



# Guidance for children's direct payment accounts

## Standard guidance for monitoring and auditing of children's direct payment accounts

You must account for the money you spend from your direct payment account as detailed in your Direct Payment Agreement, by providing information to the Direct Payment Service that does your half yearly financial returns. The return includes:

- a review of your direct payment account
- invoices
- payslips
- HMRC financial returns

## How direct payments are monitored and audited

This section includes:

- Bristol City Council's responsibility
- Your responsibilities: records, monitoring and returns
- Overpayment recovery
- Direct payments misuse

## Bristol City Council's responsibility

We must do regular audits of all children's direct payment accounts. This is to make sure that:

- your child's needs are being met
- the money is being spent appropriately and cost effectively as detailed in your agreement

We'll give you a prepaid card, and we'll transfer the direct payment amount onto it every month.

## Your responsibilities: records, monitoring forms and returns

- Keep a record of how the direct payment money on your prepaid card is spent. You are accountable for it and will be asked to provide this information for your half yearly return.
- Keep a record of the things you achieve from your child's individual support plan. This will help with your support plan review.
- Return all the information by the deadline date for your half yearly return. Your direct payment may be suspended if your paperwork is late.
- Stay within your agreed budget and spending limits, as detailed in your agreement. Your direct payment account should be in credit by a maximum of eight weeks (four weeks contingency and four weeks for employment costs – insurance, payroll and HMRC).
- Keep all bank statements for the direct payment account if you have them before transferring to a prepaid account.
- Keep all receipts and invoices to show what you have spent.
- Use timesheets and payslips if you employ a Personal Assistant.

We can arrange for an agency to manage your accounts and payroll. We'll talk to you about this when we set up the direct payment and at your regular reviews. If you want to talk about this contact [InclusionService@bristol.gov.uk](mailto:InclusionService@bristol.gov.uk).

Every six months, you must do a return for the Children's Direct Payment Service. This is the half yearly return that enables the council to reconcile your account.

We'll contact you to ask you for some information. You'll have fourteen days to give us:

- a copy of the employer liability insurance certificate
- a copy of the last three months of the bank statements for your direct payments before you moved to a pre-paid card account. This is only if you're moving to a prepaid card, and you don't have to do this if you already have a Bristol direct payment account with a prepaid card.
- evidence from your payroll for any employees. You can either give us a receipt from the Inland Revenue for your tax returns, or your payroll managing agency invoices for the last three months.
- copies of invoices paid for your child's support for the last three months. If you buy services directly from an agency, then you can send copies of invoices showing the support hours you've bought.

You must give us the information we ask for within the specified time, otherwise we may suspend or withdraw your direct payment.

## Overpayment recovery

We may reclaim direct payment funds from your direct payment account if:

- an overpayment has been made. This can happen as funds are generally paid each month in advance and your circumstances may change during the month.

- an excess of more than eight weeks contingency has built up on the account funds have been misused by not being spent in line with your Direct Payment Agreement and your child's agreed support plan.

## **Excess funds**

If there are excess funds in your account, the Children's Direct Payment Service will contact you or your payroll managing agency. We'll ask whether the funds are being held for a particular purpose, such as for an upcoming HMRC bill.

We'll agree how much of the funds to take back, and this will be processed by the Direct Payment Service. This may be offset against future payments, or we may ask you to pay the funds back.

We'll look at your spending patterns to see if there are any obvious reasons for the excess funds. If the support you buy is much lower than that identified in the support plan, we'll ask the Children's Direct Payment Service to review this to make sure your needs are being met. They will assess what your direct payment amount should be.

## **Suspended accounts**

We may suspend direct payments if you're not using any resources, to prevent the account exceeding the maximum contingency allowance of eight weeks. The social care practitioner will work with you to make sure your child's needs are met. Payments will be restarted when the new service begins. Before this happens, the social care practitioner will agree with you how the direct payment funds for your child can be used flexibly in the meantime.

## **Direct payments misuse**

We may suspend or end your direct payment if there is evidence that you have breached the Direct Payment Agreement. We'll tell you in writing if we intend to suspend or end direct payments, and we'll give you the opportunity to provide evidence in a specific timeframe. If you don't do this, your direct payments will be suspended or stopped. We'll give you seven days' notice in writing if we decide to stop your direct payments. The social care practitioner will do a revised support plan to explain how services to your child will be provided without the direct payment.

If we find that your direct payment has been misused, we'll send you an invoice to claim back any money you owe. You must pay this from your personal funds, not direct payment funds. You can talk about payment arrangements with the Children's Direct Payment Service if you cannot pay the invoice in full.

If you don't pay the invoice or keep within the terms of an agreed repayment arrangement, we may decide to take legal action in line with our standard debt recovery procedures.