

Misuse of an Activities Unlimited AU Award– Activities Unlimited-CYP

Introduction:

Local Authorities have a statutory duty to provide a range of short breaks to meet the needs, wants and wishes of children and young people with disabilities and additional needs. This enables parents and carers to receive regular breaks from caring. Following completion of an online self-assessment, families may be eligible for a Personal Budget (locally known as an AU Award). There are two AU Awards available of different monetary value, A Short Break Offer and a Short Break Offer Plus.

There are three ways to receive the award.

Direct Payment – the money is paid into a bank account or onto a prepaid card account.

Personal Allowance – the money is held and managed by the council or by a third party.

Split Payment – a combination of the above.

In order to receive any of the above cases the recipient signs up to Terms and Conditions.

Misuse of an AU Award.

The Guide to Short break Offers stipulates that the Short break Offer should not be used for:

- Clothing (other than specific clothing needed for an activity, i.e. horse-riding clothes, dance shoes etc)
- Household bills including Gas, Electric, Council Tax etc.
- Everyday household expenses and items, such as maintenance costs, furniture and electrical appliances.
- Parking fines or penalties of any sort.
- Activities that take place during school hours, including school activities during term time.
- Private Education tuition.
- Treatments/therapies, medication that the NHS would not normally fund.
- Medical or OT equipment.
- Restricted items that could cause harm, such as knives, weapons and chemicals.
- Body modifications or cosmetic adjustments.
- Grocery Shopping.
- To pay a family member living with the child or young person for childcare/personal assistants.
- Anything that is illegal.

- Gambling, debt repayment, alcohol, tobacco;
- Emergency, acute, and most primary healthcare services which are already provided on the NHS;
- Purchasing services directly from Suffolk County Council or other statutory agencies.
- Permanent residential care;
- As a substitute for Disabled Facilities Grants;

Monitoring of Direct Payments.

All Direct Payments are monitored every 3 months (sometimes more frequently) to ensure funds are used appropriately and in line with the Terms and Conditions.

Direct Payments paid into a bank account:-

The recipient submits evidence of spend, receipts/order confirmations and a spending record every 3 months (or more frequent if they choose). These are checked by Suffolk County Council Staff. Where further clarity is needed a staff member will contact the parent/carer for more information.

Direct Payments paid onto a prepaid card.

The prepaid card account is checked by Suffolk County Council Staff. Where further clarity is needed on certain expenditure, the PPC card holder will be requested to provide evidence of receipts/order confirmations etc.

Where Misuse is Found:

Where misuse of the Award is identified, and funds have been spent inappropriately the following actions will be taken:

For Direct Payments into a bank account.

- 1.The recipient will be contacted to discuss the misuse.
- 2.SCC will decide (see next section) and notify the recipient formally by a letter.

For Direct Payments paid into a prepaid card account.

1. The prepaid card account will be suspended
2. The recipient will be contacted to discuss the misuse.
3. SCC will decide (see next section) and notify the recipient formally by a letter.

Decision on Action to be taken:

The following decisions could be taken:

- Agree with recipient to repay money misused, agree the total amount, the repayment period and instalment amount:
 - Prepaid card holders – the amount will be paid back into the PPC account and will not be collected through the SCC Debt Recovery process of issuing invoices. A 14-day notice period must be given before monies are recovered. The account will be unsuspending after the money is being paid back
 - Direct Payments paid into bank accounts – the amount will be paid back into the Suffolk County Council nominated bank account. A 14-day notice period must be given before monies are recovered.
- A decision may be made that future payments are affected (i.e. less funds awarded)
- Where it is believed the recipient cannot be trusted with a Direct Payment following significant misuse, or this is not the first time of misuse and they have been warned, a decision may be made to withdraw the offer of a Direct Payment and move the Award onto a personal allowance (managed by the council) or decision made to cease funding
- Where individual is refusing to pay back money misused, a decision could be made to follow the SCC Debt recovery policy to pursue

Criteria for decision:

The following will be considered as criteria in decision making (not an exclusive list):

- The number of transactions deemed misuse of funds
- The value of misused funds
- The length of the misuse i.e. consistently every month or all in the same period
- The type of misuse

Record:

A record will be kept of correspondence and agreement of any repayment of misused money. A record will be kept tracking the repayment and this will be monitored monthly/3 monthly.

Where repayment has not kept up to the agreed amount, the recipient will be contacted.

When all funds are paid back this will be confirmed to the recipient holder in writing and a record kept.

Fraud:

Certain acts of the PPC holder may not constitute just misuse, but fraud.

The Financial Regulations within SCC's constitution state that any suspected fraud, theft or irregularity should be reported to the Head of Internal Audit.

The Fraud Act 2006 defines fraud. This can be broadly described as acting dishonestly with the intention of making a gain for oneself or another, or inflicting a loss (or risk of loss) on another, including:

- Fraud by making a false representation – a verbal or written lie
- Fraud by failing to disclose information – a lie of omission
- Fraud by abuse of position – using position of authority or trust for personal or financial gain

For a Direct Payment recipient, the most likely offence is that of fraud by false representation. This could be instances such as:

- Providing false information in order to justify eligibility
- Falsifying records - fake receipts / fake invoices / fake payslips / inflating timesheets to show care and support has been paid for which in fact has not been received – false accounting to allow monies to be misappropriated
- Falsifying the existence of carers and payments to them
- Payments to companies that do not exist or have link to family / friends which are not transparent
- Death of customer being hidden so that direct payment can continue
- Receiving a direct payment from more than one Local Authority

Reporting Fraud:

Instances of potential fraud and theft involving a DP should be reported to:

fraud@suffolk.gov.uk

Fraud Hotline: 01473 264399

Or Direct to Christos Constantinou, Senior Auditor:

Christos.constantinou@suffolk.gov.uk

Tel: 01473 265887