

# Direct payments

## Managing your Direct Payment records

### 1 What this booklet covers

This booklet sets out details of the records you must keep if you receive Direct Payments from Kent County Council. By law, the Local Authority must monitor the financial records of people who have Direct Payments. When employing your own staff, you also need to follow any rules of HM Revenue and Customs about tax and National Insurance.

### 2 Where you can get information about Direct Payments?

Beams Direct Payment Service is contracted by Kent County Council to provide information and support to disabled children and young adults who would like to have Direct Payments, or who are already receiving them.

The Service can give information about keeping Direct Payment records, how to recruit Personal Assistants, and the responsibilities of being an employer.

Contact details are as follows:

**Beams Direct Payment Service**  
**Allsworth Court**  
**40 St David's Road**  
**Hextable**  
**Kent BR8 7RJ**

**Tel: 01322 669245 (Helpline 9am-3pm)**  
**Email: [directpayment@wearebeams.org.uk](mailto:directpayment@wearebeams.org.uk)**  
**Website: [www.wearebeams.org.uk](http://www.wearebeams.org.uk)**

### **3 Why Direct Payment records are important**

It is important that you manage the Direct Payment properly so that you are able to get the care and support that you need, as shown in your support plan. You must provide us with details of how you are spending the Direct Payment funding. Beams Direct Payment Service will contact you when they need to check your records which will be at regular intervals.

The Direct Payment records you keep must show how you have used the money to pay for care and support, in line with your agreed support plan. You must keep all records such as Kent Card or bank statements, Invoices, Payroll Information, receipts, etc. You must also be prepared to share any, or all of these, with us if we ask.

### **4 The minimum Direct Payment records you need to keep**

Keeping Direct Payment records will help to protect you, the money you use to buy your care and support, as well as the people you pay to provide the care for your child or young adult. We suggest that you keep monthly records to make it easier for you to keep track of your income and spending.

When you receive Direct Payments from Kent County Council you will need to keep:

- A copy of your support plan (your Social Worker will give this to you)
- Kent Card statements
- Bills and receipts
- Invoices i.e. Payroll, HMRC, Insurance etc

If you receive your Direct Payment through the Kent card, KCC will be able to view the bank statements online therefore reducing the amount of paper work you need to maintain. You should, however, keep these statements for your own records.

**If you employ your own staff, even if they are only temporary, you will also need:**

- A list of their names and addresses
- Carry out a Right to work check (view their original passport, take a photocopy, sign and date this copy and retain for your records)
- Bank Account details of your PA for making wage payments
- A completed HMRC Revenue and Customs P45 or New Starter Form (formerly P46) for each of your staff
- If you are taking responsibility for your own payroll through the HMRC online system, you will need to retain copies of payslips and make available access to your online tax deduction and payment records
- If using a payroll company to assist you in managing your pay and tax liabilities, you will need to keep copies of all paperwork provided by them i.e. salary and wages book, or individual deductions working sheets (please note a payroll organisation can help with this and you can find out more information from the Direct Payment Support Service)
- Employment Contract plus statutory appendices and Job Description for each person
- Insurance documents
- Time sheets that your PAs/carers must fill in and sign

If you do not employ the person to provide your support, you must ensure that the person or organisation providing the support accepts and acknowledges in writing that they are not employed by you.

You also need to check that they have the relevant and sufficient insurance, skills and qualifications, DBS checks, right to work and/or work permits from the outset. In addition you must check on a regular basis that such cover remains in place and, when necessary, is varied in accordance with changes to the support provided.

You are reminded that an individual can be registered as self-employed but still regarded as employed on a specific contract (or 'set of contractual terms'). If there is any doubt about whether the terms and conditions under which a worker is carrying out their duties are those of self-employment, then you as the engager are responsible for seeking advice from the HMRC.

## **5 Giving us information about how you have paid for your care and support**

Within three months from the date you first receive your Direct Payment, there will be an initial check to see how you are managing the responsibilities and paperwork. Following this we shall make ongoing checks of your direct payment account, usually at 12 monthly intervals.

If you do not make the information available on request we shall look into this and your Direct Payment may be stopped.

If you receive your Direct Payment through the Kent Card we will be able to view your statements online. You may, however, be asked to send in receipts to confirm some of the expenditure from the account.

If you need help with this you can ask us, Beams Direct Payment Service, a friend or family member to help you.

## **6 What is the purpose of providing this information?**

KCC will use the Kent Card statements and documents to complete Direct Payment monitoring. The monitoring will:

- Check that the Direct Payment funds are going into the account correctly.
- Ensure that you are using the Direct Payment as set out in the support plan.
- Check whether there is any money building up in the account – if you have more than 5 weeks balance on the account you will need to highlight the reasons. For example, it could be that you have not used the Direct Payment due to hospital admission, therefore, we may seek to reclaim this surplus money. Perhaps money has been reserved to cover PA holiday pay, cover bills you have not yet paid, or that have not yet cleared from the account. Depending on the reason, it may also mean that your support plan needs to be reviewed. Your Social Worker will look at this with you.

## **7 Making payments from your direct payment account**

Wherever possible, you should pay for care and support by transfer from the Kent Card via online banking or telephone to PFS on 020 7127 4395. **Do not make any payments with your Direct Payment that are not included in your agreed support plan.**

Cash withdrawals are not permitted unless prior agreement with your social worker has been authorised.

You must keep the original paperwork as proof of your payments (for example, wages and salary records, invoices, receipts and claim forms).

You should not pay any invoices that are photocopied, unless you are sure you have lost the original and you have not paid it yet.

Before making a payment you should check that:

- The invoice shows the name and full address of the person providing care
- It adds up correctly
- It is for a service you have already received
- The payment is due

## **8 Employing your own staff – Salaries and wages**

As an employer it is important that you keep to relevant employment and tax laws, otherwise you could find yourself having to pay expensive interest and fines, or possibly have legal action taken against you. In addition, ensure that you keep documents relating to insurance (public liability/employers liability). Beams Direct Payment Service can provide information on employing Personal Assistants.

## **9 Checking your payment account statement against your records.**

When you receive your Kent Card statements you should check them against the invoices and receipts you have filed. If you do not recognise a payment that has gone from your Kent Card account, you should contact PFS on 020 7127 4395 straight away and also notify your Direct Payment Case Worker immediately.

## **10 How long you need to keep your records for?**

You must keep all supporting documents relating to the Direct Payment and the provision of the support for at least six complete financial years from the date of the payment, even if the payments have stopped.

## **11 What to do if things go wrong?**

If you have a problem and it directly affects your ability to pay for your immediate care needs, you must tell your Direct Payment Case Worker at once.