

CARE ACT 2014

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1 – Care and Support

Next steps after assessments

Section 26 – Personal budget

185. This section defines a personal budget as a statement and set out the financial information which must be included in the statement.
186. *Subsection (1)* makes clear that the total amount which it costs the local authority to meet the needs which it must or has decided to meet must be set out in a statement and broken down so that the adult can see from the statement the amount if any which the adult must pay towards that cost and the amount if any which the local authority must pay. The amount the adult must pay is calculated on the basis of the financial assessment carried out under section 17.
187. *Subsection (2)* requires the total cost to the local authority of meeting eligible needs which it is required to meet under section 18 to be broken down so that the adult can see from the statement how much of that is attributable to daily living costs. This is because daily living costs do not count for the purposes of working out whether costs accrued in meeting adult's eligible needs have exceeded the cap on care costs, and where they have, this will allow the adult and local authority to distinguish what the adult must pay for their daily living costs and what the local authority must pay to meet the care costs.
188. *Subsection (3)* provides that the personal budget may specify other amounts of public money that are available to the person for spending on matters including those relating to housing, healthcare or welfare.
189. *Subsection (4)* allows regulations to specify costs to be excluded from the personal budget in cases where the local authority decides not to charge, or is restricted from making a charge.