

Dear Sir/Madam

You have recently been approached by [insert name of direct payment recipient] who wants to open a new or second bank account.

They need to do so because they have decided to have a direct payment from [insert name of council]. A direct payment gives individuals money instead of social care services. The Council gives the individual the money so that they can arrange their own services.

A separate bank account is important as the money needs to be used for a particular purpose and information given to the council for audit purposes. It is not to be regarded as income. Please see the attached sheet for more information on direct payments.

The British Banking Association have agreed that this letter be used as evidence of capacity, following our assessment of [insert name of direct payment recipient] for a direct payment.

The [insert name of council] only provides services to people living within its boundaries and so can also confirm the address of [insert name of direct payment recipient] is [insert address].

If you have any queries about the contents of this letter, please contact [insert name and contact details of relevant person in council/support service]

Yours faithfully,

[Lead in council for direct payments]

cc. [insert name of direct payment recipient]

Information on direct payments [can be amended to reflect any local focus]

Direct payments give individuals money instead of social care services. The Council gives the individual the money so that they can arrange their own services. The law says that councils must offer this as an option for disabled people if they meet the qualifying criteria.

These direct payments are not a benefit and are different from the Department of Work and Pensions 'Direct Payment' which is a means of paying either benefits or a pension directly into an individual's bank account.

Direct payments are made by the council to the individual to purchase their own services. They are not a form of income and should not be regarded as such.

The council's direct payment recipients need to have a separate bank account to pay their direct payment into. This account must be separate from their existing current account for the council's auditing purposes.

The direct payment recipient may need support to manage their money and for this reason want to open a joint account with a nominated person. They will need a cheque book for this new account so they can pay for their care services.

Some people have no previous banking history or utility bills in their name. They may choose to give you ID in the form of a Citizen Card. Some people may have capacity to manage their bank account, but have a physical disability and consequently need a signature stamp.

Many disabled people have low incomes and some may have a poor credit rating. However, an account for direct payments cannot be used for personal expenditure and will have a guaranteed income every month from the local authority involved.

The Disability Discrimination Act requires you to make reasonable adjustments for disabled people, and to treat disabled people equally and fairly regarding access to goods and services.

The British Banking Association has agreed with the Department of Health and the Association of Directors of Social Services that the standard letter attached be accepted as a form of evidence of capacity. Councils must only make a direct payment where someone has consented to have a direct payment and is able to manage one, with or without assistance. As councils can only provide services to residents in their council area, the council is also able to confirm the address of the direct payment recipient. Therefore the letter can also be used as proof of that individual's address.

More information is available from the Department of Health www.dh.gov.uk or the British Banking Association www.bba.co.uk

If you would like any further information, please contact [insert local contact information].