

In safe keeping

Supporting people who use regulated care services with their finances

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This bulletin is primarily designed to assist **care home managers and administrators, home care managers and care staff** to improve the way they safeguard the financial interests of people who use these services.

It may also be of interest to directors of adult social services, local multi-agency safeguarding committees and commissioners of adult care services.

www.csci.org.uk/professional

Quality issues in social care – publications series

Promoting improvements in social care and stamping out bad practice for the benefit of the people who use care services are key functions of the Commission for Social Care Inspection (CSCI). The Commission has a statutory duty to report on the performance of regulated social care services and publishes information that promotes choice and independence for people who use services. This bulletin is part of a series focusing on particular quality issues in regulated social care services.

These bulletins are designed to:

- identify the factors that may have an influence on performance
- share what we have learnt from regulating and inspecting care services
- identify practical steps that can be taken by service providers to improve the experiences of people who use social care services.

How have we developed this bulletin?

We have gathered information from various sources to draw together the conclusions in this bulletin, including:

- data analysis of the proportion of care services in England meeting and not meeting the relevant National Minimum Standards
- qualitative analysis of a sample of inspection reports produced by CSCI since April 2006
- information provided to CSCI concerning poor financial practices
- case studies provided by inspectors
- consultation with key stakeholders.



Summary of key points

- People who use social care services should be able to use and manage their money as and when they choose. Some people may need support with managing their financial interests, but this support should not override their right to access their money and to decide how they wish to spend it.
- Care providers must make sure that any support they provide:
 - respects people’s right to control their finances and personal property
 - handles people’s finances and valuables appropriately, in accordance with legislation, regulations and guidance
 - ensures confidentiality at all times
 - minimises any risk of criminal activity or financial abuse.
- Care services must have procedures in place so staff help people with their finances and possessions appropriately. Staff also need to be aware of the signs of financial abuse and know how to respond to safeguard people who use services.
- Procedures alone will not ensure that people’s finances are within their control or managed with their best interests in mind. Any form of mismanagement, neglect or abuse is the result of human interactions and so cannot be completely eliminated. But good financial management and procedures to safeguard adults help to minimise the risk of abuse and increase the likelihood of abuse being detected.
- If financial abuse does occur, procedures to safeguard adults need to be put into action to make sure that the matter is investigated and those affected are protected from further harm. In February 2006, the Commission for Social Care Inspection (CSCI) published *Safeguarding adults protocol and guidance*, to clearly outline the Commission’s role in working in partnership with other agencies to safeguard adults from abuse.¹

Performance of adult care services

- The Commission found that adult social care services in England have improved their ability to meet National Minimum Standards (NMS) on safeguarding people’s financial interests. At 31 March 2006, 88% of care homes for older people and 74% of home care agencies met this standard (see Table 1).
- Care homes for younger adults do not have a separate standard for supporting people with their finances but our analysis suggests that 9% of care homes for younger adults do not manage financial issues well.

1. This is a joint agreed protocol with the Association of Directors of Adult Social Services and the Association of Chief Police Officers. Available at www.csci.gov.uk/Docs/safeguarding_adults_protocol.doc

A quarter of home care agencies could do more to improve their procedures for monitoring any contact they have with the finances of people who use their services. At 31 March 2006, home care agencies and care homes for older people were more likely to fail to meet the NMS for safeguarding finances due to minor rather than major shortfalls (23% and 10% respectively of all services). Major shortfalls were found in 3% of home care agencies and 2% of care homes for older people inspected in 2006 and give cause for concern.²

Improving performance in safeguarding people's financial interests

Care services can improve the way they support people with their money by:

- Supporting people to be financially independent, to manage and make their own decisions about their finances.
- Making sure financial arrangements are clearly outlined in their contract with people.
- Tailoring support to minimise risks to people using the service.
- Ensuring all transactions are transparent and backed up by good record-keeping.
- Supporting people to access their money when they need it, without compromising on security.
- Making sure comprehensive procedures are put into action and that people who use services and staff know what to do when there are concerns.
- Practising sound financial management so that any money that needs to be held or managed on a person's behalf is safe and within their control.



TABLE 1: Percentage of adults social care services meeting the NMS on safeguarding people's financial interests and operating as at 31 March of each year

	2003	2004	2005	2006
Home Care Agencies ³	-	-	66%	74%
Care Homes for Older People	74%	83%	87%	88%

2. Note that home care services became regulated and inspected by CSCI in 2003.

3. We do not have a similar figure for the performance of care homes for younger adults.

Introduction

1 What is this bulletin about?

This bulletin outlines how well care homes for older people, care homes for younger adults and home care agencies are performing against current regulations and standards on the safeguarding of people’s money and valuables. It also identifies good practice for care services in the way they support people to access, use and keep their money and valuables secure.

The Commission regulates and inspects care homes and home care agencies in England for compliance with the Care Standards Act 2000, and the associated Care Home Regulations 2001 and Domiciliary Care Agencies Regulations 2002. The regulations make clear that care providers have a duty to establish robust financial management procedures. These procedures must safeguard people who use their services from being subject to any actions of financial mismanagement and abuse (see inset below).

Summary of the regulations related to safeguarding finances

Care Homes Regulations 2001

The care service must maintain records of:

- Charges made to the person using the service, including those for additional services.
- Money or valuables deposited with the care home for safekeeping.
- Furniture brought into the home by the person using the service.
- Any limitations agreed with the person using the service as to their freedom of choice or power to make decisions.

These records must:

- Specify the amounts paid by each individual resident.
- Include dates for all transactions (including the safekeeping of valuables).
- Include written acknowledgement of receipt of money, goods, and valuables.
- Be kept up to date.
- Be available for inspection by CSCI at all times.

The registered person may only pay the money belonging to a person using the service into that person’s account.

The registered person must ensure, so far as is practicable, that persons working in the care home do not act as the agent of people who use services.

The care service must make suitable arrangements to ensure people are safeguarded against abuse or neglect.

Domiciliary Care Agencies Regulations 2002 (home care services)

Domiciliary care agency registered persons must:

- Make suitable arrangements to ensure the safety and security of the property of people who use their services, promote people's independence, and safeguard people against abuse or neglect.
- Specify the procedure to be followed where a care worker acts as agent for, or receives money from, a person using the service.
- Ensure care workers are aware of their role and responsibilities in relation to record keeping.
- Ensure records of the care provided are kept in the home of the person using the service and are kept up to date, in good order and secure.
- Specify procedures to be followed after an allegation of abuse and provide training to care workers in this matter.

In addition to these regulations, the Department of Health (DH) publishes National Minimum Standards (NMS) for providers of care services. These NMS are not legally enforceable but do identify what a care service needs to do in order to meet its legal obligations. They help to identify areas where regulations may have been breached and inform the enforcement action the Commission may take against care homes if they do not comply with the regulations. (For more information on NMS, see the 'Facts and Figures' section of this bulletin.)



2 Why is this an important issue?

“We want to remain in control over our own life and money ... even in a residential home.”⁴

People who use care services need to be able to use and manage their money as and when they choose – often daily. Some people need support with managing their financial interests, but this support should not override their right to access their money and to decide how they wish to spend it. This includes the right to make what others might see as eccentric or unwise decisions.⁵

As with any type of support, there are benefits and risks that need to be carefully managed. Anything done for or on behalf of other people must be done in their best interests and needs to:

- respect people’s right to control their finances and personal property
- handle people’s finances and valuables appropriately and confidentially, in accordance with legislation, regulations and guidance
- minimise any risk of criminal activity or abuse.



In the *Our health, our care, our say* White Paper, the Government recognises ‘economic well-being’ as one of the seven outcomes that are critical for people who use care services.⁶ Care workers can use these outcome areas as a guide in identifying what they can do to help to support people’s overall well-being.

4. Commission for Social Care Inspection (2006). *Making choices: Taking risks*. London: Commission for Social Care Inspection.

5. That it should not be assumed that someone lacks capacity because he or she makes an unwise decision is one of the principles in the Mental Capacity Act 2005.

6. Department of Health (2006). *Our health, our care, our say*. London: Department of Health.

3 Issues for providers

Social care managers and staff provide practical help on a daily basis to people who use services. They regularly negotiate with people's informal carers and relatives, legal appointees, banks and government organisations on money matters to help people to access their money, buy goods and services and store valuables. But care professionals are often anxious when handling people's money.⁷ Clear guidance on how to deal with complex financial situations is not always readily available. Staff also fear being accused of taking advantage of people or of stealing their money. It would be unfortunate if this prevented people with the authority to act on people's behalf from spending money on goods or services that would improve people's quality of life.

There is no evidence to suggest that staff are more likely to take advantage of people than others. A recent study of reports of financial abuse to the Action on Elder Abuse helpline identified that the majority of complaints (71%) were against relatives, particularly sons and/or daughters.⁸ Care workers should fully understand local procedures to safeguard adults and if they become aware of abuse by a relative or a friend should be able to support people to deal with the situation.

Most care services do their best to support people for whom they provide care. However, sometimes well-meaning managers and care workers make decisions that are not right for people using the services or that show a lack of

understanding of financial matters. For example, it may not be immediately obvious to a staff member that using his or her own loyalty card when shopping for someone else is not appropriate. To guard against unintentional abuse, care workers need to be clear about the difference between personal and professional boundaries, recognising that they are only temporary custodians of other people's finances and valuables.

When there are signs that financial abuse has occurred, care providers and staff need to take into account that most financial abuse will be an act of theft or fraud, and therefore is a crime. The police should be notified so that the incident can be properly investigated.

Definition of financial abuse

'Financial or material abuse, including theft, fraud, exploitation, pressure in connection with wills, property or inheritance or financial transactions, or the misuse or misappropriation of property, possessions or benefits.'⁹

Care homes and home care services must ensure that the contract for the service they provide is fair and that people receive the services they pay for. Care services also must have procedures in place so that people's finances and possessions are well managed. While a fair contract and good procedures help to minimise the risk, they alone will not keep people's finances safe. Abuse and neglect are the result of human

7. Social Policy Research Unit (2006). *Minding the money: Carers and the management of financial assets in later life*. York: University of York

8. Action on Elder Abuse (2007). *The cost of living: growing up is free, growing old is expensive*. London: Action on Elder Abuse. (Available at www.elderabuse.org.uk)

9. Department of Health (2000). *No secrets: Guidance on developing and implementing multi-agency policies and procedures to protect vulnerable adults from abuse* (LAC [2000]7). London: Department of Health. (See www.dh.gov.uk)

interactions and so cannot be completely eliminated. If financial or material abuse does occur, the service needs to respond appropriately to safeguard those affected, stop the inappropriate behaviour and make sure it does not happen again.

Safeguarding adults procedures

The system for responding to abuse of any kind has been outlined in CSCI's 2006 publication *Better safe than sorry: Improving the system that safeguards adults living in care homes*. This can be found at www.csci.org.uk/professional



Facts and Figures

This section first examines how well regulated adult social care services are performing against NMS. It then explores the reasons for poor performance and outlines the Commission's role in working with service providers to improve their practices.

4 How well are care services performing?

The Commission assesses all services against a set of NMS using a four-point scale.

1. 'not met', implying major shortfalls in matching the standard
2. 'nearly met' and implies minor shortfalls
3. 'met'
4. 'exceeded'.

The Commission publishes the performance of social care services that are operating at the end of each financial year (at 31 March). Care services are reported as meeting NMS when they score 3 or 4.¹⁰ When a service fails to meet the standard, the inspector must make a judgement on the extent to which the shortfalls raise concerns regarding the risk this could pose to people who use services.

Both care homes for older people and home care agencies have a minimum standard dedicated to the appropriate handling and safeguarding of people's money and property. The NMS for care homes for younger adults includes these aspects within a wider safeguarding adults standard

and so their performance is calculated differently (see below).

Home care agencies

On 31 March 2006 there were just over 4,600 home care agencies operating in England and inspected by CSCI against the following standard.

Domiciliary care agencies – NMS 13: Financial Protection

Outcome: The money and property of people is protected at all times whilst providing the care service.

Summary of the standard:

- Comprehensive policy and procedure for all aspects of handling money and property.
- Rules about the making of, and benefiting from, people's wills and bequests.
- Investigation of all allegations of financial irregularity.
- Signed and dated records of all financial transactions kept in people's homes.
- Risk assessment undertaken and recorded before acting on a person's behalf.
- Declaration of external and/or conflicting interests.

10. Further information can be found in: Commission for Social Care Inspection (2006). *The state of social care in England 2005-06*. London: Commission for Social Care Inspection. Available at www.csci.gov.uk

TABLE 2: Percentage of home care agencies meeting the safeguarding finances standard (Financial Protection NMS), operating as at 31 March of each year

	Private	Council	Voluntary	All services
31 March 2005	64%	68%	72%	66%
31 March 2006	73%	75%	76%	74%

Key points

- Nationally there has been an improvement in the percentage of home care agencies meeting the safeguarding finances standard since they were first inspected.¹¹
- As at 31 March 2006, 26% of home care agencies failed to meet the standard. Most home care agencies failed due to minor shortfalls (23% of all inspected services) and 3% of all home care agencies failed due to major shortfalls.

Care homes for older people

As at 31 March 2006, there were just over 10,500 care homes operating in England and inspected by CSCI.

Care homes for older people – NMS 35: Service Users’ Money

Outcome: People’s financial interests are safeguarded.

Summary of the standard:

- People who use services control their own money where possible.
- Written records are kept of all transactions.
- Separate records and receipts must be completed – no pooling of personal allowances.
- Conditions around the registered manager acting as an agent for the person using the service.
- Secure facilities for the safekeeping of money and valuables.
- Records and receipts kept where possessions are handed to the home for safekeeping.

TABLE 3: Percentage of care homes for older people meeting the safeguarding finances standard (Service Users’ Money NMS), operating as at 31 March of each year

	Private	Council	Voluntary	All services
31 March 2003	73%	72%	81%	74%
31 March 2004	83%	82%	87%	83%
31 March 2005	87%	88%	91%	87%
31 March 2006	88%	89%	90%	88%

11. The standard for home care only became effective from 2003, when agencies providing home care first became regulated.

Key points

- Overall, the performance of care homes against the safeguarding finances standard (Service Users' Money NMS) has improved from 74% in 2003 to 88% in 2006.
- Most of this improvement occurred between 2003 and 2005; performance between 2005 and 2006 has levelled out.
- As at 31 March 2006, 12% of care homes for older people did not meet the standard. Most of these services failed due to minor shortfalls (10% of all inspected services) and 2% of all services failed due to major shortfalls.

Care homes for younger adults

By 31 March 2006, just over 7,400 care homes for younger adults were operating and inspected by CSCI.

Care homes for younger adults do not have a separate standard for supporting and safeguarding people's finances and are incorporated within a wider standard on safeguarding adults (Protection NMS).

Care homes for younger adults – NMS 23: Protection

Outcome: People are protected from abuse, neglect and self-harm.

Summary of the aspects of the standard relating to financial protection:

- The registered person must ensure people are protected from financial abuse.
- People have access to their personal financial records.
- Money and valuables are stored safely.
- Consultation on finances must be held in private.
- No staff involvement in the making of, or benefiting from, people's wills and bequests.

Key points

- Performance of care homes for younger adults against the wider standard for safeguarding adults (Protection NMS) has improved rapidly from 47% in 2003 to 74% in 2006.
- As at 31 March 2006, 26% of care homes for younger adults failed to meet the safeguarding adults standard. Most of these services failed with minor shortfalls (22% of all services) and 4% of all services failed due to major shortfalls.

An analysis of a sample of poor performing care homes for younger adults found that 35% failed wholly or partly due to poor management of people's finances. If this proportion is applied to the population of failing care homes for younger adults (26% failed to meet the safeguarding adults standard), then approximately 9% may have failed due to either minor or major shortfalls in safeguarding with people's finances.

5 Reasons for not meeting the standard for financial protection

From a sample of inspection reports we found two types of reasons why services fail to meet the standard for financial protection.¹² The first concerns the level of *independence and involvement* that the person using the service retains in relation to their money. This covers the issues of transparency, access, informed consent and choice. The second relates to financial management, procedure and security and therefore to the *safeguards* put in place by the service provider.



It is essential to note that these two areas are strongly interdependent. In order to enable independence and involvement, sound records must be kept and clear procedures must be followed. These must

be accessible and transparent. Equally, to safeguard people using services it is vital that people are engaged and involved, as far as possible, with the management of their own finances.

Theme	Reason for failing to meet the standard	Examples of poor practice
Ways to safeguard people's finances and valuables	Transparency	<ul style="list-style-type: none"> • Receipts for purchases, money withdrawn or change given were not provided or kept. • Signatures of those using the service (to confirm receipt of goods or change) were not being sought. • Poor or absent financial record keeping. • Records not made of valuables left with care home staff for safekeeping.
	Procedure	<ul style="list-style-type: none"> • No procedure in place. • Incomplete, inadequate or out-of-date procedure. • Agreed procedure not followed by staff. • Staff unaware of procedure. • Lack of management checks that procedure is followed. • Failure to investigate discrepancies or reported suspicions.

12. The sample comprised 100 reports from care homes for older people and 22 home care agencies that were inspected in 2006.

Theme	Reason for failing to meet the standard	Examples of poor practice
	Financial management	<ul style="list-style-type: none"> • Pooled accounts, no records of interest accrued on individuals' money. • Money borrowed by other people using the service or staff. • Poor management of accounts (eg bills paid late on behalf of account holder). • Inaccurate records when audited by inspector. • Too much money held on a resident's behalf.
Ways to promote people's independence and involvement	Access	<ul style="list-style-type: none"> • People have poor access to their money or the records of their money (eg may be held off site or with only one keyholder). • The service withholds people's money or fails to encourage financial independence.
	Informed consent	<ul style="list-style-type: none"> • There was no evidence in the care plan that any agreement had been made around dealing with finances or that a person's representatives had given permission if there were issues of mental capacity. • No agreement in contract about what services are to be paid for or additional charges.
	Security	<ul style="list-style-type: none"> • Casual sharing of people's PIN numbers. • Witness signatures not sought when appropriate. • Unsafe storage (of money, valuables, bank details).
	Choice	<ul style="list-style-type: none"> • Pooled or joint purchases. • Unasked for or unwanted purchases. • Lack of choice in purchases made (eg colour, design, retailer).

Key points

(see also pie charts below):

- Home care agencies and care homes need to ensure that there is greater transparency, particularly in the recording of financial transactions.¹³
- The next most common failing for home care agencies is not putting in place the necessary procedures.
- Failing to put in place a robust financial management system is the next most common issue in care homes for older people.
- In terms of improving people's independence and involvement, home care agencies need to improve on practices relating to informed consent . Making sure finances are both secure and accessible are more significant issues in care homes for older people.



FIGURE 1: Reasons for failing the financial protection standard – home care agencies

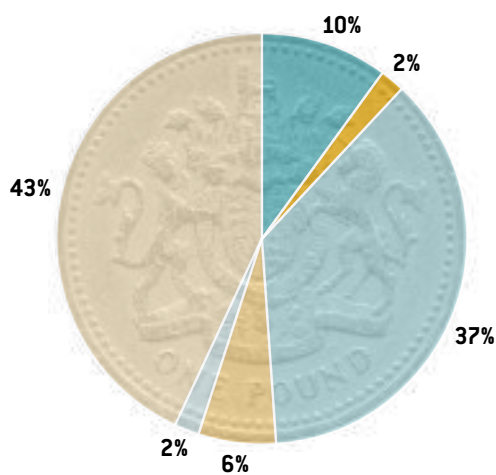
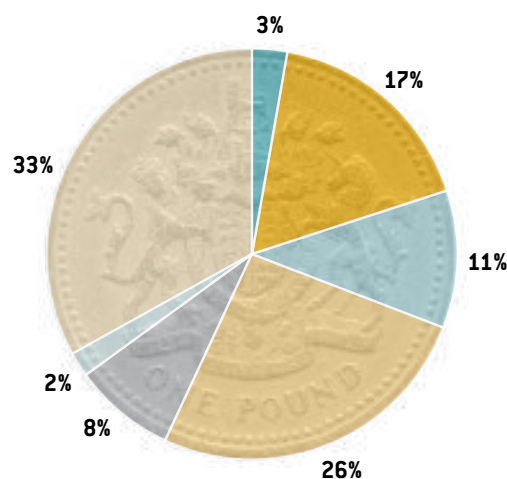


FIGURE 2: Financial protection standard



■ Informed Consent
 ■ Procedure
 ■ Security
 ■ Transparency
■ Access
 ■ Financial management
 ■ Choice

13. This finding was also noted in the Commission for Social Care Inspection's 2006 report *Time to care? An overview of home care services for older people in England*. The full report is available at www.csci.org.uk/professional

6 What happens when services fail to meet standards?

CSCI also receives information from a range of people (including staff, other agencies, residents, family members and advocates) on the performance of care homes during an inspection or through our concerns and complaints procedures. While the Commission has no statutory powers to investigate individual cases, the Commission will use inspection powers where there are breaches of regulations and standards and will work with other partner agencies to support the safeguarding adults work.

General concerns and complaints

Where the information indicates a general concern or a specific complaint, the Commission identifies which agency is responsible for taking action. This is assessed on a case-by-case basis and may result in:

- information being passed to the provider (with the agreement of the person providing the information)
- information being passed to another agency better placed to respond to the issues
- the Commission undertaking further inspections or enforcement activity.

Referrals to safeguard adults

If abuse or neglect is suspected, the Commission will make a referral to the council's co-ordinator for safeguarding adults. Where there are indications of a serious risk to the welfare of people who use services, the Commission will urgently consider what regulatory action is needed in parallel with the investigation undertaken by partner agencies or the care provider.

Depending upon the nature of the concerns, the Commission may work with local organisations and undertake an inspection to look into breaches of the regulations and standards. In cases where there is no serious risk, the Commission may consider whether any further regulatory activity is needed based on the outcome of the investigation or assessment.

Case study – Responding appropriately to financial abuse

The following is an example of a case of financial abuse successfully handled in partnership with the home care agency, the police and the local safeguarding adults partnership. It also demonstrates the importance of watertight procedures, both for the protection of the people using services and for the protection of the agency itself.

During a routine inspection, CSCI discovered that a care worker had been taking money from a person using home care. The actions of the care worker had been discovered when a relative complained to the agency that a large sum of money (over £2,000) had been given to the care worker to purchase a car so that 'he could do his job'.

The agency said they had paid the person using the service back the full amount out of agency funds in a bid to protect the good name of the agency, and the relative had agreed not to take it further. However, although the owner had made good the £2,000 financial loss, several other people using the service may have been left at risk of financial extortion as a result of not following safeguarding procedures. CSCI made it a requirement that the agency follow formal safeguarding adults procedures and notify the police.

Further investigations by the police showed that the care worker had approached several people receiving care services, telling them he had no money and had to support his family. A number of people had given him money, but the money had been given as 'gifts'. This posed difficulties for the police in attempts to prosecute.

The police used a restraining order to prevent the care worker from continuing to go to people's homes while he was suspended from the agency.

The agency experienced initial difficulties referring the care worker to the Protection of Vulnerable Adults (POVA) list due to their previous handling of the matter and because people who had given the care worker money were reluctant to say that what had happened was wrong as 'they were only helping him'.

The agency also had difficulties with employment law and using disciplinary action against the care worker because they had failed to make the safeguarding adults procedures related to finances clear to all parties. CSCI found that:

- The employee's terms and conditions of employment did not include a policy on accepting gifts.
- Policies and procedures relating to the handling of people's money were in place, but guidance on what staff must *not* do had not been fully covered in the staff handbook or contract.
- People using the service had not been informed of the agency's rules about lending and borrowing money.
- The care worker's induction had been incomplete.

Further review of staff records showed that all relevant police checks were not in place. Staff waiting for police clearance were out working in the community and with poor supervision. Pre-written references had been accepted. Employee contracts and the staff handbook did not require staff to notify the agency of any new criminal offence occurring whilst employed at the agency.

CSCI acted to ensure, among other things, that the home care agency made proper police checks; ensured staff were properly supervised; revised its contracts to ensure gifts were dealt with appropriately; and made it clear to all parties what staff can and cannot do as outlined in Standard 13 - Financial Protection.

Improving Financial Support and Safeguards

This section identifies ways to improve the support people using services receive with their finances and valuables and to ensure they are safeguarded. These practice points are drawn from our experiences of regulating and inspecting care services and from current guidance. Any differences between the practices of care homes and home care agencies are noted where relevant.



7 Support people's financial independence

Care homes and home care agencies that support people's financial independence:

- **Develop a person's financial profile.**

When care services have a clear understanding of people's situations, they are better at involving them in the decisions about their finances and providing realistic choices. A financial profile can be developed with the person, family carers and relevant professionals to form part of the person's overall support plan, and subject to the same regular review and revision.

A financial profile needs to include:

- what the person needs to pay for
- a risk assessment of the person's money management skills
- how money and valuables are made secure
- documentation of the informal and formal financial support arrangements
- how to contact support people
- a money management action plan.

It should only include information that directly relates to the service's role in supporting people with their money. It should *not* include confidential details, such as bank account numbers. This information could lead to fraud or financial abuse in the wrong hands.

Guidance on financial profiles (or passports) and general good practice for meeting standards

...can be found in the Association for Real Change (ARC) guidance *My money matters*. See the Further Information section at the end of this bulletin.

- **Build people's capabilities.**

Capability is different from capacity. A person may have capacity, but not be capable because they have not been given enough information to understand the issue, or the information has not been in the right format, or they are not feeling well on that day.

Capability can be developed with support from others. Care workers can build capability by providing information in easy-read formats, delaying a decision until someone is feeling better, or by involving an independent advocate to help the person consider their choices.

- **Facilitate opportunities for choice.**

It is essential to consult with each person as far as possible about their money and how it is spent. Goods or services should never be purchased on a person's behalf without checking with them first. Even where a person has an attorney or a receiver/deputy,¹⁰ they may still be capable of making some decisions about what they spend their money on.¹¹ A person's past choices may provide care staff with some guidance on what they would like to purchase.

Good practice example

- If a care worker needs to buy an item of clothing on the behalf of someone who has difficulty communicating their wishes or is not able to go to the shops, the care worker could buy an item that reflects the person's colour preferences or buy a choice of items, returning those that are unwanted.

Poor practice example

- It is poor practice to prevent care workers from taking residents out to the shops to buy what they want or to have one care worker buy items for all the residents from one particular shop.



10. Receivers will be called deputies under the new Mental Capacity Act 2005.

11. The Mental Capacity Act 2005 states that people are still enabled to make all decisions for which they do have capacity even when they lack the capacity for other [more complex] decisions.

8 Make support arrangements clear and safe

Care services must have overall financial control mechanisms in place. These controls should balance providing the right kind of support and clear accountability.

- **Charges for extra services need to be outlined in the contract and service user guide.**

People must have a copy of the written contract and understand the terms and conditions of the service. The contract must clearly outline what is included in the fee for the care service and the extras that people will be charged for. What this means in practice for each person should be outlined in their service user guide. Any changes to terms and conditions need to be negotiated with and agreed by the people using the service or those authorised to act on their behalf.

A fair contract with older people?

During 2007, CSCI will report on the findings from an investigation on whether older people and their carers:

- receive enough information to make the best decision when choosing a care home
- are provided with a proper contract by the care home
- have a clear understanding of what services are included in the care home fees and what services they need to pay extra money for.

- **Assess people's capacity.**

The Mental Capacity Act 2005 sets out a single clear test for assessing whether a person lacks capacity to take a particular decision at a particular time and outlines

'best interest' principles where a decision needs to be made on a person's behalf.

Information

Further information on the test and the implementation of the Mental Capacity Act 2005 can be found at www.dca.gov.uk/legal-policy/mental-capacity/index.htm Regional and local implementation networks have been set up as the Act comes fully into force during 2007. See the Further Information section of this bulletin.

- **Enhance people's quality of life.**

Where a person lacks the capacity to express their needs, care staff and people making financial decisions on their behalf need to work together to ensure that any available personal funds are used to enhance people's quality of life and are not just sitting in an account.

Good practice example

A very frail woman with dementia sat curled up in an armchair for most of the day. She needed full assistance with personal care and her total expression was a constant whining sound. She had over £1,500 in her personal account. One care worker suggested trying aromatherapy to help her relax. In consultation with the family and GP, she received her first session. The reaction was notable – she relaxed and stopped the whining sound during the session and for several hours after. The session was reviewed and it was decided that she should receive one session per week. When this was successful the woman received two sessions per week, paid for out of her own money.

- **Assess and manage any risks.**

A risk assessment helps care services make a judgement on whether a person is able to manage their own finances and identifies their vulnerabilities in this area. The service providers have to understand the risks involved in providing financial support and to manage this to an acceptable level of risk.

become necessary should the person's situation change.

Use of staff to assist in managing a person's money should be avoided if possible – especially in taking on legally recognised responsibilities. However, these arrangements do sometimes occur in practice, particularly when other support options are not available.

Lessons on managing risks

A Mencap pilot project found that good risk management involves:

- Creating the right culture.
- Doing risk assessments when the service starts.
- Agreeing the way money is handled as part of the start-up planning.
- A clear contract outlining what support the service will provide.
- Controlling risks of fraud from staff by employing the right quality staff, as opposed to having repressive procedures.
- Making sure people with a shared tenancy agree how they will split the costs.

Source: Association for Real Change (2006). *My money matters*.

Information on changes to designated decision-makers

People can appoint someone else who will make decisions regarding their property and financial affairs on their behalf in the future, should people one day lack capacity to do it themselves. From October 2007, the Mental Capacity Act 2005 brings into practice a number of changes, including the following:

- A person will also be able to appoint a person in advance to make decisions about their health and personal welfare.
- There is a name change. After October 2007, all applications for Enduring Powers of Attorney will become applications for Lasting Powers of Attorney (LPA).
- The Act provides a system of court-appointed deputies to replace the current system of receivership in the existing Court of Protection.

The Code of Practice and information booklets on the Mental Capacity Act 2005 are available from the Department of Constitutional Affairs at:

www.dca.gov.uk/legal-policy/mental-capacity/publications.htm

- **Maintain a record of support arrangements.**

The care provider tends to provide less support and fewer controls when there is an appointed person to manage their financial affairs. Legal arrangements should be made at the start of a person's use of a care service, or as soon as they



- **Promote staff competence.**

Just because care staff manage their own money does not mean that they necessarily have the skills to manage the finances of others. All staff will benefit from the protection section of the Skills for Care Common Induction Standards [standard 5] (see the Further Information section) and use of the knowledge set on Protection of Vulnerable Adults. Financial training is particularly important for care staff who are authorised by the Department for Work and Pensions to act on a person's behalf in relation to their social security benefits.

Government funding is available for financial literacy and money skills training, and may be accessed through the Citizens' Advice Bureau or debt counselling services. Managers can contact Skills for Care for information and support on workforce development.

National Occupational Standards for Health and Social Care

includes a focused set of standards to assess a worker's competence to support individuals to manage their financial affairs. These standards are in the core units of the National Vocational Qualifications (NVQ) at levels 2, 3 and 4.

9 Make all transactions transparent

It is important that clear records are kept so that the people themselves, their representatives, and CSCI inspectors, are able to audit the accounts and check everything is satisfactory. This also protects the provider from false or mistaken allegations of financial irregularity.

- **Keep receipts for all financial transactions.**

This includes receipts for withdrawing money, purchases made and services such as hairdressing or travel. Where they are able, people who use the service should sign to show that they have received the goods or service and the correct change.

Receipts and records for people using **home care services** should be held within their homes but copies need to be made and held at the agency's office and be regularly audited. To enable this many agencies currently use pads with carbon copy paper.

Good practice example

A good home care agency will have a system for recording every stage of any cash transaction to provide a good audit trail. The care worker will do the shopping according to the list provided and return the change, goods and receipts to the person using the service on the same day. The recording system will show exactly how much has been handed over by the person using the service (eg 2 x £10 notes = £20), the shopping list, the change and receipts. The individual and the care worker sign the recording sheet to agree that it is correct. All of these transactions must be done on the same day.

For **care homes**, records of money taken from a person's allowance need to be kept centrally and include all purchases of extra services that are not provided for within the care home fee (such as for hairdressing and chiropody). It should be clear what the money has been used for and how much has been charged.

Good practice example

Some care homes and home care agencies decide not to handle people's cash or hold money on their behalf. However, the services do not want to limit people's independence or access to their money. They will pay for the shopping, travel or hairdressing costs and then send an itemised bill with receipts once a month.



10 Balance accessibility and security

It does not matter how carefully records and money are kept if a person does not have access to them.

- **Do not withhold money.**

Where personal allowances or other sums of money are paid into an account other than the person's own, the registered manager or other appropriate person must ensure that these funds are transferred to the resident as soon as possible. And, of course, money must never be withheld because staff disagree with people's decisions or as a punishment.

- **Use witness signatures.**

Witness signatures should be sought where care workers handle a person's money or valuables on their behalf and the person is unable to sign.

- **Do not share PIN numbers casually.**

Where people are not able to use their PIN number to withdraw their money, an appointee may need to be in place. Care services should refer to the Banking Code in these instances (see www.bba.org.uk).

- **Provide safe storage in residents' rooms (care homes only).**

Wherever possible, residents should be encouraged to maintain their financial independence and facilities should be provided for residents to safely store some money and valuables in their rooms. Otherwise it is essential that cash and valuables are kept locked away in a safe area of the home, and that keyholders are clearly identified and aware of their responsibility to make sure people have access.



Poor practice example

It is poor practice to fail to establish alternative arrangements when a keyholder is on holiday. Cover needs to be arranged in advance so that people have access to their cash and valuables.

11 Make procedures more than a piece of paper

A procedure forms the basis of an agreement that, when followed, safeguards not just the person using the service against financial abuse. It also protects the care worker, the manager and the care service from mistaken allegations of financial abuse.

- **Ensure procedures are written down and staff understand them.**

The manager needs to take an active and constructive interest in day-to-day practice, making regular checks to ensure that staff understand the process and that records are being kept appropriately. Apathy in management quickly filters down to the caring team and this is often when poor practice or even active abuse flourishes.

- **Make sure the procedure covers all eventualities.**

Some care services may decide that they will not deal with finances at all and the responsibility must sit with the family, friends or legal appointees. Care workers still need to be clear on how to manage situations where money is involved – such as when going out with residents, when using loyalty cards, when offered gifts or if people want to make them beneficiaries of their wills. It is especially important that home care agencies' procedures are watertight as care workers work without supervision in people's own homes.

- **Ensure all people understand the complaints process and the local procedures to safeguard adults.**

People need to be aware of their rights in order to feel comfortable querying their finances or making a complaint. If friends, relatives and care workers are aware of the signs of abuse they can also encourage a person to make a complaint or report concerns on their behalf.

Managers, care workers and people who use services must be fully aware of the complaints process and the local procedures to safeguard adults and feel confident that the correct procedures will be followed.



Signs that financial abuse may be taking place

Action on Elder Abuse¹⁶ and Age Concern¹⁷ list the following as some of the signs to look out for:

- Unexplained withdrawals from bank accounts.
- Signatures on cheques that do not resemble the person's normal signature, or when the person concerned usually has difficulty writing.
- The inclusion of another person's name on the bank account.
- Numerous unpaid bills when someone is supposed to be paying them on person's behalf
- Abrupt changes to or the sudden establishment of wills.
- The unexplained transfer of large sums of money or property.
- A person who has previously managed their money well suddenly failing to pay their bills or keep their property maintained as they had in the past.
- The unexplained disappearance of valuable possessions such as art, silverware, jewellery.
- Someone preventing friends and family from accessing the person, isolating them in order to gain increased control.
- The person becoming anxious and confused about their finances.
- Concern that an excessive amount of money appears to be being spent by care workers on the person's care.

- Lack of amenities (such as TV, toiletries, appropriate clothing) that the person should be able to afford.
- The person being tense after particular people have visited.
- The sudden appearance of previously uninvolved relatives claiming their rights to a person's affairs or possessions.



16. www.elderabuse.org.uk

17. www.ageconcern.org.uk

12 Practise sound financial management (care home specific)

If service providers handle people’s money, they must protect their finances from avoidable risk and ensure that all decisions taken are in the person’s best interests.

- **Keep money and records separately for each resident.**

Ideally, each resident should have his or her own bank account, showing the balance, incoming and outgoing payments. If cash is held for care home residents on site, it must be secure, accounted for separately for each individual and all transactions must be recorded.

Lessons from inspection

Some care homes keep separate tins or envelopes containing residents’ cash. However, CSCI is aware of cases where this system has led to significant problems and errors:

- Staff lending an individual’s money to other residents without the knowledge or consent of the resident or the authorised person acting on their behalf.
- Managers borrowing residents’ money for petty cash for the care home, again without consent.
- An incorrect balance suggesting that money is lost, stolen or borrowed without being replaced.
- The use of one tin for three or four people because of the lack of space, which leads to problems with the accounting system.

Care homes can avoid these problems by establishing an account that separates incomings and outgoings for individual residents and that includes a facility for calculating individual interest (see information below on corporate appointees).

- **Corporate appointees need to put safeguards in place.**

A corporate appointee is a registered person recognised by the Department for Work and Pensions to have the authority to manage social security benefits on behalf of people who lack capacity. The account established to manage people’s financial affairs must be separate from the main business account and must not be considered a business asset. The account records need to be itemised to show separate deposits and withdrawals for each individual resident. The care home must also demonstrate how each resident will receive any interest from their individual savings.

CSCI policy and guidance document 2005: Monies held on service users’ behalf by corporate appointees

This guidance aims to provide care home providers and inspectors who are corporate appointees with a common understanding of the interpretation of particular regulations and standards concerning monies held on a person’s behalf and includes some important safeguards to help minimise the potential for financial abuse. It is available at www.csci.org.uk/professional

Note: CSCI plans to extend this guidance to apply to providers that wish to offer this service to all people who use their services.

- **Be cautious in establishing a residents’ fund.**

As a general principle, a person’s money and property should be within their

control and not seen as belonging to everyone or the service. Residents' funds should therefore only include money raised from fund-raising activities (like fairs or sponsored events) and donations. This money should not be spent on the items that are included in the contracted service fee, such as general maintenance of the home.

Poor practice example

These funds are raised on behalf of the residents and therefore in principle they should be used to enhance their quality of life. Residents should therefore be involved in the decisions on how the money is spent and it should be properly accounted for.

Note: The fund is not part of the assets of the company and should not be confiscated if there is a change of management.

- **Do not hold too much cash on the premises.**

The resident needs to open an interest-bearing current or savings account immediately if they have a lot of money. Where difficulties are encountered, residents' families or legal appointees must be contacted. If the resident does not have a person who can assist, advice should be sought from the local social services department and/or dedicated financial advocacy services.



Conclusion

Care services' improved performance in meeting National Minimum Standards suggests that there are better systems in place for handling people's finances and safeguarding them from abuse. However, a better quality of life for the people using care services is the real test of whether a service is improving.

Many people who use services have complex financial situations. Establishing an individual financial profile with the person and their carers is a good starting point for working out what support is needed when and by whom. Services can increase the accountability and transparency of their interactions with people's financial affairs by using modern banking and accounting practices, and consulting with people who use services and their carers.

The implementation of the Mental Capacity Act 2005 provides an opportunity for care providers and staff to reflect on whether the financial management systems ensure choice, access, security and informed consent.

Lastly, financial abuse is often a criminal offence. The police and the person responsible for local safeguarding adults procedures must be contacted. Raising these concerns in the right places and having the evidence to support any investigation will help to ensure that financial abuse receives the same attention as other forms of abuse.



Further Information

Mental Capacity Act 2005 and Independent Mental Capacity Advocacy Service

The Mental Capacity Act 2005 (which will be partially implemented from 1 April 2007, and fully implemented by October 2007) provides a statutory framework to empower and protect vulnerable people who may not be able to make their own decisions. It makes clear who can take decisions in which situations and how they should go about this. It also enables people to plan ahead for a time when they may lose capacity. It establishes a new Court of Protection (in October 2007).

Further information on the implementation of the Act can be found at www.dca.gov.uk/legal-policy/mental-capacity/index.htm

An England-wide Independent Mental Capacity Advocacy Service (IMCA) is being set up to help vulnerable people lacking capacity who are facing important decisions made by the NHS and councils about serious medical treatment and changes of residence – for example, moving to a hospital or care home. The IMCA service will be available from April 2007. NHS bodies and councils will have a duty to consult the IMCA in such decisions involving people who have no family or friends, and also have powers to instruct an IMCA in adult protection cases even if they have family or friends.

For further information on the IMCA Service, email IMCA@dh.gsi.gov.uk

Public Guardianship Office (note: replaced by the Office of the Public Guardian in October 2007)

The Public Guardianship Office (PGO) is the administrative arm of the Court of Protection and part of the Department for Constitutional Affairs. It is responsible for ensuring that receivers/deputies or attorneys are appointed to look after the financial affairs of clients or donors who are not mentally capable of doing so themselves. In exceptional circumstances when no suitable person can be found, the PGO tries to find someone else to take on the role of receiver/deputy. As a last resort, the Chief Executive of the PGO takes on this role.

Further information contact:

Public Guardianship Office
Tel: 0845 330 2900 (local call rate)
Email: custserv@guardianship.gsi.gov.uk
Website: www.guardianship.gov.uk/

Information about banking and bank accounts

The British Banking Association has leaflets available on:

- banking for mentally incapacitated customers
- disability law – information for personal customers
- the Banking Code.

For further information contact:

The British Banking Association
Tel: 020 7216 8800
Website: www.bba.org.uk

Other CSCI publications on topics related to safeguarding adults

The following CSCI publications provide more detailed information on the performance of social care services in areas associated with safeguarding adults:

- *Handled with care?* outlines what is needed to improve the management of medication in social care services.
- *Safe and sound?* discusses how recruitment and vetting processes and procedures in regulated social care services can be strengthened.
- *Better safe than sorry* describes the systems that care homes and councils need to have in place to safeguard people from abuse.

News and updates on the regulations, policies and guidance are on the CSCI Professional page on the CSCI website and includes the following policy guidance:

- Monies held on service users' behalf by corporate appointees.
- Provision of fee information by care homes.

Available at www.csci.org.uk/professional

Other sources of good practice information on supporting people with finances

- Association for Real Change (ARC) supports providers of services to people with a learning disability with information and training.

Contact: ARC House Tel: 01246 555 043; Email: contact.us@arcuk.org.uk; Web: www.arcuk.org.uk

- Age Concern provides information (factsheets) and advice on a range of financial matters to people over 50 years.

Contact: Age Concern England Tel: 0800 00 99 66; Website: www.ageconcern.org.uk or a local Age Concern office.

Skills for Care: www.skillsforcare.org.uk

- Common Induction Standards 2005 – free download.
- Publication – *The first 12 weeks and beyond: A manager's guide to using the common induction standards.*
- Health and Social Care National Occupational Standards – free download.



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Helpline:

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Textphone: 0845 015 2255 or 0191 233 3588

Email enquiries@csci.gsi.gov.uk

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