

Direct Payment Fact Sheet

Keeping Records for Direct Payments

Keeping clear records about how you spend your Direct Payment is an important part of receiving a Direct Payment from Knowsley council. Record keeping is also known as “financial monitoring “or “Audits “.

Knowsley MBC is required to set up financial monitoring arrangements for audit purposes. This will fulfil the council’s responsibility to ensure that public funds are spent to produce the intended outcomes. Therefore, it is reasonable for the council to ask you to account for how the Direct Payment has been spent. This means that you will need to keep records and/or receipts of all payments.

How often will my records be audited by Knowsley MBC?

When you first start receiving a Direct Payment, you will be asked to send in your records after 3 months, then after 6 months and then after one year. Generally after this audits are carried out on a yearly basis.

How will I know when to send my records for audit?

You will receive a letter from Knowsley MBC asking you to send in your records. If possible, we recommend that you send your records by recorded delivery or hand deliver to the office at Knowsley Disability Concern (KDC).

When I have sent in my paperwork what happens next?

Your paperwork is passed to a team of auditors employed by Knowsley MBC

The auditors will check:

- All payments from Knowsley MBC are correct and accurate.

- Wages paid to Personal Assistant are correct, accurate and match the net pay on the payslips.
- Payments to HMRC are up to date with no history of late payments.
- Other expenditure documented on the Support Plan is accounted for and receipts are provided where applicable.
- Public Liability Insurance is up to date.
- All assessed client contributions are being paid and up to date.
- All invoices are paid and up to date.

If the auditors have a query with any of the records they will refer to KDC and we will contact you to offer you further help, support or guidance in managing the finances or keeping your records. We will seek to assist you with dealing with the query by telephone, letter or home visit.

I am employing a Personal Assistant - What records do I need to keep?

You will need to keep all the bank statements from the bank account you set up only for the purpose of the direct payment. You also need to keep a copy of the payslip from the payroll service.

I receive two payslips from my payroll service – what do I need to do?

The first payslip is to give to your personal assistant. You will need to make sure that you pay them the correct amount on the payslip. This is called the “Net Pay “and it is the figure on the bottom right hand side of the payslip.

The second copy is for your record keeping. You will need to ask your personal assistant to sign and date this payslip. This is to show that the personal assistant has been paid correctly and on time. It is important that the payslips are always signed.

I am making my own payroll arrangements. What records do I need?

You will need to keep your timesheets which show the net amounts paid to your Personal Assistants and the payments that you make to Her Majesty's Revenue and Customs (HMRC). You will need to keep copies of your bank statements and it is important to show on the bank statements the payments you have made to HMRC and the payments you have made to the Personal Assistants.

I use an Agency for my care needs - What records do I need to keep?

You will get an invoice from the Agency that you are using. You will need to keep a copy of all the invoices that you receive from the Agency. It is important to pay the Agency on time and keep up to date with payments. You will also need to keep a copy of all the bank statements for the Direct Payment account.

I have received a Direct Payment for a one-off purchase – What records do I need to keep?

Generally, one-off Direct Payments are not required to be paid into a separate bank account and therefore, you will not be asked to return bank statements. You will need to keep receipts to evidence how you spent the Direct Payment.

I have a Direct Payment for Short Breaks/Respite – What records do I need to keep?

You will need to keep receipts for all the expenditure for your respite. For example, if you have used the short break to hire accommodation, you will need to keep the receipt. If you use a residential provision outside of Knowsley, you will have been given an invoice by the residential provider. Also, you will need to keep all the bank statements for your Direct

Payment account to show how the money has been used. Please see our FACT sheet on Short Breaks/Respite which gives further information about what you can and cannot use Respite money for.

Sometimes I need some support with keeping good records, where can I get help?

The Direct Payments Support Service at KDC offers help and guidance with keeping records in the following ways:

- We provide an explanation of the audit requirements on our first visit to you after a referral from the social worker
- Information about audits is provided in our Direct Payments starter pack that we leave with every individual after our first visit
- We invite you to our monthly training sessions which includes a session about record keeping
- We offer advice/guidance on how to pay your assessed contribution into your Direct Payment account
- We are available for telephone help and a home visit where needed.

Remember, if you are unsure, have any queries or need additional support; please contact the Direct Payments Team here at KDC.

Telephone: 0151 480 8873

Email: andy.gilbert@kdc.org.uk

You can find this Factsheet along with others covering a variety of topics by visiting us at www.kdc.org.uk