

More information

For more information visit the Your Life, Your Choice website:

www.yourlifeyourchoice.org.uk

If you would like further information about Self-Directed Support, Direct Payments or Personal Budgets you may find the following leaflets helpful:

- ◆ Assessing your needs and putting you in control of your social care
- ◆ Self-Directed Support and Direct Payments

If you would like this information in an alternative format, please phone 0345 045 5202 or email: adultsocialcareleaflets@cambridgeshire.gov.uk

or write to:

Cambridgeshire County Council
CC1307
Castle Court
Shire Hall
CAMBRIDGE
CB3 0AP

Telephone: 0345 045 5202
email: referral.centreadults@cambridgeshire.gov.uk

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Contributing to your personal budget

Your Life, Your Choice

www.yourlifeyourchoice.org.uk

Introduction

This leaflet tells you about contributing to the cost of your Personal Budget and support in your home or local community. If you are moving or planning to move into permanent care then please refer to our leaflet ‘[Information for people going into a care home](#)’.

What is a personal budget?

We want you to have more choice over the social care you receive and how services are delivered. A Personal Budget is a sum of money, given as a result of a social care assessment. A Personal Budget will give you more choice and control over the services you receive.

Working with your social care worker it means you can take control of your own life, manage your own support (if you want to), and identify and agree with your social care worker the services that allow you to meet your needs and to achieve the things you want to.

You can take a Direct Payment and manage your Personal Budget yourself (if you want to), or you can ask your representative or the County Council to manage it for you. You can also have a combination of a Direct Payment and the County Council helping you.

The important thing is that you choose how the money is spent to meet your needs – your Self-Directed Support.

Will I have to make a financial contribution to the cost of my support?

You will not be required to contribute towards your Personal Budget if you:

- ◆ have been awarded help from The Independent Living Fund
- ◆ are suffering from any form of Creutzfeldt Jacob Disease
- ◆ are in receipt of care under section 117 of the Mental Health Act.

If you do not fall into one of these categories you may have to make a contribution.

One of the Council’s finance and benefits assessors will contact you and arrange to visit you (or send you a postal questionnaire) to discuss your personal financial circumstances. They will complete a financial assessment to work out the contribution you will make towards your Personal Budget. If you would like someone to be at the visit with you, you can let the finance and benefits assessor know and they will agree a time when your friend or family member is also available.

Not all types of income are fully taken into account when undertaking a financial assessment. For example if you receive pension credit it is often made up of two elements – guarantee credit and savings credit. Only the guarantee credit would be taken into account as income. The savings credit is not counted as income.

The financial assessment will look at your individual financial circumstances. Any amount you are assessed as needing to contribute will be calculated on that basis.

If you have a partner and the financial assessment of your individual circumstances results in you having to make a contribution to your Personal Budget, the finance and benefits assessor will offer you a further financial assessment taking into account your joint financial circumstances to see if this results in a lower contribution.

This could only be done if your partner is willing to give their financial details. You would only contribute the lower amount of the two financial assessments.

Once you have completed your assessment, for most people the contribution you make will be less than the full amount of your Personal Budget. However if you have a high income and your Personal Budget amount is low, you may have to contribute the full amount towards your Personal Budget.

If you have savings above £23,250 (in 2011-2012) or do not wish to give your personal financial circumstances you will need to contribute the full amount towards your Personal Budget from the start. Once your capital has fallen below £23,250 you will need to contact us, so that we can undertake a financial re-assessment and calculate the new amount you may need to contribute.

The finance and benefits assessor will make sure you know about any welfare benefits you are entitled to claim and assist you with completing the forms.

How is my financial contribution calculated?

The financial assessment will calculate a contribution based on your income and capital. We follow the Department of Health's guidelines to make sure that you are left with a weekly protected amount. This is based on the basic amounts of income support/pension credit plus 25% and is applied before any amount you may have to contribute is calculated.

The level of income support/pension credit used is based on your age in line with amounts set by the Department for Work and Pensions (DWP).

The amount of protected income will make sure that you have a level of financial protection, sustaining independence and wellbeing.

If you receive attendance allowance or the care component of disability living allowance some of your income will be ignored to take account of disability related costs in line with Department of Health guidelines. Disability related costs may be something that you need to pay for in addition to any normal living costs because of an illness, infirmity or disability that means you have extra things to pay for. Any additional costs you have must be reasonable and related to your personal disability. You may also be asked to provide evidence of your expenses.

We will also consider any housing costs such as rent, mortgage or council tax you have to pay. If however you have an informal arrangement with regards to your rent (for example you pay an amount for your 'bed and board' to a family member), we may not be able to allow this as an expense. The finance and benefits assessor will discuss this with you during the financial assessment.

The financial assessment will be based on your weekly income to calculate the maximum weekly charge you would be required to contribute. The actual contribution towards your Personal Budget will be your maximum chargeable weekly income divided by seven (days of the week) and multiplied by 365 to give you an annual contribution amount.

We will let you know the final outcome of the financial assessment with full details of your Personal Budget once your support needs have been identified and agreed. Unless we have been advised that you have capital above £23,250, then you would start to contribute towards your Personal Budget once you have received your notification.

Example of calculated contribution:

Total weekly 'assessable income'	£258.00
Less weekly housing costs	£19.23
Less weekly disability related costs	£26.00
Net disposable income	£212.77
Less weekly protected income support / pension credit	£171.69
Maximum weekly assessable income	£41.08

The weekly amount is then converted to an annual contribution to the Personal Budget – in this case £2,142.03 (£41.08 divided by 7 multiplied by 365 days).

Using the example on the previous page this is what your notification would look like:

Maximum contribution	Annual equivalent value	Weekly equivalent value
Your total assessable income (Less any allowable disability related costs)	£13,452.86	£258.00
Expenditure and housing costs	£2,358.42	£45.23
Your net assessable income	£11,094.44	£212.77
Less your protected income amount	£8,952.41	£171.69
Your maximum contribution	£2,142.03	£41.08

If you were given an annual Personal Budget of £5,200 to support your needs, you would be asked to contribute over the year £2,142.03 and the local authority would contribute the balance of £3,057.97.

The financial assessment calculates the amount that you have to contribute on a weekly basis. This is done as it is easier to work out income that you receive in this way and then convert it to an annual contribution.

If you receive your Personal Budget via a Direct Payment then you will need to contribute the amount you have been financially assessed with on an ongoing basis. You will need to make sure that you have enough funds to pay for your needs, which will be shown in your support plan.

If your local authority is managing your care needs for you then you will receive an invoice on a four-weekly basis in arrears for your assessed contribution. It is important to note that invoices will be issued on an ongoing basis although you may not use some of your budget until later in the year. This is a bit like paying for your heating bills by regular monthly payments but using the bulk of your heating in the winter months.

Using the example what if ...

I go into hospital?

If you go into hospital you would continue to be invoiced the weekly contribution on a four-weekly basis, i.e. £41.08 per week using the example in this leaflet. This is because your annual Personal Budget has been calculated to meet your needs over a 12 month period and it would be understood that you would continue to use the original Personal Budget when you left hospital.

Your Personal Budget will be reviewed if a social care worker tells you your care needs will change, or there is a likelihood they will change because you'll be in hospital for a long period of time. This may not alter the amount that you will contribute, as the financial assessment will have already calculated the maximum amount that you can afford to pay.

However it may be that your financial circumstances had changed due to a lengthy hospital stay and a financial re-assessment is required.

The amount of my Personal Budget is less than the annual amount I have been asked to contribute

You will only ever contribute up to the amount of your annual budget.

In the example above the annual budget is £5,200 with an assessed maximum contribution of £2,142.03. If your annual budget to meet your needs was only £1,900 then you would only contribute up to this amount and **not** a total of £2,142.03.

I need to have an unplanned period of short term care

If an emergency situation occurs and you need to have a short stay in a residential or nursing home that is not included as part of your Personal Budget, you will continue to contribute the weekly amount of £41.08.

You will also need to make an additional contribution of £100.00 per week for your unplanned stay. If you stayed in short term care for less than a week the contribution would be based on a £100.00 per week pro-rata.

This rate would only apply if you had capital below £23,250. If you have capital above this amount you would have to contribute the full amount for the period of your short stay. If you did not remain in short term care for a full week you would only contribute for the nights of your stay.

My financial circumstances change

If your financial circumstances change then you would need to contact the finance and benefits assessor who completed the original financial assessment or call adult social care enquiries on [0345 045 5202](tel:03450455202).

I want to query the amount I have been invoiced for

You would need to contact the locality team number that is in the top left hand corner of the invoice. They will be able to help you.

I want to cancel my care

If at any time you need to cancel or would like to discuss what happens when you cancel or change a period of care, you will need to contact adult social care enquiries on [0345 045 5202](tel:03450455202) who will be able to help you.

A copy of the full Contributions Policy is included in the Self-Directed Support Policy which you can download from the County Council website at www.cambridgeshire.gov.uk

Annual review

You should tell us as soon as possible about any changes in your financial circumstances, as they may affect your contribution. Each year, we will work out the amount you will have to contribute, taking into account any increases in the state benefits and allowances you receive.