



Direct Payments: Managed Account Service April 2024

What is a Managed Account?

A Managed Account is available for people who use Direct Payments in Halton. A Managed Account helps people manage their budget and reduces the amount of financial paperwork they need to complete.

A Managed Account Service covers tasks involved; setting up a bank account, making sure your direct payments are received and are correct and making all of the necessary payments out to Agencies, PA's who you may employ, HMRC and other providers who provide your care and support.

The Direct Payments Team will support you to get the Managed Account set up. The Third Party that will manage your Direct Payment money on your behalf will take the responsibility for paying wages to your Personal Assistants if you employ your own staff, completing information on tax for the Inland Revenue and putting together financial information for the Local Authority.

If you are in receipt of services from an Agency you can use a managed account to pay for the care/support you receive from them.

Differences between Managing the Direct Payment yourself and having a Managed Account

Traditional Direct Payment	Managed Accounts
The Direct Payment monies are paid directly to the service user	The Direct Payment monies are paid to a Managed Account Third Party on behalf of the Direct Payment User.
The Direct Payment user has to set up a separate bank account for the funds to be paid into for the sole use of the Direct Payment	Direct Payments are paid into the Managed Account Third Party's bank account and coded to each Direct Payment user/Personal Budget user.
The Direct Payment user is responsible for paying any employed Personal Assistants wages, paying HMRC, Insurance, Pension, Agency provider Invoices and any other invoices by cheque/standing order/bank transfer from their Direct Payment bank account	- The Direct Payment user sends PA timesheets (hours) and /or other invoices to the Managed Account Service Provider. - The Agency Care Provider sends invoices to the Managed Account Third Party company. - The Managed Account Third Party company authorise the hours from the timesheet or telephone call. - The Third Party company will then generate payslips and pay wages directly to the Personal Assistant - The Third Party company will pay authorised invoices directly
The Direct Payments Team need to arrange regular visits to check all of your records and undertake an Audit of the Direct Payment Account.	Financial monthly/quarterly reports are completed by Third Party company and sent to the Direct Payment User and Local Authority.

Direct Payments are about choice, flexibility and control and the methods chosen to manage the account, traditional or managed account, must suit the Direct Payment/Personal Budget user.