as per support plan).
- DP monitoring/ reviews can be alot faster especially if on a prepaid card where bank statements/paperwork is reduced.
- DP holders can pay contributions by invoice or direct debit to RBK, reducing the need to change standing orders or payments. Admin on DP holders reduced.

#### **When is RBK looking to do this?**

1. New DP requests are on this method. This prevents having to change it later.
2. Existing DP holders to change from June 2021 (Exact date TBC). This will allow RBK time to prepare and communicate further/support DP holders.

Any queries can be raised to [ascdirectpayment@kingston.gov.uk](mailto:ascdirectpayment@kingston.gov.uk)