

City of London Corporation Committee Report

Committee(s): Health and Social Care Scrutiny Committee – For Information	Dated: 29/10/2025
Subject: Adult Social Care Direct Payments	Public report: For Information Non-Public: Appendices
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes • provides statutory duties 	Diverse Engaged Communities Providing Excellent Services Care Act 2014
Does this proposal require extra revenue and/or capital spending?	N/A
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
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Summary

Direct payments provide independence, choice and control by enabling people to commission their own care and support in order to meet their eligible needs. An internal audit has been conducted regarding the effectiveness of the delivery and oversight of direct payments made to adults with care and support needs in the City of London (CoL). The internal audit report concluded that overall, substantial assurance is provided in respect of the control environment within the scope of the audit. The City of London Corporation also provides direct payments to eligible unpaid carers to support them in meeting their assessed outcomes.

Recommendation(s)

Members are asked to: Note the report.

Main Report

Background

1. Direct payments are monetary payments made to adults to meet some or all of their eligible care and support needs. The legislative context for direct payments is primarily set out in the Care Act 2014.
2. Direct payments provide independence, choice and control by enabling people to commission their own care and support in order to meet their eligible needs.
3. The Adult Social Care Self-Assessment, provided to the Care Quality Commission during their assessment process earlier this year, noted the take up rate of direct payments to be at 32%, highlighting the success of the CoL approach to promoting them as a preferred option to empower people to purchase their own care.
4. An internal audit (see Appendix 1 Non-Public) was completed in May 2025 which examined the control framework in respect of Direct Payments for Adults with care and support needs. The key objective of this audit was to provide assurance in respect of the adequacy and effectiveness of the framework for ensuring that assessment and award of Direct Payments is in line with appropriate policy, only valid payments are made, and there is effective monitoring and oversight to obtain assurance that care needs are being met on a continuing basis.
5. Unpaid carers of adults with care and support needs also receive direct payments, where eligible, to meet their assessed needs. This is in addition to the commissioned carers support service provided by Imago. The ASC Self-Assessment noted that 73% of Carers who are open to the service, receive a direct payment to meet their assessed needs.

Current Position

6. Adults with care and support needs have the option to self-manage their own direct payment either themselves or through their own representative. Alternatively, they can opt for a managed account via a City of London commissioned third-party provider. As of September 2025, 2 out of 23 adults were managing their own direct payment, demonstrating a strong preference, within the cohort, for the financial aspects of direct payments to be managed on their behalf while retaining the choice and control over their method of support.

7. Direct payments are offered to adults as an option for meeting their eligible needs following their assessment. The adult must have the mental capacity to understand and manage their direct payment or have an appropriate representative to manage it on their behalf. If an adult loses the capacity to manage their direct payments, then an authorised person might be able to manage them on their behalf. If this is not possible or there is evidence of mismanagement of their direct payment, then other options for receiving care and support will need to be considered.
8. A dedicated Direct Payment officer is employed to support and promote the understanding of direct payments along with their benefits. Working alongside social workers the Direct Payment officer supports adults in understanding the process and ongoing management of their payments, while monitoring and reviewing all account expenditure.
9. Direct payments for adults with care and support needs are often spent on direct care and support. For example, 6 out of 23 adults choose to use the money to purchase support from a home care agency of their choice, while 12 adults employ their own personal assistant to support them, others may choose a mix of both. This gives the adult more control in the way their needs are met, often based on culture, language and personal beliefs or interests.
10. Below is a list of examples of how direct payment are being used for adults with care and support needs. A detailed case example appears as Appendix 2 in the Non-public section.
 - Support to access the community
 - Support to attend a church or mosque
 - Gym membership or Personal Trainer
 - Home exercise equipment/subscriptions
 - Education and training courses
 - Support with communication and interpreting needs
11. The Direct Payments internal audit report concluded that overall, 'Substantial Assurance' is provided in respect of the control environment within the scope of the audit. Audit sample testing found that controls have been established and generally applied effectively in all areas examined.
12. While the audit found controls to be present and applied, recommendations were made to enhance their effectiveness in operation. These involved amendments to procedural documentation, an additional management verification on direct payment calculations, and increased clarity around recording actions from the direct payments monitoring meeting. All of these have since been actioned.
13. Direct payments to unpaid carers are usually made via a one-off payment sent directly to them following their assessment or review. The amount of their direct

payment will depend on the impact of their assessed need on the national eligibility outcomes and the support they need to improve these outcomes.

14. The use of carers direct payments differs for each individual but tends to focus on connecting to or experiencing things outside of the caring role along with improving physical and mental wellbeing. Examples are listed below while detailed case example appears as Appendix 3 in the Non-Public section.

- Yoga classes
- Gym Membership
- Holiday or break
- Socialising with friends
- Spa or Massage
- Laptop or internet connection
- Education and learning

15. All Direct Payments are subject to an annual review of their effectiveness in meeting the assessed outcomes of the adult. Where there are issues arising or added complexities this may be more frequent.

Options

None

Proposals

None

Key Data

16. There are currently 23 active direct payments for adults with care and support needs. The below tables show data on the management and delivery method of the direct payment.

Management of Direct Payment	Number of Adults
Third Party Managed Accounts	21
Self-managed Accounts	2

Method of Direct Payment	Number of Adults
Care Agency	6
Personal Assistant	12
Care Agency and Personal Assistant	2
No Care Agency or Personal Assistant	3

Corporate & Strategic Implications –

Strategic implications – This paper aligns to the corporate plan outcomes of Diverse Engaged Communities and Providing Excellent Services.

Financial implications – None. Direct Payments for adults with care and support needs are provided at an equivalent cost of alternative local authority managed support

Legal implications – The internal audit of direct payments offers substantial assurance around the City of London's provision of Direct Payments under the Care Act 2014

Risk implications - None

Equalities implications – Direct payments give control to adults with care and support needs in how their care is provided in line with their own personal choice and beliefs or values.

Climate implications - None

Security implications - None

Conclusion

17. There is a good level of take up for direct payments adults with care and support needs in the City of London. There is substantial assurance around the provision of direct payments and effective control systems are in place and applied. This enables adults to exercise more choice and control around the service they receive. Direct payments are also provided to unpaid carers to support them in meeting their assessed outcomes.

Appendices

- Appendix 1 – Internal Audit Direct Payments (Adults) Non-Public
- Appendix 2 – Direct Payment Case Example Non-Public
- Appendix 3 – Direct Payment Carer Case Example Non-Public

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