

Version: 3b FOI Status; Public	Closure of Adult Social Care Establishments – Staff Guidance on the Close-down of Financial and Administrative Procedures Derbyshire County Council – Adult Social Care	Originally issued: Feb 2004 V3b issued: June 2021 Review due: June 2023 Author: Graham Woodhouse
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Closure of Adult Social Care Establishments – Staff Guidance on the Close-down of Financial and Administrative Procedures Derbyshire County Council - Adult Social Care

If you would like to make any comments, amendments, additions etc please email ASCH.adultcare.policy@derbyshire.gov.uk

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Petty Cash Imprest Account

In the period immediately before the closure of an establishment the unit manager should take action to close down the petty cash account. This will involve ensuring that all bank reconciliations have been entered into the Imprest system and that any unpresented cheques have been investigated. The remaining balance of cash in hand must be paid into the council’s bank account using the ledger code XA00001 702200. Any unused postage stamps should be handed over to the relevant area office; they should *not* be converted back into cash and included with the cash in hand.

The Accountancy team at Adult Social Care headquarters should be contacted immediately after the last item of petty cash expenditure has been incurred and entered in the computer record *but before* reimbursement is claimed. After being informed of the amount to be claimed, he/she will ensure that when this final step is taken the money will not actually be reimbursed to the petty cash bank account. The Accountancy team will contact Corporate Finance and ask them to send a request to the bank to return any balance remaining in the account to the county fund account thereby closing down the account.

Each unused cheque remaining in the petty cash cheque book should be marked ‘cancelled’ and be retained along with the other petty cash documentation (i.e. cheque stubs, bank statements, expenditure vouchers and reimbursement advice notes) for a period of six years. These items should be removed to the area office for safekeeping and be available for audit inspection if necessary.

Any debit cards should be destroyed by the card holders.

Official Income

Unit managers must ensure that all official income received at an establishment, including private telephone call charges and call box income, is banked prior to the date of closure. Managers at establishments that have the facility to raise official county council invoices must check that each debtor has been issued with an invoice for all goods or services provided.

The last income return (GA10 at residential homes, TR130 at all other establishments) submitted to the Corporate Finance division should be marked ‘final return’.

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Personal Property of Residents

At residential establishments where items of personal property belonging to residents are being safeguarded by the authority on their behalf, action must be taken to return each item to its rightful owner prior to the closure of the home. When property is returned to a resident, he/she should be asked to acknowledge the return of the property by signing the appropriate page in the property receipt book.

Any property that, for whatever reason, cannot be returned to a resident should be sent to Client Financial Services at Adult Social Care, County Hall, Matlock along with details of the resident and reason for non-return.

Retention of Financial Records

Following the closure of an establishment the financial records must be removed from the building and be retained at the area office for a period of six years where they should be kept available for possible audit inspection. The documents include:

receipt books; order books; bank paying-in books; petty cash bank account statements, expenditure vouchers and cheque book stubs; amenity fund account books; cheque books; bank account statements, expenditure vouchers and paying-in books and copies of income returns.

Any unused cheques remaining in partly used cheque books should be marked ‘cancelled’ to prevent possible misuse.

Inventory and the Disposal of Furniture and Equipment

The unit manager must ensure that a full check of the inventory is undertaken prior to the closure of an establishment and that any unserviceable items of equipment are removed from the inventory with the endorsement of the service manager. If the plan is for the department to continue to utilise the establishment in some other way, the new unit manager will be responsible for the maintenance of the inventory.

However, if the property is to be given up by the department and the contents of the building disposed of, a separate record should be kept to show the destination of the various items removed from the building. The inventory should be amended where necessary. If required, county Procurement Services can be asked to advertise the availability of surplus items of furniture and equipment to other departments of the council. At the time of closure the inventory must be removed to the area office for safekeeping with the financial records.

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Payment of Accounts

During the period leading-up to the closure of an establishment the unit manager should seek the co-operation of the suppliers of goods and services by asking them to render their final few invoices promptly, thereby enabling as many invoices as possible to be processed for payment before the property is vacated.

British Telecom (BT) should be informed of the impending closure of an establishment and be asked to forward a final bill for telephone services. If, after its closure as an Adult Social Care establishment, the property is to remain unoccupied BT should be requested to disconnect the telephone line.

Amenity Fund

Prior to the closure of an establishment all cash balances relating to the amenity fund should be paid into the fund’s bank account. The fund should be balanced and a final statement of accounts produced for retention at the area office along with the other financial records. The way in which any cash remaining in the bank account, or equipment financed by the amenity fund, is to be distributed after closure will be a matter for the Amenity Fund Committee to decide in conjunction with the service manager. Following disbursement of the final balance in the amenity fund account, the bank should be asked to close the account down.

At those establishments where there is a trolley shop or a bar which is run in association with the amenity fund, the unit manager must ensure that a final stock take is carried out (if any stock remains at the time of closure) and a trading statement is produced for retention with the financial records. A note should be made of the way in which any remaining stock is disposed of. Clearly, it would be advisable to allow the amount of stock to be reduced to a minimum level during the final few weeks before closure. If an establishment has obtained a license to sell alcoholic drinks, the licensing authority concerned must be informed when the bar has ceased to function.

Informing Interested Parties of the Closure of an Establishment

It is important that either the unit manager or business services officer works closely with the Asset Management team and Corporate Landlord to determine who takes responsibility to ensure all appropriate internal sections and external agencies are informed of the closure. These include:

External organisations

- district/borough council for business/council tax
- utilities for gas, electric and water (with a copy to county Procurement Section to ensure the establishment is taken off any contract lists)

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- post office, with provision of a forwarding address for mail
- waste companies, sanitary bin suppliers, food suppliers, papers, linen hire, call system, burglar alarm

Internal sections:

- Property Services
- Adult Social Care Finance
- Insurance Section
- Adult Social Care General Office - with provision of a forwarding address for mail
- Audit Services
- Exchequer Division
- Human Resources
- ICT for telephones, MDF and computer equipment. BT for final telephone bill

Final 'Housekeeping' Tasks

Responsibility for these following tasks needs to be determined in conjunction with the Asset Management team and the Corporate Landlord.

Final readings should be taken from the gas, electricity and water (if metered supply) meters at an establishment immediately prior to its closure. These records should be kept safely at the area office for future reference.

When the closure date of an establishment becomes known it is important that the service relationship manager (Adult Social Care) is kept informed of the situation as he/she will be responsible for arranging the close-down of the IT applications in operation at the establishment and for the removal of the equipment from the building.

If an Adult Social Care property is to be disposed of, the company responsible for maintaining the security system should be requested to disconnect the burglar alarm.

The unit manager should ensure that regular services supplied under contractual or standing arrangements are cancelled prior to the closure of the establishment, for example trade/sanitary waste collection, roller towel replacement, linen hire, window cleaning and newspaper delivery.

If the building is to be retained by Adult Social Care but will be unoccupied for a period of time, Property Services should be asked, as a precautionary measure, to drain the water

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from the central heating system. The water supply should be turned off at the mains and the electricity and gas supplies should also be switched off.

After a property has been locked-up for the last time the keys should be handed to a representative of the Property Services division.

Closure of Older People’s Establishments

For older people’s services, the above policy should be read in conjunction with the

“Derbyshire County Council Adult Social Care Major Change and Closure Guidance - Accommodation, Care and Support for Older People”

Author History

Approval and Authorisation History

Authored by Bill Smith Finance Officer February 2004
Approved February 2004

Change History

Version 2	March 2013	Graham Woodhouse	Full revision
Version 3	January 2018	Graham Woodhouse	Full revision
Version 3a	February 2020	Graham Woodhouse	Minor change to weblink at end of the document.
Version 3b	June 2021	Graham Woodhouse	Review – no change