



The **Regulation** and
Quality Improvement
Authority

The Regulation and Quality Improvement Authority

Oversight of Service Users' Finances in Residential and Supported Living Settings

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Assurance, Challenge and Improvement in Health and Social Care

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The Regulation and Quality Improvement Authority

The Regulation and Quality Improvement Authority (RQIA) is the independent body responsible for regulating and inspecting the quality and availability of health and social care (HSC) services in Northern Ireland. RQIA's reviews are designed to identify best practice, to highlight gaps or shortfalls in services requiring improvement and to protect the public interest. Our reports are submitted to the Minister for Health, Social Services and Public Safety, and are available on the RQIA website at www.rqia.org.uk

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1. Executive Summary

Men and women are living longer into older age. Figures based on the 2011 census indicate that in Northern Ireland, the population aged 65 or over is projected to increase from 266,000 in 2011 to 379,000 by 2026, an increase of 40 per cent.

Transforming Your Care (2012) recommends a greater choice of service provision, particularly non-institutional services using the independent sector. It recommends that care should be provided as close to home as possible, with services continuing to reform and modernise, to respond to growing demand, with an increased emphasis on personal community based services.

The trend, in line with strategic direction is towards supporting service users in their own homes, which may involve them moving to accommodation where a supported living service is included. This has led to a consequent reduction in the number of placements in nursing and residential accommodation.

Financial exclusion and low levels of financial capacity, coupled with cognitive impairment can mean that some older people will become dependent on others to manage their finances and/or access their income or savings. A significant number of people with disabilities, who use these services, also lack capacity to handle their financial affairs.

The vulnerability of some service users, or their reliance on others for assistance, could potentially lead to their abuse, which may include financial abuse, which may take the form of:

- theft
- fraud
- exploitation
- pressure in connection with wills, property, or financial transactions
- misuse or misappropriation of property, possessions or benefits

The prevalence survey report by King's College London and the National Centre for Social Research indicated that financial abuse was the second most common form of mistreatment for those living at home, nearly twice as common as psychological or physical abuse. The study estimated that 57,000 people aged 66 and over in the UK (0.7 per cent) had experienced financial abuse by a friend, relative or care worker in the past year

A report on financial abuse published by the Social Care Institute for Excellence (SCIE) highlighted that some residents of care homes have little or no control over their own money and are reliant on relatives or the home to safeguard their finances.

The report provided a number of examples of financial abuse:

- the person controlling the finances was not using the money to pay for the care of the vulnerable adult
- a family member gained access to accounts and care costs could not be met
- false accounting by a family member
- a care worker claiming money for time they hadn't worked
- a care worker, family member or friend spending a vulnerable adult's budget inappropriately

During consultation, to inform the selection of RQIA review topics for its 2012 to 2015 review programme, several respondents raised issues about service users' finances in residential facilities. The RQIA regulatory finance inspection programme has also identified a number of issues regarding the financial arrangements within homes including management of service users' finances.

This review was subsequently selected for inclusion in the RQIA review programme and seeks assurance from trusts that the controls required for assurance of patient finances are in place. These controls are set out in Circular HSS (F) 57/2009, Misappropriation of Residents' Monies – Implementation and Assurance of Controls in Statutory and Independent Homes.

The circular reminded organisations of the mandatory controls that should be in place in respect of the handling of residents' monies in statutory homes, and sought reassurance that residents' interests should be protected when placed in independent sector care homes.

Statistics supplied by HSC trusts showed that the number of independent care homes in Northern Ireland (427) greatly outnumbered the number of statutory facilities (52). The number of places available in the independent sector (14,889) was also much greater than those available in the statutory sector (1,241).

The statistics also showed that the number of service users where either they or their next of kin had control of their finances (11,676) was much greater than those cases where an outside third party organisation such as a trust had control (1,705).

RQIA considered that Circular HSS (F) 57/2009 provides great detail with regard to controls that should be in place in trust statutory facilities. It gives less detail with regard to trust service users placed in independent homes and even less with regard to supported living services.

RQIA has concluded that the emphasis of the circular was appropriate when there were a large number of statutory homes, however as a result of the move towards use of independent facilities and greater use of supported living the content of the circular should be reviewed to take account of this change of emphasis.

The review of the circular should consider the level of assurance necessary in regard to the controls in place in care homes and supported living, to safeguard service users' personal finances and consideration should also be given to seeking greater assurance, in those cases where a representative e.g. family member has responsibility for a service user's finances.

When the circular was issued the trusts focused on putting measures in place to capture assurances from the independent sector which prior to that had not been the subject of any monitoring process.

Trusts should receive annual written assurance from all facilities that satisfactory financial controls are in place. RQIA considers that in some cases these assurances were not being received or followed up.

Following a file audit conducted by members of the RQIA team, RQIA considers that file structures should be standardised to allow a complete picture of a service user's financial position.

RQIA met with senior trust staff and facilitated focus groups with trust care and finance staff and concluded that if the main assurance with regard to service users' finances was going to be provided by an annual care review, care staff should be appropriately trained to deal with individual financial matters.

The report makes seven recommendations to strengthen assurance with regard to service users' finances in residential and supported living settings.

2. Introduction

Men and women are living longer into older age. Figures based on the 2011 census indicate that in Northern Ireland, the population aged 65 or over is projected to increase from 266,000 in 2011 to 379,000 by 2026, an increase of 40%.¹

The largest projected population change will occur in the number of people aged 85 and over, which is predicted to double in the next 17 years.

Statistics from Transforming Your Care (2012)² indicate that:

- Northern Ireland has a population of approximately 1.8m people.
- it has the fastest growing population in the UK and it continues to grow
- the number of people over 75 years is predicted to increase by 40% by 2020.
- the population of over 85 year olds in NI will increase by 19.6% by 2014, and by 58% by 2020 over the 2009 figure

Transforming Your Care also recommends a greater choice of service provision, particularly non-institutional services using the independent sector. It recommends that care should be provided as close to home as possible, with services continuing to reform and modernise, to respond to growing demand, with an increased emphasis on personal community based services.

The current HSC Board target is for at least 48% of care management assessments to recommend a domiciliary care package, rather than nursing home or residential care.

The trend, in line with strategic direction, is towards supporting service users in their own homes, which may also include them moving to accommodation where a supported living service is provided. This has led to a consequent reduction in the number of placements in nursing and residential accommodation.

This system encourages people to take charge of their own lives. However people who are placed in residential accommodation and supported living are among the most vulnerable in society and are a high risk of financial exploitation.

The care assessment process, which includes a financial assessment, is extremely important in determining that service users receive services that appropriately meet their needs. It also means that as service users are placed more often in facilities outside direct trust control, some method of proportionate oversight of their financial arrangements must be put in place.

1 www.ons.gov.uk/ons/guide-method/census/2011/census-data/index.html

2 www.dhsspsni.gov.uk/transforming-your-care-review-of-hsc-ni-final-report.pdf

During consultation, to inform the selection of RQIA review topics, several respondents raised issues about residents' finances in residential facilities. The RQIA regulatory finance inspection programme has also identified a number of issues regarding the financial arrangements, both within care homes and in supported living services. This includes management of residents' finances.

This review was subsequently selected for inclusion in the RQIA review programme and seeks assurance from trusts that the controls required for assurance of patient finances are in place. These controls are set out in Circular HSS (F) 57/2009, Misappropriation of Residents' Monies – Implementation and Assurance of Controls in Statutory and Independent Homes.

2.1 Circular HSS (F) 57/2009

In July 2009, the Department of Health, Social Services and Public Safety (DHSSPS) issued a circular entitled Misappropriation of Residents' Monies – Implementation and Assurance of Controls in Statutory and Independent Homes. HSS (F) 45/2009 21 July 2009³.

This circular was re-issued in December 2009 as circular HSS (F) 57/2009, Misappropriation of Residents' Monies - Implementation and Assurance of Controls in Statutory and Independent Homes. (Appendix 1)

The circular reminded organisations of the mandatory controls that should be in place in respect of the handling of residents' monies in statutory homes, and sought reassurance that residents' interests should be protected when placed in independent sector care homes.

The circular outlined that one of the reasons for its re-issue to organisations was because of incidents concerning misappropriation of residents' monies, one in an independent care home and the other in a statutory facility.

It tasks accounting officers to be able to demonstrate, that they have taken reasonable steps to ensure that adequate financial controls are in place within independent care homes, to ensure that residents' interests are safeguarded.

The circular required different levels of controls to be in place depending on the setting, as follows.

³ http://www.dhsspsni.gov.uk/hss_f_45-2009.pdf

2.1.1 Controls in Statutory Homes (trust run facilities)

The circular states that accounting officers should ensure that the following controls are operating in trust facilities:

- systems of supervision to safeguard residents' funds
- authorisation of withdrawals from residents' bank accounts
- monitoring of residents' expenditure
- review of residents' individual balances in trust residents' property account
- review of residents' individual bank account balance
- checks of residents' cash withdrawal books/records
- checks of authorising signatures.

2.1.2 Controls in Independent Sector Homes

The circular accepts that accounting officers cannot be held directly responsible for controls operating in homes not owned by the trust. However regardless of the particular setting in which care is delivered, trusts have a duty of care towards service users placed with independent sector providers.

The circular states that, as a minimum, the following controls should be in place:

- written assurances that appropriate controls are in place to be received from the home on a regular basis
- periodic spot checks should be undertaken by the trust to test the operation of the controls in place

2.1.3 Controls in Adult Supported Living

Circular HSS (F) 57 / 2009 states, "Each trust should decide how it gains the assurance it needs over the circumstances in homes in which it places its residents, or where tenants for whom it has responsibility are in an Adult Supported Living setting".

Supported living encompasses a range of services, designed to help people to retain their independence in their local community. It is seen as an alternative to institutional residential care. It is often seen as suitable for people with lower level support needs, but has been used to successfully support people with complex and challenging needs, using detailed planning and focused personal assistance.

Around 170 supported living services in Northern Ireland are regulated by RQIA as domiciliary care agencies, as they meet the definition of a conventional domiciliary care agency, as set out in the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003.

RQIA further defines a supported living service as one that involves a person living in their own home, receiving personal care in order to promote their independence. The care they receive is regulated by RQIA but the accommodation is not.

2.2 Terms of Reference

1. To assess the organisational governance arrangements in place in HSC Trusts relating to the management of the finances of service users/residents in residential and supported living settings.
2. To assess the actions taken by HSC trusts in response to the issue of Circular HSS (F) 57/2009, and to assess the mandatory controls described in the circular which should be in place in respect of the handling of service users/residents' monies, in residential and supported living settings.
3. To carry out an inspection of a sample of service users/residents' files held by care managers and finance directorates in the trusts.
4. To examine any other relevant matters which emerge during the course of the review.
5. To make recommendations for improvement in relation to any issues identified through the review.

2.3 Exclusions

The review will not include:

- finances of patients in mental health facilities.
- finances of private patients who do not fall within the trusts' duty of care in respect of financial matters.
- finances of hospital inpatients
- conventional domiciliary care
- supported living services that do not provide personal care to people in their own homes

2.4 Methodology

Key stages of the review:

- HSC Trusts were asked through self-assessment, to provide information regarding the processes in place for governance of residents/service users' finances. This included information on the response of the trust to the receipt of Circular HSS (F) 57/2009 and a profile of all service users who the trust identified as being subject to the circular.
- A file audit was carried out on a number of service users/residents' files held by care managers and finance directorates to examine the appropriateness of the processes in place in relation to finances.
- Focus groups were held with members of trust finance and social care teams.
- Validation meetings took place with members of trust senior teams, with representation from social care, finance and safeguarding.

2.5 Membership of the Review Team

| | |
|--|--|
| Cathy McKillop | Independent reviewer Former trust Director of Finance |
| Ann McCracken | Independent reviewer Accountant DHSSPS |
| Briege Ferris | RQIA Finance Inspector |
| Hall Graham Angela Belshaw Janine Campbell | RQIA Lead Project Manager Project Administrator |

3. Context

Financial exclusion and low levels of financial capability, coupled with cognitive impairment can mean that some older people will become dependent on others to manage their finances and/or access their income or savings.

The vulnerability of some older people, or their reliance on others for assistance, could potentially lead to their abuse. However elder abuse, including financial abuse may be difficult to quantify. It is frequently hidden, may not be obvious even to the victim, and is likely to be under-reported.

Financial abuse includes:

- theft
- fraud
- exploitation
- pressure in connection with wills, property, or financial transactions
- misuse or misappropriation of property, possessions or benefits

The prevalence survey report by King's College London and the National Centre for Social Research⁴ indicated that financial abuse was the second most common form of mistreatment for those living at home, nearly twice as common as psychological or physical abuse. The study estimated that 57,000 people aged 66 and over in the UK (0.7%) had experienced financial abuse by a friend, relative or care worker in the past year.

This study did not include vulnerable adults living in care homes or people with dementia, however, a literature review carried out by Help the Aged on the subject of financial abuse of older people indicated that 60-80% of financial abuse takes place in the home, and 15-20% in residential care.⁵

Research carried out by Action on Elder Abuse⁶, revealed that around 20% of calls to its helpline were related to financial abuse. Financial abuse was the second most common type of abuse to be brought to the helpline's attention, with psychological abuse being the most common.

⁴ www.elderabuse.org.uk/Documents/AEA%20documents/Prevalence%20Report-Full.pdf

⁵ [www.cpa.org.uk/information/reviews/financialabuse240408\[1\].pdf](http://www.cpa.org.uk/information/reviews/financialabuse240408[1].pdf)

⁶ www.elderabuse.org.uk/

The Parliamentary Health Committee report on elder abuse (2004)⁷ recommended that the regulatory bodies of health and social care increase their surveillance of financial systems including the use of powers of attorney, and, in care homes, the use of service users' personal allowances.

The General Report on the Health and Social Care Sector by the Comptroller and Auditor General for Northern Ireland (2009)⁸ concluded that in relation to trusts' patients' and residents' monies, there was:

- a failure to record transfers of cash between hospital wards and the cash office in HSC trusts
- a failure to lodge monies received in the cash office to the bank
- a failure to receipt the return of the cash to the patient/resident
- a number of thefts from patients and residents.

A report on financial abuse published by the Social Care Institute for Excellence (SCIE)⁹ highlighted that some residents of care homes have little or no control over their own money and are reliant on relatives or the home to safeguard their finances.

The report provided a number of examples of financial abuse:

- the person controlling the finances was not using the money to pay for the care of the vulnerable adult
- a family member gained access to accounts and care costs could not be met
- false accounting by a family member
- a care worker claiming money for time they hadn't worked
- a care worker, family member or friend spending a vulnerable adult's budget inappropriately

It also noted that some care providers did not see it as their role to raise concerns about the decisions of a person nominated to be responsible for a vulnerable adult's finances. Others who had raised concerns with a local authority had been told that nothing could be done.

⁷ www.publications.parliament.uk/pa/cm200304/cmselect/cmhealth/111/111.pdf

⁸ www.niauditoffice.gov.uk/health_report_2009.pdf

⁹ www.scie.org.uk/publications/reports/report49.pdf

3.1 RQIA's Financial Regulation

As part of its regulatory remit, RQIA carries out a rolling programme of inspections of nursing homes, residential homes and supported living schemes. The regulation of services is based on statutory regulations and DHSSPS minimum care standards.¹⁰

The purpose of any inspection is to assess compliance with the relevant regulations and minimum standards. The inspection process is designed to establish how the service is performing against the standards and to identify areas where the quality of the service may be improved. Where significant concerns are identified these are shared with the commissioning trust. If required, enforcement action may be taken by RQIA against the provider.

A number of recurring issues and themes have arisen from the financial inspection programme.

3.1.1 Financial Arrangements

- The purchase of items from service users' funds which should have been supplied by the registered provider e.g. fixtures and fittings, some types of medical equipment.
- Absence of written authorisation from the service user or their representative to enable the provider to make purchases on their behalf.
- Individual service user agreements absent or out of date.
- No financial arrangements included in the service users' agreements.
- No evidence of authorisation for a representative of the home to act as appointee for the service user in respect of social security benefits.
- No written authorisation and/or controls for the management of service users' bank accounts, including the use and management of bank cards.

3.1.2 Record Keeping

- Absence or inadequate records maintained on behalf of the service user e.g. no records of income and expenditure, receipts from purchases, service user agreements, written authorisation for purchases and no signatures recorded against each transaction.
- No written evidence of the reconciliation of service users' monies held being performed on a regular basis by the provider.
- Where service user monies are pooled, as is the practice in some supported living arrangements, (in joint bank accounts) the provider is unable to identify how much belongs to each service user.

¹⁰www.dhsspsni.gov.uk/index/phealth/sqs/sqsd-standards/sqsd-standards-care-standards.htm

3.1.3 Financial Controls

- Service user personal monies being maintained in providers' business bank accounts.
- Significant amounts of money held for individual service users in a pooled bank account, and not transferred to interest bearing individual service user bank accounts where they exist.
- No, or inadequate, written policies and procedures in place for the safeguarding of service users' monies.
- Non adherence to existing policies and procedures, e.g. staff providing loans to service users

3.1.4 Transport Schemes

- Inadequate records showing amounts paid by service users for the use of the vehicle and details of the journey undertaken.
- Service users being charged without agreement, an excessive supervision rate for staff accompanying them on journeys.
- No evidence that the charge to service users is fair and equitable i.e. no records as to how the rate per mile and supervision charge had been calculated.
- Commissioning trust unaware of the system operated for transport in establishments.

RQIA's inspection programme has demonstrated a number of areas where deficiencies have been identified in the controls and processes that should be in place to safeguard residents' finances. This provides part of the rationale for carrying out this review.

4. Background

4.1 Community Care Services

Community care services help people to live as independently as possible in their own homes or in appropriate settings in the community.

DHSSPS's policy paper *People First: Community Care in Northern Ireland for the 1990s*¹¹, places emphasis on the requirement "within available resources, to identify and assess individuals' needs, taking full account of personal preferences (and those of informal carers), and design packages of care best suited to enabling the consumer to live as normal a life as possible".

The central objectives of community care services are:

- helping people to remain in their own homes or in as near a domestic environment as possible, for as long as they wish and it is safe and appropriate to do so
- providing practical support to carers to support them in their caring role
- ensuring that residential care, nursing home and hospital care is reserved for those whose needs cannot be met in any other way

The decision about an individual's most appropriate care arrangement is determined through a care management assessment. Assessment informs decisions about care, for example whether a person should enter a supported living facility or a residential or nursing home. HSC staff are expected to work with service users and their carers, to explore choices and identify and assess risks in order to provide the most suitable choice for the service user.

Care planning is the method for agreeing and managing the health and social care services which are necessary to:

- enable a person to live at home
- manage a long- term condition or
- move into residential or nursing home care.

The result should be a personalised care plan, which:

- reflects the service user's health and social care needs
- ensures that service users and, where appropriate, carers are given details of financial costs and information on financial assessment arrangements
- is monitored at agreed intervals, and part of this monitoring should also include service users' finances.

¹¹ http://www.dhsspsni.gov.uk/people_first.pdf

4.2 Types of Service/Care

Each potential service user should have a detailed assessment. Following assessment, depending on their capabilities, a service user will usually access one of the following types of service:

- day care
- intermediate care
- respite care
- residential or nursing home care
- self-care
- domiciliary care
- supported living (this may include domiciliary care provision)

For the purposes of this review, residential and nursing home care and supported living that includes domiciliary care provision were considered.

4.2.1 Residential and Nursing Care

People entering care homes generally do so because they are no longer able to live independently. It is recognised that there may be a point where the intensity of needs, the safety of the service user and pressure on a carer, or family, may mean that residential or nursing home care becomes the most appropriate care option.

This may be a positive choice in providing a high level of reassurance and security to service users, carers and their families.

While people living in care homes have different reasons for entering care, they all require particular support for daily living. Care homes provide a range of services. Some will provide residential care, providing a place to stay, meals and laundry services, along with a range of personal care, for example, assistance with bathing and eating. Others in addition to personal care, provide nursing care and help residents with their medical needs. Some homes provide a range of more specialised care services, such as dementia care, or care of people with a learning disability.

4.2.2 Supported Living

For the purposes of this review, supported living is taken as a combination of housing, personal care and housing support services provided to help people to be independent, have choices and take control of their own lives.

Supported living aims to:

- provide the opportunity for vulnerable people to live in their own homes, with appropriate support
- provide flexible, individualised support to people, within a wide range of housing options.

4.3 Charging for Service Provision

4.3.1 Residential Care Homes and Nursing Homes

The Care Management assessment determines individual need and required service provision. Where a residential care or nursing home service is being considered, a financial assessment is also required. The Care Management assessment determines need and required service provision. All services / care provision will also require a financial assessment (HSS (ECCU) 1/2013 Charges for Residential Accommodation)¹².

The financial assessment establishes the monetary contribution (if any), which the service user must make towards the cost of their care. It is carried out by a trust representative, either from the social work department, for example a care manager/social worker, or a trust financial assessments officer.

The assessment is based upon:

- the Health and Personal Social Services (Assessment of Resources) Regulations (Northern Ireland) 1993¹³ and the DHSSPSNI Charging for Residential Accommodation Guide 2013(CRAG).¹⁴

The financial assessment includes an assessment of both capital and income, including savings and the person's assets.

There is an upper capital limit (£23,250), above which any service user is considered to be able to meet the full cost of care.

If a person has been assessed as being above the upper capital limit and are able to meet the full cost of their care they can decide if they wish to be a;

- private funder - an individual who chooses to arrange and pay for their own care without HSC Trust involvement or
- self-funder - an individual who chooses to have their care arranged and managed by an HSC Trust.

There is also a lower limit (£14,250) which sets out the level which is excluded from financial assessment.

Any assets falling between these two limits will lead to a means testing process, which will result in the service user paying a contribution towards their care.

¹² <http://www.dhsspsni.gov.uk/circular-eccu-1-2013.pdf>

¹³ <http://www.legislation.gov.uk/nisr/1993/127/contents/made>

¹⁴ <http://www.dhsspsni.gov.uk/charging-for-residential-accommodation-guide-2013.pdf>

All service users who contribute to the cost of their care from their income are entitled to retain a weekly personal allowance, designed to be spent on personal items. From April 2013, the basic personal allowance is £23.90.

Standard 15 of the Nursing Home/Residential Care Minimum Standards outlines how patients' money and valuables should be safeguarded (see Appendix 2).

A financial assessment should occur on an annual basis to determine whether the person's ability to contribute to the cost of their care remains the same or has changed during the year.

HSC trusts' responsibilities regarding service users' finances continue following assessment and commencement of a service. The trust should continue to be actively engaged and has a duty of care to ensure that a person's care needs continue to be met, and that their personal finances are safeguarded appropriately.

4.4 Management of Financial Affairs

Assessment should also determine whether a service user has capacity to deal with their financial affairs. Management of finances is an integral part of care, no matter what the setting.

Due to cognitive impairment, some service users may lack the ability to make some decisions in regard to managing their financial affairs. There are a number of ways of ensuring that a person's financial affairs are managed and appropriately safeguarded.

Safeguarding a service user's finances may involve the appointment of an individual or organisation to act on their behalf.

4.4.1 Nominated Appointee (for social security benefit purposes)

An appointee can be:

- an individual, for example, a friend or relative
- an organization, for example, a HSC Trust (known as corporate appointee) or
- a representative of an organisation, for example a solicitor.

The nominated appointee is responsible for managing the social security benefits of the service user. An individual can only become an appointee if the Social Security Agency (SSA) grants them the legal right to act on behalf of the service user. This involves completion of an SSA form BF56.

Where a HSC trust assumes the role of nominated appointee, the trust must ensure that proper accounting records are maintained. All monies should be receipted and payments should be properly authorised and processed, in line with trust policy.

4.4.2 Controller / Appointed Person

If a person with significant assets lacks capacity to deal with their finances the law permits the appointment of another person to take charge of the service user's financial affairs. The title given to the individual appointed by the court to manage all of the service user's financial affairs is that of controller. Generally before a controller is appointed, the service user has assets in excess of £20,000.

The Office of Care and Protection (OCP) is a section of the Family Division of the High Court and is located in the Royal Courts of Justice, Belfast. Within the High Court system, it is the Office of Care and Protection (Patients Section), which deals with the management of service users' financial affairs and the appointment of a controller.

5. Profile of Service

All HSC trusts were asked to provide the following information:

- a profile of the numbers of nursing homes, residential homes and domiciliary care agencies in both the statutory and independent sectors
- breakdown of service users by programme of care and setting that the trust considers to fall under circular HSS(F) 57/2009
- the number of service users a trust has financial responsibility for as nominated appointee by programme of care and care setting
- the number of service users a trust has financial responsibility for where the service user is under the care of the Office of Care and Protection

Table 1 - Profile of Facilities

| Type of Facility | Facilities/ Agencies | Available Places |
|--|----------------------|------------------|
| Statutory Homes | 52 | 1,241 |
| Independent Homes | 427 | 14,889 |
| Statutory Domiciliary Care Agencies (supported living) | 50 | |
| Independent Domiciliary Care Agencies (supported living) | 129 | |

This demonstrates that the number of independent homes (427) is much greater than the number of statutory homes (52) and the vast majority of places available in care homes are now situated in independent facilities.

Table 2 - Service Users by HSC Trust and Where Financial Control Lies

| | BHSCT | NHSCT | SEHSCT | SHSCT | WHSCT | TOTAL |
|---|-------|-------|--------|-------|-------|--------|
| Number of service users | 3,237 | 3,174 | 2,746 | 2,227 | 1,997 | 13,381 |
| Number where HSC trust is appointee | 494 | 285 | 232 | 456 | 102 | 1,569 |
| Number under control of Office of Care and Protection | 6 | 33 | 47 | 34 | 16 | 136 |
| Number where next of kin or service user has control | 2,737 | 2,856 | 2,467 | 1,737 | 1,879 | 11,676 |

Table 2 illustrates that in the vast majority of cases (11676 out of 13381) the next of kin or the service user themselves has financial control. In only a small number of cases is there direct control by an outside party/organisation. The figures submitted by trusts do not provide an indication as to the number of cases where the provider has direct control of residents' finances

6. Findings

6.1 Actions Taken by Trusts on Receipt of Circular HSC (F)/57/2009

On receipt of Circular HSS (F) 57/2009, trusts, recognising the fact that responsibility for compliance did not rest with one directorate, disseminated it widely to relevant staff within finance and social care directorates.

All trusts considered that there were well established processes and controls in place in statutory trust owned facilities, which were already the subject of a rolling audit programme.

Trust resources were focused on putting procedures in place to capture the assurances required from the independent sector, which, prior to circular HSS (F) 57 / 2009, had not been the subject of any monitoring processes.

All trusts issued the circular to all homes in their area. Accompanying letters were sent to all facilities outlining the need for them to have appropriate arrangements in place regarding financial controls, in relation to service users' finances.

It was reported that trusts, in line with the minimum requirements outlined in the circular, sought an annual written assurance from all facilities that satisfactory financial controls were in place. Following meetings with trust teams it was not clear to the review team that assurances were being received in all cases, or followed up in relation to all facilities that had not responded. The review team considered that in order to comply with the circular trusts should ensure that assurances were received from all facilities.

A regional trust response following receipt of the circular was to engage the HSC Business Services Organisation (BSO) internal audit unit to undertake an annual audit programme in independent sector facilities. This was in line with the minimum requirements of the circular in relation to periodic spot checks in independent facilities.

In each trust ten homes are audited per year. Trusts have an opportunity, based on knowledge of their facilities with regard to incidents, complaints and other intelligence, to influence the composition of the annual audit programme. Audit findings are sent to the facilities and may also be discussed at trust annual contract meetings. Trusts may also ask for written confirmation that audit recommendations have been met.

To ensure that appropriate action is taken internal audit reports/findings are shared with finance colleagues in other trusts at meetings which take place throughout the year. Trusts give immediate notification of any priority one recommendations from other facilities where another trust may have clients placed.

An area of good practice within the Southern Trust is to extend the audit programme into supported living facilities. This was not happening in any other trusts and the review team considered that this should be implemented as soon as possible.

Recommendation 1

Trusts should ensure that, in line with Circular HSS (F) 57/2009, appropriate assurances that satisfactory financial controls are in place, are received from all facilities.

Recommendation 2

All trusts should extend their audit programmes to include supported living facilities.

6.2 Management Structures

In all trusts, standing financial instructions and operational procedures govern how trust finance is conducted. The trust finance director has overall responsibility for any financial matters, including compliance with the circular.

Trusts reported that particular processes regarding matters arising from compliance with the circular are as follows:

Belfast Trust

- Internal audit reports on service users' monies in the independent sector are discussed at the trust audit committee.
- The older peoples' forum reports any issues arising through to the trust assurance group.
- Complaints/adverse incidents are reported via Datix (computerised risk management system).
- Any issues may appear on trust risk registers.

Northern Trust

- Operational procedures are scrutinised by the trust policy committee, issued by the policy unit and placed on the trust intranet.
- Patient private property (PPP) accounts statements are presented annually to the trust board.
- Internal audit reports are examined by the audit committee, which reports to the trust board.
- External audit of the trust accounts reported to the trust board.

South Eastern Trust

- Lack of compliance or a breach of policy would be reported to the responsible director, who would report to the finance director and chief executive.
- In adult disability services, reporting is through the line management system of team leaders, service managers and operations manager to assistant director and director.
- In older peoples' services, reporting is through operational staff, primary care managers, locality manager, operations manager to assistant director and director.

Southern Trust

- The audit committee considers all internal and external audit reports and monitors implementation of associated recommendations on a regular basis.
- The governance committee considers reports from RQIA, and complaints and incidents regarding patient finances.
- The audit committee considers non-compliance by independent sector homes. Fraud is a standing item on the agenda of the audit committee.
- Safeguarding vulnerable adult investigations are reported to the safeguarding team.
- Governance and audit committees report to the trust board.

Western Trust

- In accordance with the trust's fraud response plan, any adverse issues involving finance are brought to the attention of the assistant director of finance, who determines the appropriate action. This may involve further enquiry by finance staff, commissioning a specific review by the trust internal audit department, or referring the matter to the BSO Counter Fraud Unit.
- The assistant director of finance ensures that the finance director and chief executive are briefed as appropriate.
- The trust's audit committee is briefed on all potential fraud investigations
- A formal internal audit report is copied to the senior management team and chief executive.
- Any adverse financial issues could also give rise to an adult safeguarding investigation.

6.3 Operational Processes for Safeguarding Service Users' Finances

There are a number of processes that have been put in place to safeguard service users' finances.

6.3.1 Care Assessment

The main focus of the assessment is to determine the care needs of the individual. However, an assessment of their capacity to manage their finances must also be made. In the majority of cases the service user retains responsibility for their finances, or a family member assumes responsibility. In a smaller number of cases the trust becomes corporate appointee for the individual and assumes direct responsibility for the service user's social security benefits (as per section 3.5.1).

However, in all cases the trust has a duty of care for both care and financial matters. Arrangements for safeguarding finances vary depending upon where, and the circumstances under which a service user is placed.

6.3.2 Self-Funders

If, following assessment, an individual is considered to be capable of dealing with their financial affairs, the trusts consider that they have no obligation to carry out any monitoring of their personal finances.

6.3.3 Trust Patient Private Property Account

In certain circumstances a patient private property (PPP) account may be set up for the service user's personal allowance, plus any other monies they may wish to place in the account.

All trusts have procedures in place to manage PPP accounts and monies can only be accessed on adherence to trust procedures. Each trust has supporting documentation, which has to be completed and signed by the service user, trust officer or other representative, depending on trust policy, before money will be released.

Trust policies outline that transaction ledgers should be maintained by the facilities, showing all money received and spent on behalf of or given to the resident. There is a separate process to follow to facilitate larger items of expenditure. Invoices and receipts should be retained by the facility in support of all expenditure.

Procedures relating to PPP accounts are subject to audit / inspection by trusts' internal audit departments. Trust policy outlines that regular reports on balances should be made available for facility managers and trust officers.

6.3.4 Residents for Whom the Trust is the Appointee

Following an assessment, a service user may be considered not to have capacity to deal with their financial affairs. If there is no other suitable individual willing to take responsibility, the trust may become corporate appointee on their behalf, and assume responsibility for their finances.

If this is the case the service user's personal allowance will be placed in a trust PPP account, but can also be given to:

- the home in which a service user resides
- to a named relative

The review team considered that the most robust safeguards are in place when monies are placed in the trust PPP account, while safeguards are less robust in the other two circumstances.

6.3.5 Service Users for Whom a Member of their Family is the Appointee

If following assessment a service user is considered not to have capacity to deal with their finances, the arrangement may be that their next of kin or friend may assume responsibility.

In these cases there is no trust-monitored PPP account, and any money in personal bank accounts is not regularly monitored. There is little or no monitoring of how the service users personal allowance is being spent. Hence there is less assurance regarding safeguarding of service user's personal finances.

6.3.6 Arrangements in Supported Living

When a service user enters a supported living scheme they will require a greater or lesser degree of assistance, to achieve an appropriate level of autonomy.

In these facilities independence is encouraged and supported, for example by having a personal bank account and having a tenancy agreement in the service user's name. Service user / tenant monies should be safeguarded and accessed in a manner that takes into account their wishes, and reflected in their tenant support plan. Each supported living property must have a locked safe, cash box and a secure place to store cash cards etc. and cash card pin numbers should be held separately in a secure location.

In some cases service users may ask to be accompanied to the bank by facility staff and may leave their monies / cash cards unsecured.

The review team considered that the main issues in supported living are:

- balancing the need for autonomy with gaining assurances that appropriate safeguards are in place with regard to management of finances.
- service user's behaviour in regard to their personal finances
- achieving a proper transparency in retaining and recording transactions in the day to day living expenses of the service user.

6.3.7 Trust Annual Reviews

There are a number of annual reviews, which according to trust policy, should be carried out in regard to service users placed in nursing / residential or supported living facilities.

- facility contract review
- service user finance review
- service user care review

Facility Contract Review

Trusts hold annual contract review meetings with providers. These are high level meetings to discuss contract compliance. Overall financial controls and reporting will be discussed, as will any findings/recommendations from internal audit findings. In the opinion of the review team, it is unlikely that individual patient finances will be considered.

Service User Finance Review

The financial assessment (Declaration of Means) which establishes the monetary contribution (if any), that the service user must make towards the cost of their care is reviewed on an annual basis. The purpose of the review is to determine whether the service user remains within the financial limits, as decided at their initial assessment, and decide whether the contribution, if any, they pay towards the cost of their care remains appropriate.

This review may be held with individual service users and or their family. However, most of these assessments are paper based exercises.

The review team considered that it is unlikely that individual finances in terms of appropriateness of personal spend will be considered as part of this procedure.

Care Review

Care workers hold annual care reviews with service users and their families. The main focus of the care review is to ascertain whether the care received by the individual has been appropriate and of a good standard, and to review if any changes to the care plan need to be made.

This review should also include a finance element, and is an opportunity to assess a resident's overall financial picture, including personal finances.

6.3.8 Adverse Incidents/Complaints

Trusts were asked to outline their processes for dealing with adverse incidents/complaints involving service users' finances and these were discussed further during meetings with trust teams.

The review team considered that trusts had appropriate procedures in place for dealing with incidents/complaints involving service users' finances. These were in line with DHSSPS guidance and legislation.

A number of incidents were discussed during meetings with trust senior teams. It was evident to the review team that they had been managed appropriately, and learning had been shared with relevant staff. Trusts were aware of the potential for financial abuse of service users and that it should form part of any monitoring process.

All trusts demonstrated robust adverse incident procedures and were also aware of the requirement to report such incidents to RQIA.

6.4 Guidance for Staff

Trusts have core policies in place in respect of financial processes. They have also developed a number of guidance documents for staff which detail procedures to be followed when dealing with service users' finances.

Belfast Trust

- procedures for residents' private property
- supported living financial support policy
- cash handling policy and procedures.

Northern Trust

- cash collection and receipting of income (for use by central cash office staff)
- cash collection and receipting of income (for use by staff at facilities)
- patients' and clients' property, corporate appointee for clients in private homes
- patients' and clients' property, people living in the community who are incapable of managing their own affairs
- patients' and clients' property, residential homes- custody of valuables cash and clothing
- statutory residential homes- service users' financial affairs
- supporting people – service users' financial affairs.

South Eastern Trust

- dealing with residents' monies and personal property
- management of service users' finances.

Southern Trust

- mental health and learning disability services – management of tenants finances in supported living
- older people and primary care residential care procedures
- finance department patient private property procedures
- standing financial procedures
- draft care management operational procedures for clients placed in nursing/residential homes and clients in supported living facilities and in their own homes – under development and will be issued in 2013-14.

Western Trust

- cash handling procedures
- patients' property procedures
- theft, fraud and corruption policy and response plan.

6.5 Focus Groups

Focus groups were held across all HSC trusts with staff from both finance and care management directorates.

The purpose was to give staff the opportunity to share with members of the review team their challenges, and provide examples of good practice. All staff reported that their workload had increased with no accompanying increase in resource.

A number of issues emerged:

Financial Controls

Across all trusts staff agreed that there were internal financial processes in place.

Financial Assessment

When completing a declaration of means, all trusts had in place designated finance officers who could, if available, assist service users (or their carer / family member) to complete this task and determine the cost of care.

However, in all trusts lack of resource meant that designated finance officers were not present at all assessment meetings, leaving in many cases, care managers to complete the financial assessment with the carer / family member.

Patient Private Property Accounts

In all trusts staff reported that no service user's monies could be accessed from Patient Private Property (PPP) accounts without proper authorisation. In a situation where a request for monies of a high value or unusual spend was submitted by a staff member the finance department would verify the request before paying out monies.

Receipts

It was acknowledged by all staff that validation of receipts is problematic depending upon the amount spent on an individual item.

Change in Financial Circumstance

Staff reported that should a service user's financial circumstance change and the trust becomes the appointee for their benefits the care manager may not be aware of this.

Examples of Good Practice

The South Eastern Trust routinely emails a print out of individual service user's PPP spend to care management staff.

The Southern Trust has recently upgraded its electronic systems and is now in a position to adopt a similar approach.

Western Trust care managers receive PPP printouts for service users in statutory homes.

Care managers reported that the challenge for them is how to best utilise this PPP information for purpose of the annual care review.

Communication

Across trusts there are regular regional meetings between financial assessment managers.

In all trusts care and finance staff agreed that there were open lines of communication, mainly used for clarification of particular service user's financial issues.

Care managers would often contact finance staff for advice.

Staff reported that there was still some work to be done in regard to clarifying responsibilities for certain tasks which involve finance, for example the reviewing of service users' agreements.

Examples of Good Practice

The Belfast Trust Learning Disability Programme of Care has monthly meetings with finance staff.

The South Eastern Trust's Learning Disability Programme of Care (Down sector) has quarterly meetings with finance and care management staff. It was reported that the trust intended to develop this model of practice across the trust and extend into other programmes of care.

Skills / Training

Care managers, while able to ask questions in regard to a service user's finances were of the opinion that they did not have the necessary skills to carry out financial assessments.

Care managers will however clarify with service users that they have access to their personal monies and will address issues should they arise.

Care managers will consider financial issues as part of the annual care review. However, unless there are known financial issues, there would only be limited assurances that service users' personal finances were being managed appropriately.

Care managers reported that they are not in a position to analyse service users' spend and there may or may not be scrutiny of the facility's / supported living financial records for that service user. Many rely upon the trust internal audit processes and RQIA inspections.

Care managers also highlighted that it may be a family member who looks after the service user's finances and the family member may not always be present at review meetings.

Care managers reported that they may not be aware of any financial abuse until trigger factors emerge. For example, in the situation service user debt accruing to the home, the home will initially contact the trust finance department.

Care managers consider that in regard to service users' finances there is a human rights issue and a balance has to be found regarding control over how a service user spends their personal monies.

Care managers are also aware of variations in practice within and between trusts. Dependent upon the programme of care the annual care review may not be carried out by the care manager but by a key worker / monitoring officer. It also emerged that depending upon which programme of care, and even which team was involved, different finance questions are asked.

All trusts had provided finance training and access to training provided by the Law Centre, but this is not mandatory. Financial abuse training for care management staff had been provided but again this was not mandatory.

Care managers considered that more frequent training opportunities should be made available.

Examples of Good Practice

In the Northern Trust the placement team had developed a set of appropriate financial questions for use with service user / carer. This practice ensured a consistency of approach to service user's finances.

Annual Review

All staff were of the opinion that they could only act upon the information that the service user is prepared to disclose about their financial position. While measures are in place to get an accurate picture of the service user's finances, this is primarily for the purpose of determining the cost of their care.

Should savings not materially affect the cost of care and service users wish to keep this money outside of the trust, the only means to assure trusts that this money was still available is through the annual declaration of means provided by the service user.

Staff reported that unless questions had previously been raised regarding a service user's finances the information contained in an annual declaration of means would not always be thoroughly examined.

Care managers reported that in the majority of cases a service user or a family member looked after the service user's finances. In these cases staff agreed that there was limited assurance that financial abuse was not happening.

However, all staff were in agreement that if financial abuse was suspected or allegations were made to trust staff, the situation would be reported to the appropriate line manager. The trust's vulnerable adults policy would be evoked and an investigation carried out.

6.6 File Audits

An audit of trust held finance and care management files was carried out by members of the review team.

Trust finance staff were asked to select files for the review team and to provide a current finance and care management file for each nominated service user, from across adult programmes of care. A maximum of 10 sets of files were examined in each trust.

The purpose of the audit was to gain assurance that processes outlined in trust policies and procedures were being followed.

The review team examined a number of financial assessment files. These files should contain the following information:

- an annual signed declaration of means
- any accompanying information / bank statements to support information captured on the declaration of means form
- information as to who is responsible for service users' finances
- any known change of financial circumstances.

This information is used to populate the finance electronic information system Abacus. The Abacus system performs the financial calculations for clients regarding their contributions towards the cost of their care.

There is a separate electronic file held on another electronic finance system, Trojan. This system captures the service user's PPP activity. Monthly print outs from this system are held in trust finance ledgers.

The review team also examined a number of care management files. These are primarily used for recording care planning, service provision and recording any other particular service user information. Where appropriate, there should be evidence of information from the annual care review, including financial questions, contained in the care file.

Review Team Findings from File Audits

The review team found that finance assessment annual review of the declaration of means provided evidence of financial calculation, but lacked supporting documentation apart from social security benefits.

Files provided information that a service user had personal savings but evidence of the current position in regards to the level of personal savings was absent.

In the majority of files, information regarding a service user's current financial position, as recorded at the care management annual care review, was minimal.

The review team found that cross referencing between finance and care management paper files was minimal, or in many cases lacking.

Reviewers could see from examination of files that the financial element of the care review differed substantially within and across trusts. In some areas financial questions for a social worker / key worker to ask in the annual care review had been developed but in other areas these questions were minimal.

Example of Good Practice

The Southern Trust has developed a specific proforma for homes to complete in regard to assurance of financial controls.

Conclusions from File Audits

- There was no composite picture of the current financial position of the service user, from either finance or care management to assure trusts that controls as per circular HSS (F) 57/2009 are in place.
- Documentation within files, both finance and care management, across all trusts differed and lacked structure.
- There was no evidence from the documentation of cross communication between finance assessment, PPP accounts and care management.

Recommendation 3

There should be standardisation of file structures within and between trusts to allow a complete picture of a service user's financial position.

7. Discussion and Conclusions

7.1 Compliance with Circular HSS (F) 57/2009

Circular HSS (F) 57/2009 was reissued by DHSSPS on 7 December 2009 in response to incidents involving misappropriation of residents' monies, in both HSC Trust and independent facilities.

The circular requires accounting officers to demonstrate that they have taken reasonable steps to ensure that adequate financial controls are in place within independent care homes, to ensure that residents' interests are protected.

In statutory facilities the circular sets out a rigorous set of controls which have to be in place in terms of:

- supervision of residents' funds
- authorisation of withdrawals from residents' bank accounts
- a monitoring of residents' expenditure
- review of individual balances in trust residents' property accounts
- review of residents' individual bank account balances
- checks of residents' cash withdrawal books
- authorising signatures.

In statutory facilities the review team considered that these controls were mostly in place. There was a question regarding review of service users individual bank account balances. The circular states that where trust involvement is necessary, the trust should monitor withdrawals from these accounts on a regular basis. The review team believes this is an area that needs further consideration as evidence suggests they are not meeting the terms of the circular.

When service users are placed in independent sector facilities the circular recognises that accounting officers cannot be held directly responsible for the operation of controls in non-statutory facilities. However, it reminds trusts that they have a duty of care towards service users, no matter where they are placed.

The circular states that for independent facilities, it is for each accounting officer to decide what steps they need to put in place, but as a minimum they should:

- receive written assurances that appropriate controls are in place from facilities on a regular basis
- conduct periodic spot checks to test the operation of the controls in place.

It also states that similar internal controls to those recommended for the statutory sector should be in place in independent sector services.

The trusts have a regional agreement with internal audit for them to visit ten homes per year in each trust area. The trusts have an opportunity to influence which facilities are visited, using local knowledge including RQIA inspections, complaints, incidents, and assessments. The review team considered if the trusts were content that ten audits provided adequate assurance then they were meeting the requirements of the circular.

The trusts should also receive, on an annual basis, written assurances from the facilities that adequate controls are in place. While these assurances are sought it was not clear to the review team that in all cases assurance was received. If it was not received, it was not clear that any active follow up was carried out.

Despite these annual assurances from facilities, RQIA inspections and internal audit inspections have shown that there is still considerable variation in the level of controls in place within facilities, in regard to service users' finances.

The review team considered that although the trusts partially complied with the minimum requirements of the circular in terms of inspections carried out by internal audit and asking for written assurances from facilities, the level of assurance was not always robust in that written assurances were not always received or followed up. The review team also considered that the circular's minimum requirements could be more detailed in terms of safeguarding service users' finances.

The circular is not specific in relation to financial controls for service users in supported living. It asks trusts to decide how they will gain the assurances they need for those individuals for which it has a responsibility in an adult supported living setting.

Each trust had arrangements in place for service users that had been placed in supported living settings. It was not clear to the review team that these were sufficiently robust, as in most cases no audits were carried out and the main assurance was through annual assessment which might not include an assessment of personal finances.

For the review team, the main issues in supported living were:

- balancing the need for autonomy with gaining assurances that appropriate safeguards are in place with regard to management of finances.
- A service user's behaviour in regard to their personal finances
- achieving a proper transparency in retaining and recording transactions in the day-to-day living expenses of the service user.

Transforming Your Care (2012) recommends a greater choice of service provision, particularly non-institutional services using the independent sector.

It recommends that care should be provided as close to home as possible, with services continuing to reform and modernise, to respond to growing demand, with an increased emphasis on personal community based services.

The current HSC Board target is for at least 48 per cent of care management assessments to recommend a domiciliary care package, rather than a nursing home or residential care.

The trend, in line with strategic direction is towards placing service users in independent living or in supported accommodation, with a consequent reduction in the number of placements in nursing and residential accommodation.

There is also a strategic imperative, when appropriate, giving service users autonomy when it comes to looking after their own affairs, including financial affairs.

Circular HSS (F) 57/2009 provides detailed controls that should be in place in trust statutory facilities. It gives less detail with regard to trust service users placed in independent homes and even less with regard to supported living services.

At present there are 52 statutory residential care /nursing homes and 50 statutory domiciliary care agencies (supported living). there are 427 independent residential care /nursing homes and 129 independent domiciliary care agencies (supported living).

The review team considers that the emphasis of the circular was appropriate when there were a large number of statutory homes, and the trusts largely comply with the minimum requirements set out in the circular.

As a result of the move towards use of independent facilities and greater use of supported living the review team considers that the content of the circular does not meet the needs of the changing picture of care in these areas and should be reviewed to take into account this change in emphasis.

The review team also considers that people in supported living placements are among the most vulnerable members of the population, and greater assurance should be sought regarding the safeguarding of their finances.

The review team is also aware of the resource implications of this approach and also the need to balance the wishes and autonomy of service users with the need for assurance.

The review team considers that any review of the circular should take account of the level of assurance necessary in regard to the controls in place in homes and supported living, to safeguard service users 'personal finances.

The review team considers that in light of the fact that financial abuse is increasing, and that a large percentage of financial abuse was committed by family members, consideration should be given to seeking greater assurance in those cases where family members have responsibility for a service user's finances.

Recommendation 4

DHSSPS should review the content of Circular HSS (F) 57/2009, to reflect an increase in the use of independent facilities and supported living.

Recommendation 5

The review of Circular HSS (F) 57/2009 should include ways of seeking greater assurance in those cases where a representative e.g. family member has responsibility for a service user's finances

7.2 Annual Reviews

Reviews take place in relation to an individual's finance and care arrangements, on an annual basis.

7.2.1 Financial Review

Discussions with trusts, and staff focus group discussions, indicated that the main focus of annual financial reviews, and the main reason for many people becoming trust appointees, appeared to be the prevention of a build-up of bad debt for the trust.

The other focus for the financial reviews was to ensure that service users had not increased their savings to a level that would affect the circumstances of their placement.

The review team considered that a greater focus should be placed on safeguarding service users' personal finances.

7.2.2 Care Review

An annual care review, carried out by a care manager takes place with each service user. This should involve family members where appropriate.

The main focus of this review is on the standard of care an individual is receiving. However, the review also includes a financial element, and in many cases the main assurance around service users' finances comes from this review.

The review team's opinion was that if the care management review was going to provide the main assurance around service users' finances, care managers should question in sufficient depth to assure themselves that the review has captured the complete financial position of the service user.

The review team considered that those carrying out the annual care review, including care managers, should have a greater understanding of financial issues, and would benefit from financial abuse awareness and financial training.

Recommendation 6

Trusts should ensure that sufficient focus is placed on safeguarding service users' personal finances. Trusts should also ensure that care managers are trained to deal with service users' financial matters.

7.2.3 Communication

Safeguarding service users' personal finances is the responsibility of a number of directorates. In each trust this safeguarding process should involve contributions from finance, care management and safeguarding. It is essential that communication between all parts of the system is effective.

As the care management review also forms the basis for safeguarding finances it is important that the care manager has all relevant information.

An important point to emerge from the file audit was that care managers did not appear to have all necessary financial information available to them, at the time of the annual review.

File structures should enable this information to be provided and there should be sufficient cooperation between finance and care management to ensure the quality of this information.

During focus groups and in discussions with trust management teams the review team considered that a greater level of cooperation was needed between the areas that had responsibility for safeguarding patient finances, i.e. finance, care and safeguarding. This would ensure that care managers are supplied with sufficient information to carry out an annual assessment of service users' finances.

Recommendation 7

Trusts should ensure that there is effective partnership working and communication between all areas involved in safeguarding services users' finances.

8. Summary Recommendations

Recommendation 1

Trusts should ensure that, in line with Circular HSS (F) 57/2009, appropriate assurances that satisfactory financial controls are in place, are received from all facilities.

Recommendation 2

All trusts should extend their audit programmes to include supported living facilities.

Recommendation 3

There should be standardisation of file structures within and between trusts to allow a complete picture of a service user's financial position.

Recommendation 4

DHSSPS should review the content of Circular HSS (F) 57/2009, to reflect an increase in the use of independent facilities and supported living.

Recommendation 5

The review of Circular HSS (F) 57/2009 should include ways of seeking greater assurance in those cases where a representative e.g. family member has responsibility for a service user's finances

Recommendation 6

Trusts should ensure that sufficient focus is placed on safeguarding service users' personal finances. Trusts should also ensure that care managers are sufficiently trained to deal with service users' financial matters.

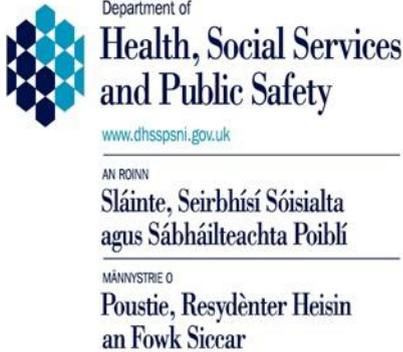
Recommendation 7

Trusts should ensure more effective partnership working between all areas involved in safeguarding services users' finances.

Glossary of Terms

| | |
|---|--|
| Abacus | Trust corporate financial accounting system |
| Care manager | A health care professional, typically a nurse or social worker, who arranges, monitors, or coordinates long-term care services (also referred to as a care coordinator or case manager). A care manager may also assess a patient's needs and develop a plan of care, subject to approval by the patient's physician. |
| Care management | Is a whole concept which embraces the key functions of: case finding; case screening; undertaking proportionate; person-centred assessment of an individual's needs; determining eligibility for service(s); developing a care plan and implementing a care package; monitoring and reassessing need and adjusting the care package as required. |
| Care plan | The outcome of an assessment. A description of what an individual needs and how these needs will be met. |
| Corporate Appointee/Nominated appointee | May be a person or a corporate entity. Enables the Trust to collect the resident's benefits. To become an appointee must submit BF56 form to Social Security agency. |
| Datix | Healthcare safety software and risk management software systems for incident reporting and adverse events. |
| Monitoring | On-going oversight of people's needs and circumstances to ensure the quality and continued appropriateness of support and services to meet the agreed outcomes for the individual and, where appropriate, his/her carer(s). The person receiving the services, his/her authorised representative and carer(s), where appropriate, and service providers all have a part to play in formal and informal monitoring. |
| Office of Care and Protection | In all appropriate cases the Office of Care and Protection should be contacted regarding residents' financial affairs. |
| Patients and Residents monies | Monies handed over by patients/clients to the trust for safe keeping on their behalf when no alternative arrangements exist. |
| Personal Allowance | 2013 /2014 £23.90 |
| Private Patients Property (PPP) | Trust maintained Private Patients Property account (PPP Accounts). |
| Person-centred planning (PCP) | This is a process of life planning for individuals based on the principles of inclusion and the social model of disability |
| Service User | A customer/consumer of a service (particularly used in relation to those using social care services). |
| TROJAN | This system enables all income and expenditure for each resident to be posted directly into their own individual account within the Trojan system. The system is updated for all movements for each resident's account. |
| The Supporting People Scheme | Regional programme, which is intended to improve planning, development and delivery of housing related support services to vulnerable people. Introduced 2003 |

Appendix 1 Circular HSS(F) 57/2009



Subject:

**Misappropriation of Residents' Monies –
Implementation and Assurance of Controls in
Statutory and Independent Homes.**

**Circular Reference: HSS (F)
57/2009**

7 December 2009

For Action by:

Chief Executive and Director of Finance of each HSC Trust, HSC Board and Business Services Organisation.

For Information to:

Chief Executive and Directors in Public Health Agency and Head of Operations and Head of Development and Corporate Services in the Patient & Client Council

HSC Head of Internal Audit.

Summary of Contents:

The purpose of this circular is to remind organisations of the mandatory controls that should be in place in respect of the handling of residents' monies in statutory homes and seeks assurance that Trusts' residents' interests are protected when placed in independent sector care homes.

Enquiries:

Any enquiries about the contents of this Circular should be addressed to:

Related documents:

Residential Care
Homes –
Minimum Standards
HSS (F) 13/2007

Superseded document:

Misappropriation of
Patients' Monies –
Implementation and
assurance of controls
HSS (F) 45/2009

Status of Contents: Action

Implementation: Immediate

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BACKGROUND

The purpose of this guidance, which supersedes HSS (F) 45/2009 - Misappropriation of Patients' Monies – Implementation of controls, is to remind you of your responsibility to ensure that residents' interests are safeguarded both within statutory and independent sector care homes. This follows recent incidents concerning misappropriation of residents' monies, one at a private care home and the other in a Trust facility.

It is important to ensure that basic controls in statutory homes are operating successfully, are in compliance with extant Departmental guidance and that they are reviewed on a regular basis. Accounting Officers must be able to demonstrate that they have taken reasonable steps to ensure that adequate financial controls are in place within independent care homes to ensure that Trusts' residents' interests are protected. The Trust's responsibility in this regard is to the residents, regardless of the Trust area in which they reside.

1. CONTROLS IN STATUTORY HOMES

It is essential that Accounting Officers ensure that the following controls are operating in Trust facilities:

- **Supervision** – appropriate systems of supervision are in place to safeguard residents' funds;
- **Authorisation of Withdrawals from Residents' Bank Accounts** – withdrawals of residents' monies should be countersigned by at least two appropriate officers;
- **Monitoring of Residents' Expenditure** – regular detailed monitoring of residents' expenditure which considers residents' spending patterns, appropriateness of expenditure and adequacy of supporting receipts/supporting documentation;

- **Review of Residents' Individual Balances in Trust Residents' Property Account** – examination and consideration of excessive withdrawals of monies from individual bank accounts and reconciliations of residents' individual balances should be evidenced and recorded at least quarterly;
- **Review of Residents' individual Bank Account Balances** – In statutory homes, Trust involvement with residents' individual bank accounts may vary. Where Trust involvement is necessary, the Trust should monitor withdrawals of monies from these accounts frequently;
- **Residents' cash withdrawal books/records** – Regular checks should be undertaken to ensure that forms are being appropriately completed, that the correct nominated officer is authorising the cash withdrawal and where larger cash withdrawals are made that there is a record of the specific need. Books should be retained for regular inspection; and
- **Authorising signatures** – checks on authorising signatures for cash withdrawals on Residents' withdrawal forms should be undertaken for evidence of alteration.

Where applicable these controls should be applied to the administration of residents' monies in the Adult Supported Living sector i.e. those tenants who are not capable of handling their affairs and whose monies are held or administered by Trusts.

2. ACCOUNTABILITY ARRANGEMENTS/ CONTROLS WHEN TRUST RESIDENTS ARE PLACED IN INDEPENDENT SECTOR HOMES.

It is accepted that Accounting Officers cannot be held **directly** accountable for the ongoing operation of controls in non statutory homes not owned by the Trust. However, regardless of the particular setting in which care is delivered, Trusts have a statutory duty of care to its residents.

Trusts ensure that satisfactory levels of care (including robust arrangements for handling residents' monies) are delivered by entering into a contractual process with the independent care home and this contracting process provides recourse where the level of care is not as expected or where there are circumstances involving financial issues.

It is further recognised that the Care Management/Social Work/Key Worker review arrangements, complaints and untoward incidents reporting mechanisms provide additional monitoring arrangements for each Trust.

Notwithstanding this, it is important that Accounting Officers can also demonstrate that they have taken appropriate steps to ensure that adequate financial controls are in place to safeguard residents' interests. It will be for each Accounting

Officer to decide what these steps are, but as a minimum, the Department requires the following controls to be put in place.

- Written assurances that appropriate controls are in place to be received from the home on a regular basis; and
- Periodic spot checks should be undertaken by the Trust to test the operation of the controls in place.

Internal controls similar to those recommended for the statutory sector are expected to be in place in the independent sector.

Each Trust will decide how it will gain the assurances it needs over the circumstances in homes in which it places its residents or where tenants for whom it has responsibility are in an Adult Supported Living setting.

REGULATION AND QUALITY IMPROVEMENT AUTHORITY (RQIA)

RQIA, the independent health and social care regulator and quality improvement body for Northern Ireland, is responsible for monitoring standards for residential and nursing home care as well as Mental Health provision under the Mental Health Order (NI) 1986 and the 2003 Health and Personal Social Services (Quality Improvement and Regulation) Northern Ireland Order.

It is responsible for inspecting the availability of health and social care services and encouraging improvements in the quality of service provision. Its work provides assurance to the Department in respect of compliance with the regulations and minimum standards and the quality of service provision. RQIA's reports are copied to Trusts when it is considered that they should be aware of the findings.

As a regulatory body, RQIA monitors compliance with the relevant regulations and minimum standards for residential and nursing home care through its programmes of inspections and reviews. RQIA takes action as necessary to rectify non-compliance. RQIA will share its reports with Trusts as necessary and will alert Trusts immediately of any instances it may find of actual or potential abuse of vulnerable adults as well as actual or potential financial irregularity.

It is not part of its role or responsibilities to carry out such further investigations or audits as may be necessary; it is for Trusts to determine and take appropriate action on behalf of its residents. However, RQIA will require reports from Trusts on the timescale and outcome of such enquiries when complete.

For practical purposes, responsibility for an investigation will generally rest with the Trust in whose area the home is located and it will communicate and liaise closely with other Trusts which have placed their residents in the home.

RECOMMENDATIONS

Accounting Officers should ensure that existing controls operating in Trust facilities are reviewed to satisfy themselves that there are appropriate controls in place and that they are in compliance with extant Departmental guidance. Accounting Officers should also take steps to ensure that there are adequate financial controls in place in independent sector homes to ensure that Trusts' residents' interests are protected.

MANDATORY DEPARTMENTAL GUIDANCE

In addition, your attention is drawn to the existing mandatory Departmental guidance which can be accessed through the following links:-

Residential Care Homes – Minimum Standards

http://www.dhsspsni.gov.uk/care_standards_-_residential_care_homes.pdf

HSS (F) 13/2007 – Financial Governance Model for New HSS Trusts

http://www.dhsspsni.gov.uk/hss_f_13-2007.pdf

Patients and Clients' (Residents') Property can be found in section 28 of the Standing Financial Instructions within Circular HSS (F) 13/2007

http://www.dhsspsni.gov.uk/sos_res__del_of_p_sfis_mar_07.pdf

This Circular supersedes HSS (F) 45/2009 Misappropriation of Patients' monies – implementation of controls.

Appendix 2

Residential/Nursing Home Standard 15

Patients' money and valuables

Standard 15: Patients' money and valuables are safeguarded.

Criteria

15.1 The patient's right to control their own money is respected.

15.2 Where the home is responsible for managing a patient's finances, the arrangements and the records to be kept are specified in the resident's agreement.

15.3 Where patients hand over money or valuables for safe-keeping by the home, they are aware of the arrangements for the safe storage of these and have access to their individual financial records.

15.4 Records are kept of the amounts paid by, or in respect of, each patient for all agreed itemised services and facilities as specified in the resident's agreement.

15.5 Records are kept of the patient's possessions handed over for safekeeping and returned to the patient. The record is signed and dated by the patient, or their representative, and the member of staff receiving or returning the possessions. Where the patient, or their representative, is unable to sign or chooses not to sign, two members of staff witness the hand-over of the possessions and sign and date the record.

15.6 A record is kept of all allowances and income received on behalf of the patient and of the distribution of this money by the staff to the patient, or their representative. Each transaction is signed and dated by the patient, or their representative, and the member of staff. If a patient, or their representative, is unable to sign or chooses not to sign for receipt of the money, two members of staff witness the handover of the money and sign and date the record.

15.7 Records of, and receipts for, all transactions undertaken by the staff on each patient's behalf, and of the expenditure of allowances kept by the home on the patient's behalf are maintained and kept up-to-date. Where the patient, or their representative, is unable to sign or chooses not to sign, two members of staff sign the record.

15.8 If a patient has been assessed as incapable of managing their own affairs, the amount of money or valuables held by the home on behalf of the resident is reported in writing by the registered manager to the referring Trust at least annually, or as specified in the patient's agreement.

15.9 When there is evidence of a patient becoming incapable of managing their own affairs, the registered person reports the matter in writing to the local or referring Trust.

15.10 If a person associated with the home acts as an appointee, the arrangements for this are discussed and agreed with the patient, or their representative, and, if involved, the representative from the referring Trust. These arrangements are noted in the patient's agreement and a record is kept of the name of the appointee, the patients on whose behalf they act and the date they were approved by the Benefits Agency.

15.11 If a member of staff acts as an agent, a record is kept of the name of the member of staff, the date they acted in this capacity and the patient on whose behalf they act as an agent.

15.12 Reconciliation of money/possessions held by the home on behalf of patients is carried out, and evidenced and recorded, at least quarterly.

15.13 In all cases where cash or valuables of a deceased patient have been deposited for safekeeping, they are released only: -

- *Where the total value of property is estimated at £5,000 or less* - when forms of indemnity are given to the registered person.

- *Where the total value property is estimated to be in excess of £5,000 (or such other amount as may be prescribed by any amendment to the Administration of Estates (Small Payments) Act (NI) 1967.*



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