



**Health
Information
and Quality
Authority**

An tÚdarás Um Fhaisnéis
agus Cáilíocht Sláinte

Guidance for Designated Centres

Residents' Finances

November 2013



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Subject	Residents' Finances
Audience	Service Providers

Standards and regulations relevant to this guidance include			
Standard	No.	Regulation	No.
<i>National Quality Standards for Residential Care Settings for Older People in Ireland</i>	9	Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) Regulations 2009 (as amended)	6, 7
<i>National Standards for Residential Services for Children and Adults with Disabilities</i>	3.1	Health Act 2007 (Care and Support of Residents in Designated Centres for Persons (Children and Adults) with Disabilities) Regulations 2013	12(1) and 12(4)

This guidance contains explanations of concepts, specific examples and templates that may assist in meeting regulations and implementing standards. There may be other requirements relevant to a particular service that are not addressed in this guidance. It is for service providers to identify the regulations, standards and best available evidence relevant to their service. This guidance is current at the time of printing. Please check www.hiqa.ie for the latest version of this guidance.

1. Why is this important?

Children and adults who use residential care services have freedom to exercise choice and control in their daily lives. A person's decisions about money and how it is used are an important means of exercising these choices. It is therefore important that services support people who use the service in managing their own money where possible.

As there are risks of loss of money, either by accident or deliberate financial abuse, service providers must also ensure that they support people when they need help managing their financial affairs, and put safeguards in place to protect residents and to prevent financial abuse.

2. Control of financial affairs

Where possible, people who use residential services control their own financial affairs in accordance with their wishes. As a service provider, you can encourage and support residents to make their own arrangements regarding safekeeping and expenditure of their funds. This may require some supports, such as training for yourself or your staff in budgeting or managing a bank account.

Where the resident wants or needs help in managing their financial affairs, you may support them, for instance by managing funds on their behalf. HSE and HSE-funded services may hold residents' money for safekeeping under the Health (Repayment Scheme) Act 2006, in private property accounts. Where this is the case (for public, private or voluntary service providers) they must comply with all standards, regulations, policy and guidance. Procedures should be in place to ensure that the money is kept safe and made available to residents to do with as they will. Where funds are held on behalf of residents, it should be assumed that they have capacity to make decisions about their use, and the service should facilitate clients in this.

It should not be assumed that people with intellectual disabilities are unable to manage their own finances: In England, where personal budgets have been made available to people in need of support, in 2009/10, 23,610 adults with learning disabilities made use of a direct payment and/or personal budget, with 14,695 using a direct payment and 8,915 adults using some form of personal budget.¹ Where residents do not have capacity to make fully informed decisions about their finances, they should still be consulted and involved in those decisions to the greatest extent practicable.

¹ Emerson et al, 2010

As well as a person directly controlling their own finances, or a service facilitating their management, money may be managed by a number of other legal mechanisms, for instance:

- through one or more people who are granted power of attorney
- through a trustee managing an inheritance or settlement
- in the case of social welfare payments, through an agent appointed to handle these payments
- through the Wards of Court office or other legal mechanism.
- through the use of others to assist in decision making, as may be provided by law following the passage of the Assisted Decision-Making (Capacity) Bill.

As a provider, you should regularly review Irish and European legislation to determine what is relevant to your service and revise your arrangements accordingly. A combination of these legal mechanisms may be used by one resident. Where you (or your delegate) are appointed by the resident to manage their money, there should be appropriate arrangements in place to address any potential conflicts of interest and these should be clearly documented.

Where a service provider is a resident's agent for social welfare payments, you must:

- pay the full amount of the payment without deduction of any kind to the resident
- act in a personal capacity and not delegate responsibility to any other person
- ensure the payment is used for the benefit and best interests of the resident
- ensure monies are not spent on items or services that the resident has an entitlement to and are available and accessible
- lodge the balance of the payment to an interest bearing account for the benefit of the resident as soon as possible after receipt of the balance
- keep a record of all sums received and all transactions made in relation to the payment
- make the records available if requested by either the resident, his or her nominee (who may be a relative), or an officer of the Department of Social Protection.

In the case of a resident who lacks capacity, and whose finances are managed by a someone outside the service, it is important for service providers to engage with these other parties to seek to ensure that the residents' money is used in the best interests of the resident. This ensures their clothes and other personal belongings do not fall below a minimum standard consistent with their general well-being.

3. Financial abuse

Financial abuse may come from those who are in a position of trust as well as strangers. This may include financial or material abuse includes theft, fraud, exploitation, pressure in connection with wills, property or inheritance or financial transactions, or the misuse or misappropriation of property, possessions or benefits². As a service provider, you should have measures in place to ensure that residents are not subjected to deception or pressure that affects their property or finances negatively now or in the future, for instance, in delegating powers to another party or changing a will. Please be aware that making purchases on behalf of a resident with their money but without their consent, even if the intention is benign, also constitutes financial abuse. Financial abuse also includes not allowing someone who is competent to spend their own money as they wish.

Service providers should ensure that their arrangements for people's finances, personal property and possessions minimise the risk of abuse. Services should have policies in place to address any potential abuse by providers themselves or by those within their service. This includes policies, audit and other quality assurance mechanisms to avoid potential uncertainty that could lead to abuse. Staff should be supported in protecting service users from financial abuse and preventing it or stopping it where it occurs within their service. This includes appropriate arrangements to report suspected financial abuse within the service, for instance, through protected disclosure.

4. Principles of good practice

There are a number of steps you can take to ensure good practice in safeguarding residents' finances:

- encouraging and supporting residents to manage the safekeeping, budgeting, investment, expenditure and recording of their finances to the greatest extent possible
- where finances are managed on behalf of a resident, involving the resident in decisions about the finances to the greatest extent possible and consistent with their safety and wellbeing. When money is managed on a resident's behalf, there is a written agreement (with the service user themselves where possible, otherwise with someone with the authority to act on their behalf) as to the service provided and the safeguards in place.

² As described in the report of the Working Group on Elder Abuse (2002).

- having a clear policy, developed in consultation with service users, on the management of residents' finances and training staff in the implementation of this policy. The policy should be regularly reviewed and updated.
- ensuring that all transactions by a service provider involving a resident's finances are recorded and periodically independently audited and that robust quality assurance arrangements are used to demonstrate all reasonable steps are taken to prevent abuse.
- maintaining clear separation between the resident's funds and those of the service, and under no circumstances take loans from a resident's funds.
- assessing the risks of financial abuse in the service and putting arrangements in place to ensure that these risks are managed and followed up.

5. Resources

Department of Health. Protecting our Future: Report of the Working Group on Elder Abuse. Dublin: Stationery Office, 2002.

Department of Social Protection. Appointment of Agents. Available online: <http://www.welfare.ie/en/Pages/Appointment-of-Agents.aspx> [accessed on 16/09/2013].

Duffy S. Freedom: A Guide to Good Support. London: Centre for Welfare Reform, 2013.

Emerson E, Hatton C, Robertson J, Roberts H, Baines S, Glover G. People with Learning Disabilities in England 2010. Cambridge: Improving Health and Lives Learning Disabilities Observatory, 2011.

Health Act 2007 as amended.

Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) Regulations 2009 (as amended).

Health Information and Quality Authority. National Quality Standards for Residential Care Settings for older People in Ireland. Dublin, 2009.

Health Information and Quality Authority. National Standards for Residential Services for Children and Adults with Disabilities. 2013.

Health (Repayment Scheme) Act 2006.

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