

Policy: Cash Handled by Third Parties for Financially Managed Customers

Purpose

This policy provides guidance to NSW Trustee & Guardian in maintaining oversight and transparency in the reporting of the cash handling on behalf of the customer by third parties. Third parties can be a manager of an assisted boarding house, a house manager or support worker in a group home, the Director of Nursing in an aged care facility or a family member/friend.

As a financial manager, NSW Trustee & Guardian has a legal responsibility to minimise a customer's risk of financial exploitation and abuse while maintaining the least restrictive approach.

NSW Trustee & Guardian recognises that customers access their personal funds through a variety of ways. These can include:

- NSW Trustee & Guardian directly depositing into a customer's personal external bank account
- authorising a third party to assist the customer to access their bank account
- and/or providing funds directly to a third party to distribute to the customer.

This policy and the related procedures will provide NSW Trustee & Guardian with options to reduce the risk of financial exploitation of customers and will be managed on a case by case basis.

Policy statement

The majority of NSW Trustee & Guardian customers have their cash and income held and received by NSW Trustee & Guardian. Based on an individual customer budget, NSW Trustee & Guardian deposits an allowance/s for their daily living and discretionary expenses. These allowances and funds are paid to the customers based on individual payment arrangements which may be into their personal bank account, to a third-party service provider or other family/friend.

Formal arrangements are put in place where a customer is a resident in a supported accommodation setting like; group homes funded by the National Disability Insurance Scheme (NDIS), assisted boarding houses and aged care facilities. The governance of each residential type varies according to relevant legislation.

Informal arrangements are for those customers who live independently in the community, either in their own home or in rental accommodation or with family or friends. These customers ordinarily access their allowances through their personal bank accounts with the assistance of a third party or the third party may receive the allowance in order to assist the customer with shopping and in the provision of pocket money.

Customers have the right to expect that NSW Trustee & Guardian has appropriate strategies which balance their right to independence with the need to minimise the risk of exploitation. The level of oversight for each customer will depend on their individual circumstances including consideration of their capacity, formal and informal supports and previous history.

The use of preventative risk management strategies and ongoing monitoring are integral to reducing the likelihood of exploitation and abuse and increasing the likelihood of early detection.

1.1 External bank accounts

There are NSW Trustee & Guardian customers who are only able to access their funds through their personal bank accounts with the assistance of a third party. Supports provided by a third party for a customer to access their personal bank account present a risk of financial exploitation including the fraudulent use of signatory access, accumulation of funds and misuse of PayWave.

1.2 NDIS group homes

Customers who reside in NDIS group homes may have their allowances paid to their personal bank account which they access independently or with assistance of a third party. Customers who are unable to operate a bank account or access the community may have their allowance paid to the service provider. Where allowances and other payments are directed to the service provider, the NSW Trustee & Guardian should ensure that these are made available to the customer.

Group homes are overseen by the NDIS [Quality and Safeguards Commission](#) and are subject to the [NDIS Practice Standards](#). These service providers need to provide details of their overarching cash handling policy and procedures together with an outline of the individual arrangements for each customer. They will be required to make available to NSW Trustee & Guardian copies of individual customer ledgers and receipts upon request from NSW Trustee & Guardian.

1.3 Assisted boarding houses

Assisted boarding houses (ABHs) are boarding houses accommodating two or more people with additional needs and are governed by the [Boarding Houses Act 2012 \(NSW\)](#) and [Boarding Houses Regulation \(2013\)](#). ABHs are subject to less oversight than NDIS funded group homes and aged care facilities and therefore have an increased risk to residents. Given the lack of accountability and transparency around boarding houses and proprietors, NSW Trustee & Guardian need to have robust procedures in place for each customer.

- The customer has access to their bank account,
- Regular visits to the facilities to ensure they have access to services and items which NSW Trustee & Guardian has paid for on their behalf,
- 4-6 monthly reviews of customer discretionary funds ledger maintained by the ABH,
- Other recommendations in the internal audit report on services provided by External Service Providers (ESP).

1.4 Aged care facilities

Aged care facilities provide accommodation and daily care for residents. Their monthly fee statements can include expenses relating to the customers' discretionary spending like haircuts, outings, etc. There is a small cohort of customers who are able to access their personal bank accounts either independently or with the assistance of a third party or through family members.

Aged care facilities are overseen by the *Aged Care Quality and Safety Commission* and must be compliant with the Aged Care Quality Standards.

Scope

Directly managed customers

Legislative context

- [NSW Trustee and Guardian Act 2009 \(NSW\)](#)
- [Guardianship Act 1987 \(NSW\)](#)
- [Boarding Houses Act 2012 \(NSW\)](#)
- [National Disability Insurance Scheme Act 2013 \(Cth\)](#)
- [Aged Care Quality and Safety Act 2018 \(Cth\)](#)
- [Quality of Care Principles 2014 \(Cth\)](#)

Document information

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