

Setting up Managed Account

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Managing Direct Payments: The Options

Please Note: The customer will still be responsible for the management of their personal assistants and all aspects of their employment. They will be responsible for making their own day to day arrangements with an agency. The Managed Account will only support the financial element of Direct Payments.

1. Appoint a nominated person – people with capacity to consent

The agent may receive and assist to manage Direct Payments on their behalf. This could be a family member, or friend, the customer must have capacity to consent and still control how the service is delivered. The nominated person would sign the Direct Payments agreement as well as the customer (where possible). They would act as the person who is helping the customer to manage Direct Payments. If the money is paid solely to the nominated person, the same process and guidance will be adopted as that normally applied to Direct Payments. The bank account may be a joint account or it could be in the agent's name. The Bank Mandate Form must reflect this. The customer is still accountable to the council for the way the money is used to purchase their support.

2. Create a trust of 3 to 4 trustees who will share the responsibility

In certain circumstances the trust will take on the employment of staff (personal assistants) and the financial management. Additional guidance is available on trusts. The trust would be accountable to the council for the way the money is used to purchase the support.

3. Managed Accounts

Direct Payments are about choice, control and flexibility. The method chosen to manage a Direct Payment should suit the Direct Payment recipient. A support service could act as an agent providing a managed account. The Direct Payments customer must agree that a managed account is how they would like to be supported to manage the financial side of the Direct Payment. Before processing a Managed Account, the practitioner could discuss with the Council's Personal Budget Support Service and their own Team Manager to explore all other options.

However it is useful to remember that the majority of Direct Payments recipients manage direct payments successfully with guidance and support without having to appoint a nominated person, set up trusts or set up managed accounts.

Managed Accounts: What are they?

Managed accounts provide third party support for customers who for some reason encounter difficulty managing the Direct Payment. They may have difficulty accessing a bank account, or it could be that they may have had difficulty with managing the financial element of Direct Payments.

If a Managed Account is selected, the Council pays the Direct Payment funds into the Managed Account instead of the customers' own Direct Payment bank account. All payments such as PA wages or agency invoices are made on behalf of the customer by the support organisation providing this service. They also provide the financial information when required for monitoring purposes.

A nominated representative can act on the customer's behalf, to either receive the Direct Payment and/or take on the employment responsibility. The key questions to ask when discussing or making these arrangements is 'will the individual remain in control of making key decisions and of directing their own service'. It is not recommended that any person working as a PA is also made responsible for handling the finances. This is one example where a Managed Account could provide the solution.

Many examples exist where arrangements have been successful, such as a person being able to choose the personal assistant they want but not understanding the complexity or wanting the responsibility of handling the finances. In this case a trust could be responsible for these elements.

If someone is deemed not to have capacity to consent to a Direct Payment, the payment can be made to an Authorised Person. Please refer to Practitioner Guidance: - People who Lack Capacity. The Authorised Person has access to the same support and information the customer would receive.

Costs

Direct Payments only £2.40 per week. To be invoiced by the Managed Account Support Service to WCC.

You must advise the customer that they must pay their social care contribution if they have been assessed as having the ability to pay into the managed account. The contribution they pay towards this will be stipulated on their financial assessment information and their Direct Payment agreement.

What is the difference between a traditional method of managing a Direct Payment and a Managed Account?

Standard Method	Managed Account
The Direct Payment monies are paid direct to the customer an agent or the Appointed Suitable Person.	The council will pay the money direct to the managed account provider on behalf of the customer.

Standard Method	Managed Account
Usually the Direct Payment customer has to set up a separate bank account purely for the Direct Payment. The council pays the net Direct Payment into this account.	The council pays the net Direct Payment into a bank account held by the managed account provider coded to each customer.
<p>The Direct Payment customer is responsible for paying the personal assistant and any other invoices/cheques /standing orders/direct debits relating to the management of the Direct Payment.</p> <p>The customer pays their social care contribution into their Direct Payment bank account</p>	<p>The Direct Payment customer submits all details of Personal Assistant's (PA's) timesheets to the managed account provider</p> <p>The payroll service will then generate a payslip from the timesheet and pay wages direct to the Personal Assistant.</p> <p>The Direct Payment customer using an agency/provider will submit invoices to the managed account provider and this will generate payment of the relevant invoice</p> <p>The customer will pay their contribution towards their social care into the managed account</p>
The Direct Payment customer is accountable for all expenditure and ensuring the monitoring returns are submitted to the Council.	The managed account provider will submit monitoring returns as requested in line with the Council monitoring guidance.

How to Set Up a Managed Account

1. Team Manager agrees to the customer having a Managed Account and to the additional funding to cover the cost.
2. Practitioner sends a request to their relevant Admin Team or if accessing the centralised Independent Living Payment Co-Ordinators via the [google instruction form](#) advising the customer requires a Managed Account.
3. The Independent Living Payment Co-Ordinator/Admin Team completes the details on the Warwickshire County Council and Managed Account agreements. The Administration Team fills in the name, customer P number, address, contact number and funding details, including customer's contribution.
4. The Warwickshire County Council Managed Account agreement is posted out to the customer by the Administration Team/person.
5. The customer signs the Warwickshire County Council agreement
6. The customer returns the Warwickshire County Council Agreement to the Independent Living Payment Co-Ordinator/Admin Team.

7. The Independent Living Payment Co-Ordinator/Admin Team will make a Managed Account Referral to the managed account provider who will then send a copy to their payroll department if payroll is required.
8. The Independent Living Payment Co-Ordinator/Admin Team will arrange transfer/pay the Direct Payment money into the managed account provider's bank account

Things to be aware of:

Payment frequency - payments are usually made on a four-weekly cycle.

Instructions to the administrator of the account must be clear and specify who is able to make changes. E.g. "Pay agency on receipt of invoice. Do not accept changes in hours unless instructed to do so by Social Worker etc.

The person instructing the Managed Accounts team can be a family member, suitable person or their representative. The carer may be permitted to instruct but only if this has been made clear at the onset and agreed with the council. The customer remains in control over their direct payment and retains the choice over how they wish to be supported and who they employ. If there are any concerns, conditions can be placed against the Managed Account which would need to be agreed by the Operational Manager.

The managed account provider must have the contact for the referring team. The Independent Living Payment Co-Ordinator should be the preferred initial contact identified on the referral form.

The managed account provider must be notified of all changes as they can only act on instructions. Therefore any changes in package size, provider, rates of pay, change of address, etc. must be passed on so that payment arrangements can be altered.

The managed account provider must be notified if a package is ceased as they may continue to pay the provider/PA's unless they are instructed to stop.

The cost of the managed account should be included within the Direct Payment costing's and presented to QAP but it should not be included within the final DP amount paid to the customer. Invoicing for managed accounts will be sent direct to, and paid by, the Independent Living Team. This amount will then be recharged to individual teams.

Warwickshire County Council Money Management and Income Control monitoring team will monitor the Direct Payments applying the risk matrix in the same way as all other Direct Payments customers. They will check the amount, contribution and balance. Amounts above 8 weeks may be recouped back unless reasons for the excess have been agreed.

Useful Contacts

If you wish to discuss anything, or need further advice, please contact:

WCC Independent Living Team via email ilt@warwickshire.gov.uk