



Adult Social Care

Client Accounts and Cash Balances Procedure

Version 7

Version: 7 FOI Status: Controlled	Derbyshire County Council Adult Social Care Client Accounts and Cash Balances Procedure	Originally Issued: June 2013 V7 Issued: September 2023 Review Due: September 2025 Author: Graham Woodhouse
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1. Introduction

For a variety of reasons, the Adult Social Care and Health (ASCH) department sometimes hold money on behalf of people. Although these balances belong to individuals, the county council has a clear “duty of care” and must ensure that the accounts are properly administered. The following procedures have been devised to ensure that this legal obligation is fulfilled.

In most cases where money is being safeguarded on behalf of individuals, or held on behalf of charities, it is expected that these funds will be paid into the Derbyshire County Council’s bank account from the outset, although in exceptional circumstances a small amount of cash may be held at the relevant area office.

2. Money Held in the County Council’s Bank Account

1. An individual’s account (previously known as service user or client accounts) uses a standard general ledger code of 320100, with an internal order of VAX#nnn, where # is the area number and nnn is a number from 000 to 999. For example, VAX1006 would be Amber Valley individual account 6. For purely one-off transactions internal orders VAX1000, VAX2000, VAX3000 etc., will be used.
2. When a new individual account is needed, the Corporate Services and Transformation (CST) finance management team (ASCH) at Derbyshire County Council (DCC), headquarters will allocate the next consecutive number and arrange for the internal order to be added to SAP with a narrative containing the individual PIN and name (in the format ‘123456 SURNAME Forename’).
3. Details of all transactions on each individual account are recorded on form SUA1, individual account sheet ([Appendix 1](#)) in sufficient detail to enable all the postings to be tracked back through the financial system. These sheets are to be filed in numerical order, with closed account details to be retained at the back of the file for six years plus the current financial year.
4. When cash is received, either directly from individuals or in the form of charitable donations, etc., an official receipt must be issued, and the money paid into the council’s bank account in accordance with the normal banking procedures. Details of each amount banked must be entered on the appropriate individual account sheet.
5. Wherever possible, payments from individual accounts should be made through Orderpoint and SAP, but in some cases, it may be more practical for a payment to be made through the Imprest system. Each Imprest payment must be supported by a voucher that clearly shows the reason for the payment and be authorised by an approved officer.
6. As payments from individual accounts are **solely** for the benefit of individuals it is **not permissible** for the county council to reclaim the VAT content of a payment from HMRC. Therefore, the gross amount should be charged to the individual account, with a VAT code of VN (non-business – outside the scope of input VAT).

7. Individual accounts **must** be reconciled to the financial ledger on a monthly basis with any discrepancies investigated and corrected immediately. When reconciled the date and officer's initials should be entered in the "reco" column on the individual account sheet.
8. At the end of each financial year a printout of final balances will be produced by the CST finance management team (ASCH). This must be checked by each area and a signed copy returned to DCC headquarters for audit purposes.
9. Any individual accounts that have a balance but no movements in the last eight weeks should be investigated and, where appropriate, a repayment made to the individual/charity.
10. Where someone is admitted into long term residential care, the finance management team should be notified so that any balances can be transferred to the individual's residents savings account. Advice should be sought from the finance management team (ASCH) at DCC headquarters before proceeding with any **cash repayments in excess of £500**.
11. The responsibility for individual accounts is allocated based on the different types of accounts, as follows: -

GL Code	Account Type	Responsibility
320000	Trust Funds	CST finance management team (ASCH)
320100	Service User Accounts	ASCH business services

3. Cash held at the Area Office

1. Where cash is held for individuals at an area office the balance should not exceed £50 per person. Authorisation must be obtained from the CST finance management team (ASCH) at DCC headquarters to hold cash in excess of this amount, but this will only be sanctioned in exceptional circumstances. Where there are balances in excess of this limit, the excess amounts should be paid into an individual's account using the procedures described above.
2. Cash for each individual must be held separately and all amounts must be kept securely in the safe.
3. A record of receipts and payments in respect of each individual must be maintained on form SUA2 individual cash balances sheet ([Appendix 2](#)). For each transaction recorded on this form two signatures, normally a business services team member and the case worker, are required.
4. Where possible, vouchers should be obtained to substantiate all items of expenditure.
5. The cash balances **must** be reconciled to the form SUA2 on a monthly basis with any discrepancies investigated and corrected immediately. When reconciled, the date and officer's initials should be entered in the "reco" column of the individual cash balances sheet ([Appendix 2](#)).

Appendix 1 - Adult Social Care & Health Individual Account Sheet

.....AREA

Page

VAX.....

Client	
Case Worker	

Date	Description	Reference (see below)	Payments	Receipts	Balance	Reco (date & initials)

Ref: Receipt no; Cheque no; Order no; Imprest Voucher; Invoice no etc.

Form no: SUA1

Appendix 2 - Adult Social Care and Health Individual Cash Balances Sheet

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VAX.....

Client	
Case Worker	

Staff Signatures

Date	Desc	Ref (see below)	Payments	Receipts	Balance	Business Services	Case Worker	Reco (date & initials)

Ref: Receipt no; Cheque no; Imprest Voucher; Invoice no etc.
Form no: SUA2

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Author History

Authorisation and Approval History

Authored by Graham Woodhouse Head of Finance	June 2013
Authorised by Policy and Procedures Group	June 2013

Change History

Version 1	June 2011	Graham Woodhouse	New document
Version 2	June 2013	Graham Woodhouse	Review and update
Version 3	May 2015	Graham Woodhouse	Review and update
Version 4	Sept 2017	Graham Woodhouse	Review no changes
Version 4.1	August 2019	Graham Woodhouse	Review and Change of Dept. Name
Version 5	January 2022	Graham Woodhouse / Jamie Wickham	Change of name for Finance and details added of responsibilities
Version 6	July 2022	Graham Woodhouse	Change from AX cost centres to VAX internal orders
Version 7	Sept 2023	Graham Woodhouse	Remove reference to Deputyship Accounts and Phoenix and change CCP to CST.