Using Your Individual Budget

Your money

Your money will be paid to you every four weeks, usually on a Friday directly into your bank account.

If you have used council services and pay a financial contribution, we will deduct this from your total allowance before we make the payment. If you are having a financial contribution deducted from your payment, you will need to put this into the bank account from your personal monies. You can set up a direct debit to do this.

If you cannot manage your own money or you have had problems using the money in the past, we may make payments to someone who is willing to look after your money and take care of all your bills.
What can I spend the money on?

An Individual Budget is intended to meet eligible care needs.

Examples of acceptable use are:-

• Help with personal care
• Assistance with getting up or going to bed
• Assistance with accessing the community
• Day Care services both traditional and non traditional
• Help with daily living activities
• Sitting service
• Support to promote independence
• Supporting education or employment needs
• Short stay/respite care both traditional and non traditional
• Help with complying with your tenancy agreement to avoid homelessness
• Brokerage services
• Public liability/employment liability
• To provide supported accommodation, where this is not funded by Housing Benefits or Supporting People. (In exceptional circumstances it can be used to fund deposits, or purchase a house survey, even a share in a property, where these are all linked to the person’s assessed care needs.)
• Better access to transport (if all other transport options have been explored and/or you spend more than the mobility component of your Disability Living Allowance (DLA))
• Purchasing a ticket for a friend, family member or neighbour so that they can assist you at a free activity.
• Equipment to help you to be as independent as possible or assist you in education and employment.
• Assistance to promote healthy lifestyle (short term support approximately three months)
• Maintaining relationships/contact with friends and family (short term support approximately three months)
• Support to meet cultural/spiritual needs

This is not a full list. Please contact us if you are not sure what you can pay for with the money.
What am I not allowed to spend the money on?

You cannot use your individual budget to pay for:

- Any expenditure/activity that can not broadly demonstrate how eligible needs are being met.
- Employing someone who lives in the same household (unless there are exceptional reasons which have been agreed)
- Long term residential care.
- Any activity that is illegal.
- Services that can be obtained free of charge (eg dentistry, eye care, health care)
- Any activity that puts you or others at risk of serious harm.
- Expenditure on drugs, tobacco or alcohol.
- Clothing and jewellery
- Food/heating/lighting/general household or living expenses
- Rent or housing costs
- Any form of building works
- Aids and adaptations which should be funded from other sources
- General Bank charges
- Mobile phone charges
- Payments to purchase and/or maintain ordinary household items, unless this is explicitly specified in your Support Plan, and meets an agreed need, (eg an individual budget would not normally be used to help someone pay to repair their central heating boiler or shower, or to buy carpets.)
- Gifts

This is not a full list. Please contact us if you are not sure what you cannot spend the money on.

What happens if I spend the money on something not in my support plan?

You should only spend the money on what has been agreed in your support plan. If you use the money for anything else we may have to send you an invoice for the amount incorrectly used.
What happens if I no longer need services?

If for any reason you no longer need services, for example you go into permanent residential or nursing care, you must let us know. We will then stop your payments and arrange a visit to complete a final audit.

Your responsibilities

You or your representative are responsible for managing the money you receive. You will be required to:

- Keep basic financial records.
- Return any money to us that you do not spend on your care.

Bank account

You will need to arrange a separate bank account for your Individual Budget to be paid into. This will enable you to keep your personal money separate from the money we pay to you. It will also make it easier for you to manage your money and for us to monitor your spend.

If you receive any other money for your care, such as Independent Living Fund or Work Choice, this can also be paid into this account.

The bank should be notified that the money in this account does not form part of your personal wealth or estate and remains the property of the Council.

What do I do if I change my bank account?

If you change your account, you will need to let us know by filling in another bank details form. Please contact us for a form.
Keeping records

How should I keep the records?
It is up to you how you keep the records. You can keep them as paper records or store them on a computer.

What records will I need to keep?
You will need to keep a record of all the payments, in and out of your bank account, as well as:
• bank statements
• receipts
• payslips
• cheque book
• invoices
• timesheets for your Personal Assistant
These records will be able to show us how you have spent your Individual Budget. It will also help you to see if you are spending too little or too much. When you receive your bank statement you can check if this agrees with your records.

When will you ask to see the records?
We will ask to see the records at any review or audit of your account. After our first visit, we will normally arrange to visit you after three months to check that you are spending the money correctly and keeping the records to show this. After this, we would normally ask to see your records annually.

How long do I need to keep the records?
You will need to keep records for two full tax years.
If you employ a Personal Assistant you will need to keep records for the last six years. Please talk to Her Majesty’s Revenue and Customs (HMRC) for more information.
Their details can be found on page nine of this guide.
Becoming an employer

Employing your own Personal Assistant

If you employ your own Personal Assistant it will involve a lot of planning. You will need to write a job description, advertise and interview for the post. You will need to keep records of the hours your Personal Assistant has worked and how much you have paid them.

We recommend that your Personal Assistant has a current Criminal Records Bureau (CRB) certificate for you to see. A CRB check searches a person’s details to check for criminal records against the Police National Computer. The check may reveal convictions, cautions, reprimands and warnings.

Employing a personal assistance means that you have many responsibilities as an employer, such as paying tax and National Insurance contributions, and keeping records of these. You should also consider any health and safety issues.

You will need to add employer’s National Insurance contributions and holiday pay to your Personal Assistant’s wage. When you were given your Individual Budget these costs were added to the amount we agreed to pay. The PAYE tax contributions should be deducted before you give your Personal Assistant their wages.

If your Personal Assistant is self-employed they are responsible for their own employment costs such as paying their own tax, National Insurance contributions, holiday pay and sick pay. Even though they are self-employed you still need to keep a record of their timesheet; how much you have paid them and at what hourly rate.

You need to check with HMRC that your Personal Assistant is self-employed for tax purposes. If they are, you do not become their employer.

If you choose to employ your own Personal Assistants you will become their employer. You may want to employ a relative (which is fine as long as they don’t live with you), a friend or advertise for somebody.
To employ a Personal Assistant, you need to write and advertise a job description. You will need to send any applicants an application form from which you can then decide who you want to interview. (You must treat each application in the same way)

You can have a friend or relative there for support while you do the interviews.

**If you employ a Personal Assistant, you will need to:**

- Pay them at least the national minimum wage
- Pay tax and National Insurance contributions
- Pay holiday pay
- Pay statutory sick pay
- Pay statutory maternity/paternity or adoption pay
- Purchase employers’ liability insurance
- Give your Personal Assistant an employment contract.

**The Data Protection Act**

When you employ a Personal Assistant you will need to know some personal information about them. Your Personal Assistant needs to know that you are keeping this information. This information cannot be given to anyone else without your Personal Assistant’s permission.

**Costs we will pay for**

**Personal Assistant wages** - this has to be at least minimum wage.

**Holiday pay** - if your Personal Assistant is full-time they are entitled to 28 days holiday pay each year including Bank Holidays.

**Employer’s liability insurance** - you need this in case your Personal Assistant has an accident or becomes ill as a result of working for you.

**Employer’s National Insurance contributions** - we will include an amount for employer’s National Insurance in the payments we make to you. For more help with National Insurance and tax issues contact the HMRC (contact details on page nine).

**Financial management** – if you use a third party to sort out your Personal Assistant’s wages, we will pay the charge for this service.
Useful contacts and organisations

Self Directed Support team, Oldham Council
Unit 10, Whitney Court, Southlink Business Park, Hamilton Street, Oldham, OL4 1DB
T: 0161 770 1173

Directgov
This is a government website. It provides links to government services and information.
www.direct.gov.uk

Advisory, Conciliation and Arbitration Services (ACAS)
ACAS helps with problems between employers and employees, for example, if you and your Personal Assistant have a disagreement.
T: 0845 747 4747
www.acas.org.uk

Benefit Enquiry helpline
T: 0800 882 200

Her Majesty’s Revenue and Customs (HMRC)
HMRC is responsible for collecting tax and National Insurance from employers. If you employ your own Personal Assistant you are an employer. HMRC gives advice on setting up tax and national insurance records and tells you what your responsibilities are as an employer.
T: 0845 603 2691
www.hmrc.gov.uk

Employer Helpline (HMRC)
T: 0845 607 0143
Pay and Work Rights Helpline
T: 0800 917 2368

Health and Safety Executive (HSE)
The Health and Safety Executive's job is to protect people against risk to their health or safety whilst they are at work.
T: 0845 345 0055
www.hse.gov.uk

Disability Rights UK Helpline
T: 0845 026 4748