

Direct payments in residential care

by Daniel Lombard

Direct payments have been extended to people living in residential care in England for the first time, in a pilot programme initiated by the Department of Health (DH).

The payments are one method of delivering personalisation, an approach towards public services where support is tailored to the needs and preferences of individual people, in order to promote independence through greater choice and control.

Direct payments, defined as a cash payment given to a person who has been assessed as having care and support needs, and being eligible for local authority support, have been available to people living in the community since the early 2000s. However, they haven't been adopted in long-term residential care.

A programme initiated by the DH gave care home residents in 14 local authority areas across England the opportunity to use direct payments. It was initially labelled a pilot, but was later renamed a trailblazer after the DH decided to extend direct payments in residential care nationally from 2016.

The local authority social services departments participating in the programme designed new models of direct payments which could be used by care home residents, either to pay for activities or to cover the whole of the care home fee.

The Policy Innovation Research Unit (PIRU), with a team of researchers from the Personal Social Services Research Unit at the London School of Economics and Political Science and the London School of Hygiene and Tropical Medicine, recently completed an **evaluation of the programme**. The evaluation, which was funded by DH, focused on three themes: the process of implementation; the outcomes for service users and other stakeholders; and the economic impact.

From early in the programme it became clear that implementing the models was proving challenging for several reasons summarised below.

By the end of the trailblazer programme in autumn 2015, after it had run for two years, only around 40 care home residents were receiving direct payments – less than 10% of the numbers anticipated by councils at the start. The low numbers limited the amount of data that the research team could collect and the analyses that they could produce.

Across all of the 14 sites:

- 350 direct payments were offered to service users in care homes
- 70 people accepted the offer but not all of them actually received a direct payment
- 40 care home residents were in receipt of a direct payment when the scheme ended but by March 2016 only 29 of them were still in receipt of a direct payment

The most common client group taking part in the direct payments scheme were older people, followed by adults with learning disabilities, people with physical disabilities, and those with mental health problems.

Although the number of people accepting a direct payment in residential care was lower than expected, the evaluation has produced some insights into the potential **benefits** and disadvantages of the programme.

Findings from 68 completed surveys provided by service users and family members showed direct payments were used in different ways by people taking part in the programme. The most common uses were activities taking place outside the care home (such as trips to an art gallery or garden centre), activities within the care home, and meals outside the care home. The levels of satisfaction reported by people receiving direct payments and their family members were generally high.

During interviews, service users and family members who accepted a direct payment said they felt empowered to make choices about how service users' needs are met. One relative of a person holding a direct payment commented:

“We know that the money is not tied to that particular care home. We have got flexibility. If there is a problem and we need to move [the service user] for whatever reason, then we could.”

Some relatives expressed views in interviews that using a direct payment made the care home fees more transparent to them, which improved their sense of confidence and control.

However, the results of the service user survey showed that, of the people who declined a direct payment, some were concerned that it would create additional work for them or their family. The most common reason for declining was that the people were happy with their current care arrangements.

In interviews, local government professionals involved in the programme described the process of setting up direct payments as lengthy and resource-intensive, requiring substantial co-ordination, co-operation and agreement between care home and council staff as well as service users and their families.

Some staff admitted that they lacked confidence to promote the scheme to others and many reported difficulties engaging care home providers.

Care home providers themselves, especially those who declined to participate in the trailblazer, said they were concerned it would risk the viability of their homes in the current financial climate. They also had concerns about whether direct payments would provide real benefits to residents and their families.

Next steps

The final report of the evaluation of the Direct Payments in Residential Care trailblazers will be published in early 2017. An [interim report](#) is available on the PIRU website.

The Department of Health announced in January 2016 that Direct Payments in Residential Care would be implemented nationally, but not before 2020 (four years later than originally planned).

About the author

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