

catalyst Care Group

GUIDE TO PRIVATE FUNDING:

PERSONAL BUDGETS AND PERSONAL HEALTH BUDGETS

PURPOSE OF THIS GUIDE:

To help families and individuals navigate ***private funding options*** when they have a personal budget from a local authority or a personal health budget from the NHS, know how to choose providers, manage their care money, and feel confident in making decisions that suit their needs and preferences.

*This guide is based on UK Government and NHS guidance on personal budgets, direct payments and personal health budgets.

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Understand Your Care Funding Options

Before choosing care or providers, it's of substantial meaning to understand **what type of funding you can choose, who it's for, and what it's designed to cover. In the UK**, two broad categories of personal funding can be used:

1. Personal Budget (Social Care)

What is a personal budget? It is an amount of money allocated by your local council to cover care and support based on your **social care needs.** The amount of money is based on your assessment of the support you need to live as independently and safely as possible.

A personal budget is not ''extra money''. It is specifically intended to meet your assessed care and support needs under the **Care Act 2014.**

Who is eligible for a personal budget?

Eligibility is confirmed following a *needs assessment* carried out by your local council.
You are eligible for this funding if:

- You are **18 or over** (children's services follow a different process)
- You have **care and support needs** due to:

- **A learning disability**
- **Autism**
- **Physical disability**
- **Sensory impairment**
- **Mental health needs**
- **Long-term or progressive conditions**

- Your needs meet the **Care Act eligibility criteria**,
  - Your needs arise from a physical or mental condition
  - They significantly impact your ability to carry out everyday activities (such as personal care, managing nutrition, maintaining relationships, and staying safe)
  - There is a significant impact on your well-being

What does a personal budget cover?

A personal budget can be used to support **social care needs**, such as:

- **Personal care and daily living support**
- **Support with routines, structure, and independence**
- **Community access and social inclusion**
- **Support workers or personal assistants**
- **Supported living or outreach support**
- **Specialist support for people with complex needs (when agreed)**

The budget must be spent **in line with your agreed care and support plan.**

How Is a Personal Budget Managed?

You can usually choose one of the following options:

Direct payments
the money is paid to you (or your representative) to arrange your own care



Council-managed budget
the council arranges care on your behalf



Mixed approach
some services arranged by the council, some managed by you



This flexibility allows people and families to choose care that best fits their lifestyle, culture, and preferences.

2. Personal Health Budget (NHS)

Personal Health Budget (NHS) is an amount of money allocated by the **NHS** to meet your health and well-being needs through a personalised care and support plan. It gives people more **choice and control** over how their health care is delivered.

Who is eligible for a personal budget?

You are eligible for this funding if you:

- **Have long-term, complex, or ongoing health needs**
- **Require continuing or specialist health support**
- **Need a more personalised approach to care**

You have a **legal right** to a personal health budget if you

- **Eligible for NHS Continuing Healthcare (CHC), or**
- **Eligible for NHS Continuing Care for children and young people**

Other groups may also be offered a personal health budget at the discretion of the NHS, including people with:

- **Complex neurological conditions**
- **Severe learning disabilities**
- **Autism with complex health needs**
- **Long-term mental health needs**
- **Life-limiting or palliative care needs**

Eligibility is confirmed following an **NHS assessment** and care planning process.

What does a personal budget cover?

A personal health budget is used to meet **health-related needs**, such as:

- **Clinical or nursing support**
- **Specialist therapies**
- **Health-related personal care**

- **Equipment or adaptations linked to health needs**
- **Support that improves health outcomes and wellbeing (when agreed)**

The budget must be clearly linked to **health outcomes, set out in a personalised care and support plan, and approved by the NHS team.**

You can have both a personal budget (social care) and a personal health budget (NHS) at the same time. They can also be combined into an **"integrated personal budget,"** with funds deposited into a single account, if agreed.

How Is a Personal Health Budget Managed?

There are three main options:



Direct payments
money paid directly to you (where appropriate)



Third-party managed budget
an organisation manages the money on your behalf



Notional budget
the NHS holds the money and arranges care

You can also use a **combination** of these options, depending on what feels manageable and safe.

Step-by-Step: Starting the Process

Step 1 - Get an Assessment

The assessment is the formal starting point for accessing funded care and support. It is the process where a local authority or the NHS works with you (and, where appropriate, your family or advocate) to understand your needs, your daily challenges, and what support would help you live a safer, more fulfilling life.

Importantly, an **assessment is not a test,** and it is not about proving that you are "unwell enough" or "struggling enough." **It identifies needs and agrees on the support required to meet them.**

For people requiring complex care, assessments should consider medical and physical needs, as well as emotional well-being, communication, independence, safety, relationships, and quality of life.

Who Carries Out the Assessment

Who assesses you depends on the type of funding you are seeking.

*For **social care funding**, such as a **Personal Budget**, the assessment is carried out by your local council (usually by an adult social care team).*

***For health funding**, such as **a Personal Health Budget**, the assessment is carried out by NHS professionals, often involving community nurses, therapists, or specialist teams.*

In many complex cases, assessments may involve **both the local authority and the NHS**, particularly where health and social care needs overlap.

The Focus of the Assessment

One of the most important things for you to understand is that assessments focus on your or your loved ones' needs and outcomes first, not on services. This means

- **You are not expected to know what services exist**
- **You do not need to ask for specific providers at this stage**
- **The assessment is about *what support is needed*, not *how it will be delivered***

Once needs are clearly identified, funding and care options can be explored later.

The assessment explores:

- how you manage daily life (personal care, eating, mobility, communication)
- how safe you are at home and in the community
- how your needs impact your well-being and independence
- what support you already have, and where there are gaps
- what outcomes matter most to you (for example: feeling safe, reducing distress, having meaningful routines, being part of the community).



For families, this is an opportunity to explain what life is really like day-to-day, including things that may not always be visible, such as emotional distress, sensory overload, or fluctuating needs.

Your Right to Be Involved and Heard

You have the right to be actively involved in your assessment. This includes ***being listened to and taken seriously, having information explained in a way you understand, involving a family member, advocate, or trusted person if you wish, and asking questions and taking time to process the information.***

If the person being supported communicates differently, the assessor should make **reasonable adjustments, such as allowing more time, using accessible language, or involving professionals who understand their communication needs.**

Important: An assessment should feel like a **conversation, not an interrogation.**

What Happens After the Assessment

Once the assessment is complete, the local authority or the NHS will decide whether you are **eligible for funded support and the level of funding required to meet your assessed needs.**

If you are eligible, this leads to a **personal budget** (for social care) or a **personal health budget** (for health-related needs). This is when families move from assessment to planning, where choice, control, and personalised care begin to take shape.

But what if you disagree with the outcome?
Families and individuals need to know that **an assessment decision is not final or unchangeable.** If you feel that your needs have been underestimated, that important information has been missed, or that the proposed support does not reflect real life. You have the right to:

- **Ask for clarification**
- **Request a review**
- **Provide additional evidence**
- **Seek advocacy support**

Many families don't realise that they can challenge decisions, but this is a normal and accepted part of the process.

Reassurance for Families New to This Process

For families and individuals encountering assessments for the first time, the most common feeling is anxiety. Feeling overwhelmed and uncertain about what to say is also present. You are not expected to get everything "right."

The most helpful thing you can do is ***to be honest, describe real experiences, not ideal days, and share concerns as well as hopes.*** **The assessment exists to support better outcomes, and not to judge parenting, caring, or coping.**

Outcome: You receive an approved budget amount and a care plan outlining your needs and outcomes.



Step 2 - Decide How Your Budget is Managed

Once your assessment is complete and you've been told how much money will be allocated to meet your care and support needs, the next step is deciding **how that money will be looked after and used in practice. This decision is just as important as the amount you receive, because it determines how much control you have, how involved you'll be in arranging your care, and what responsibilities come with managing the funds.**

In the UK, both **personal budgets (from local authorities) and personal health budgets (from the NHS) give you choice and control in how your money is managed.** Still, there are different ways to do this, each with advantages depending on your situation, confidence and support needs.

What It Means to "Manage" Your Budget

When we talk about budget management, we mean who holds the funds and **who makes decisions about the need for care and support.** Some people prefer maximum control and independence; others want someone else to manage the budget while still influencing decisions; and still others want a mix of both.

Your right to choose ***how the money is managed should be part of your personalised care and support planning process***, and it should feel like a choice.

Ways to Manage Your Budget

1. Notional Budget

To begin with, ***this option suits people who want choice and personalisation but prefer less responsibility for day-to-day financial management.***

Also referred to as a **council-arranged or NHS-arranged budget**, depending on which part of the system is providing the funding. Under a notional budget, the funding is **held by the local authority or the NHS, and you are told how much money there is to spend based on your care plan.** However, **you do not receive the cash directly.**

In this model:

- **The authority (council or NHS) does the actual purchasing and contracting with providers on your behalf.**
- **You still have choice and control. You help decide which services are most suitable for your needs.**
- **You don't have to manage the money yourself, so there is less administrative responsibility and less risk of paperwork or compliance issues.**

2. Third Party Budget (Individual Service Fund – ISF)

A third party or individual service fund (ISF) is a **middle ground.** ***This option can suit people who want support with organisation and coordination, or who don't want the legal/administrative responsibilities of direct payments.***

Here, the money is held by a **third-party organisation**, such as a voluntary sector organisation, user-led trust, or specialist support agency. **This third party works with you (and your family/supporters) to spend the money in line with your agreed care and support plan.**

This approach provides choice with **coordination support**, which some families find especially helpful where care needs are complex or where managing money isn't straightforward.

In this model:

- **You still influence how the money is used, as you help choose your care and support.**
- **The third party takes responsibility for the financial and administrative tasks, such as purchasing services and managing invoices.**

3. Direct Payments

Direct payments are for people (or families with support) who want flexibility and control and feel comfortable with tasks like payroll, contracts, recruitment or managing invoices.

Direct payments give you the most control, and with that, more responsibility. With direct payments:

- **The money from your personal budget (social care) or personal health budget (NHS) is paid directly to you or your representative (family member, guardian).**
- **You are then responsible for arranging and purchasing the care and support services that were agreed in your personalised care and support plan.**

This means you can:

- **Choose the specific providers you want, including individual personal assistants, agencies, or specialists who meet your needs and preferences.**
- **Employ staff directly if that's part of your plan.**
- **Adapt how services are delivered around your life, rather than fitting into pre-arranged schedules.**

Important: You must use the budget in ways that align with your agreed care plan; your local authority or NHS team will check spending regularly. You can combine direct payments with other options if it helps (for instance, direct payments for some parts of care and a notional budget for others).



Where to Apply:

For the UK, Scotland and Wales, please visit the **GOV.UK** website to find your local council and then apply directly.

Which Option Is Right for You?

Families and supported people should consider their confidence, support network, and the complexity of their care needs when making a choice. Some people even use a **mix of options** to fit different parts of their care.

Depending on the level of control, responsibility, and support you want or need:

1. **If you want a choice without financial administration, a notional budget could be right.**
2. **If you want support with financial tasks but still influence decisions, a third party budget may suit.**
3. **If you want maximum control and personal choice and are comfortable with responsibilities, direct payments offer the greatest flexibility.**

Why Many Families Choose Direct Payments?

Direct payments are often the best option if you want to have full control over how your support is arranged, who delivers it, and when it takes place. Instead of the council or NHS commissioning services on your behalf, you become the decision-maker.

Direct payments are intended to give people greater choice and control over the services they receive. **They allow you to tailor support around your lifestyle, routines, communication preferences and clinical needs rather than fitting into pre-arranged service structures.**

For families managing complex needs, such as **high staffing ratios, behavioural support requirements, sensory sensitivities, or specialist communication approaches, this level of control can significantly improve safety and quality of life.**

Direct payments allow you to:

- **Recruit personal assistants who are specifically trained or experienced in your loved one's needs.**
- **Build a consistent support team rather than relying on rotating agency staff.**
- **Arrange support at times that genuinely suit your family's routine.**
- **Combine different types of support creatively, as long as they meet agreed outcomes.**

How Direct Payments Work in Practice

If you choose direct payments, funds are deposited into a dedicated bank account, building society, Post Office, National Savings and Investments account, or sent to you as a pre-paid card. You (or your authorised representative/family member) then use those funds to purchase the support set out in your agreed care and support plan or personalised health plan.

The budget must be used only for agreed purposes. You will usually sign a direct payment agreement outlining:

- What the funds can be used for
- Record-keeping requirements
- Monitoring and review arrangements
- Circumstances where payments may be adjusted or stopped

Local authorities and NHS bodies retain responsibility for ensuring that needs are met, even when you manage the funds yourself. Direct payments do not remove professional oversight - they change who arranges the support.

One of the most significant advantages of direct payments is the ability to employ your own Personal Assistants (PAs). When you employ staff directly, **you become a legal employer. This means you are responsible for:**

- Employment contracts
- Payroll and tax arrangements
- Employer's National Insurance contributions
- Pension contributions (where applicable)
- Employer liability insurance
- Safe recruitment practices

This may sound daunting, but **many councils and NHS areas provide access to Direct Payment Support Services. These services can manage payroll, help with recruitment, and support you to meet legal employer responsibilities.** For families supporting people with multiple needs requiring complex behavioural or medical support, directly employing staff often enables **deeper training, greater consistency, and improved risk management.**

When Direct Payments May Not Be the Right Option

Direct payments are not suitable for everyone. Where no appropriate person is available, a third-party arrangement may be more appropriate.

Some individuals may prefer the reassurance of council-arranged services, or may not wish to take on employer responsibilities. ***If a person lacks the capacity to manage finances independently, a suitable representative, such as a family member, deputy or attorney, can manage the direct payment on their behalf.***

The key principle is choice. The local authority or NHS must be satisfied that the arrangement is safe, lawful and capable of meeting assessed needs.

Direct Payments and Personal Health Budgets

For individuals/families eligible for NHS Continuing Healthcare or other NHS-funded services, ***direct payments can also be used within a Personal Health Budget framework.***

NHS guidance places additional restrictions on what funds can be used for, particularly regarding core NHS services. **A Personal Health Budget via direct payment cannot replace emergency care, primary medical services or prescription medications.**

The purpose remains the same: flexibility and personalisation within clear legal boundaries.



Step 3 - Create Your Personalised Care and Support

Once your assessment has identified your needs and funding has been allocated, the next step is to turn that information into a detailed, personalised care and support plan. This plan is key to making sure that your personal budget or personal health budget is used in ways that genuinely improve your life, and that the support you get matches what matters most to you.

The support plan should consider all aspects of your life: ***your practical needs, your well-being, what gives you meaning, routines that work for you, and how your family or supporters can help.*** A quality personalised care and support plan typically gathers together:

- **A description of who you are, what matters to you, and your context and preferences**
- **What support do you need, based on your assessment**
- **How this support will be provided**
- **Who will provide it, and when**
- **Your agreed outcomes (goals) you and your support team want to achieve**
- **How your budget will be used to pay for the support that meets these needs and goals**
- **A clear way to review and adapt the plan over time**
- **Any contingency or crisis plans, where relevant (e.g., what happens if someone's condition changes suddenly)**

You should be given a **copy of your plan**, and it should be easy to understand. You also have the right to ***request changes if something no longer works for you, to have someone you trust involved in planning conversations, and to be supported in understanding your plan and how the funds in it will be used.***



Important: Your personalised care and support plan is not fixed forever. It should be reviewed **at least once a year, whenever your circumstances change, when you feel something isn't working as expected, when your needs increase or decrease, or when your goals change.**



Step 4 - Choose the Right Provider and Services

This is the moment where you turn your care and support plan into a real-world support that meets your or your loved one's needs.

Once your private budget and care are agreed upon, the next major step is to turn the plan into **actual services and support. This means choosing the right provider and services, whether that's a health and social care provider, a care agency, personal assistants, therapists, a community support group, or another trusted service.** This step is about ensuring the people, organisations, or professionals who support you **understand your needs, respect your preferences, and deliver care in a way that works for you and your family.**

What "Choosing a Provider" Means

Choosing the right provider means choosing your desired support. The organisation that will deliver the care and support described in your personalised care and support plan will include personal care at home, community support programmes, and specialist therapeutic services.



Under the Care Act 2014, people who receive a personal budget or personal health budget have the right to choose how their assessed needs are met, as long as the arrangements are safe, lawful, and achieve the agreed outcomes in the care plan.

In the context of personal budgets or direct payments, you may be hiring a care provider yourself or through an agency you trust. **If your budget is council- or NHS-arranged (notional or third-party managed), you will still have a say in who delivers the services, even if you're not arranging them yourself. Your right to choose and influence these decisions is part of the principle of personalisation in health and social care, meaning your preferences and lived experience should shape the support you receive.**

Starting With What Matters to You

Before you begin evaluating specific providers, it helps to review your care and support plan. This plan outlines ***the outcomes you want and the support you need*** to live the life you want. **Those outcomes are your compass when evaluating providers.**

Using direct payments gives you maximum choice and flexibility. **You can recruit care workers you trust, arrange care around your daily routine, and build long-term relationships with support staff** while ensuring they meet the care plan outcomes.

Families and supported people often find it helpful to think about questions like:

- **What skills and experience do the carers or support staff need?**
- **What language or communication style is important for the person receiving care?**
- **What kind of routine and timing works best (e.g., consistent staff vs. flexible scheduling)?**
- **Does the provider need experience in supporting specific needs such as autism, learning disabilities, sensory needs, or complex physical care?**

Your care and support plan will show whether you plan to use a **care agency** (a registered provider that supplies care staff), a **social care provider** (a CQC-registered organisation that designs and delivers tailored support packages for people who require complex care, often offering multidisciplinary input, behaviour support, clinical oversight, or supported living services), or **personal assistants** (individuals you directly employ to provide care and support).

What to Look for in a Provider

When choosing, think in terms of **quality, reliability, compatibility and responsiveness.** Even if you're using an agency that recruits on your behalf, you should have input into which staff are matched with you.

Some useful factors families focus on include:

- **Experience with specific needs or conditions relevant to you**
- **Communication skills that fit your style**
- **Training and qualifications of staff**
- **Ability to accommodate personal preferences, routines and cultural needs**
- **Regular evaluation and openness to feedback**



Important:

- ***Look for care providers with credible inspections/ratings, for example, in England, the Care Quality Commission (CQC) rates health and care services.***
- ***Check the reputation of the care agency.***
- ***Ask about experience with complex care.***
- ***Speak to other families and groups for recommendations.***

Checking Quality and Safety Standards

In England, all adult social care providers, including care agencies and residential services, are **regulated by the Care Quality Commission (CQC).** The CQC inspects services and assigns ratings such as **Outstanding, Good, Requires Improvement, or Inadequate.** Families can look up these ratings online to help compare providers and make informed choices.

Although direct regulation is specific to social care, the NHS also expects local integrated care boards and care planners to help you choose **appropriate services** that meet your agreed outcomes when using a personal health budget.

Once you have selected providers or staff:

- **They should be added to your care and support plan and budget**
- **You should have a written agreement confirming responsibilities, hours, pay (if direct payments are used), and expectations**

There should be regular reviews to check that the support continues to meet your agreed outcomes and that changes can be made if needed



Important: If you employ someone yourself, you are responsible for payroll, taxes, National Insurance, and legal requirements. Ask your council for support services if you need help.

If You Need a Trusted Provider, We're Here to Help

Choosing a provider is a significant decision, and we understand that trust is built through transparency, consistency and listening.

Catalyst Care Group is a family of organisations providing **24/7 community-based support across the UK, and you remain in control of the support you choose.** Our approach is centred on safety, compassion, and meaningful outcomes. We focus on supporting people to live fulfilling lives in their own communities - close to the people, places and routines that matter most to them.

Our work is driven by a clear purpose: supporting individuals to move away from long-stay institutional settings, reducing delayed discharges, preventing unnecessary inpatient admissions, and ending out-of-area placements wherever possible. We believe people should receive the right support, at the right time, in the right place — and often, that place is home.

Through **short-term and lifelong support, we work alongside individuals and families to ensure informed choices about the care they receive.**

Based on your needs, you can explore support through one of our specialist organisations:

Leaf Complex Care

An Autism-accredited specialist provider delivering tailored complex care for people with multiple needs, primarily for autistic people and people living with a learning disability.

Check the full list of services and CQC ratings.

Offices in Bristol, the South East, the Midlands, and Somerset.

Nurseline Community Services

A specialist mental health support provider, offering urgent crisis response and transition homes for people requiring complex support.

Check the full list of services and CQC ratings.

Offices in Bristol and Gloucester.

unique Community Services

A provider of home-based complex care for people of all ages with multiple needs, including autism, learning disabilities and physical disabilities.

Check the full list of services and CQC ratings.

Offices in Manchester and Leeds.

CTS by Nurseline Healthcare

Community transition services supporting people's safe and planned moves from hospital to home. Services include support for learning disabilities, autism, mental health, eating disorders, and more.

Check the full list of our services and plan your transition with us.

CHD

Providing developed properties to support children, young people and adults with complex mental needs, autism and learning disabilities in finding a safe home with additional 24/7 support.

Office in Bristol.

If you would like to explore whether our approach is right for you, we would welcome an initial conversation, without obligation, to understand your needs and discuss how we may be able to support you or your loved one.

Your care journey should feel supported, and if you need guidance at this stage, we are here to help you make the choice that feels right for you.

CONTACT US HERE



Step 5 - Manage and Track Your Spending

Managing and tracking your spending is all about ensuring **the funds are used in ways that align with your agreed care and support plan, help you achieve your outcomes, and comply with the rules set by your local authority or NHS team.**

This stage is about ***making your budget work well for you.*** Whether you have a personal budget from social care or a **personal health budget from the NHS,** ***regular financial reviews are part of the process.***

If you choose direct payments, for example, most local authorities in England will ask you to provide evidence, such as receipts, invoices, or a simple record of transactions. This is usually done every three months to confirm that the funds have been spent in line with your care and support plan.

In the context of **personal health budgets, NHS teams often carry out three-monthly financial audits when direct payments are involved.** These audits are not intended to catch you out, but **to help ensure the budget continues to support your health and wellbeing goals, as agreed.**

Practical Ways to Track Spending

While the statutory guidance sets review expectations, families and supported people often find the following practices helpful:

- **Separate bank accounts (recommended for direct payments):** Many councils recommend receiving direct payments into a dedicated bank account that's only used for care costs. This makes tracking spending clearer and reviews easier.

- **Keeping clear records:** Whether you use paper receipts, simple digital logs, or spreadsheets, having a clear record of how the budget was used helps you feel in control and prepared for reviews.

- **Working with support services:** Many councils or NHS areas offer **Direct Payment Support Services (DPSS)**, which can help with payroll, budgeting, recruitment, and invoice tracking if you choose direct payments.

What Happens if Spending Doesn't Match the Plan

It is important to know that **all spending must be in line with your agreed care and support plan.** Whether it's NHS funds or a social care personal budget, money cannot be spent on unrelated items such as household bills or things that are not part of your agreed support. If, during a review, the local authority or NHS team finds that spending has not followed the plan, they will usually speak with you first. For personal health budgets, if spending has not been agreed in advance, you **may be asked to repay the money**, but only after discussion and with the opportunity to explain and adjust your plan. **If your needs have changed, you can request a review of your care and support plan to ensure the allocated funds continue to align with your life and goals.**



Step 6 - Rules and Restrictions: What Your Budget Can't Pay For

While personal budgets and personal health budgets are designed to give families choice and flexibility, they are still public funds. This means there are clear legal rules on how the money can and cannot be used. These rules are set out under the **Care Act 2014** (for social care personal budgets) and NHS England guidance for **Personal Health Budgets (PHBs).**

Remember: ***Spending must meet agreed outcomes.***

Both local authorities and the NHS require that funding is used **only to meet the needs and outcomes identified in the agreed care and support plan or personalised health plan.** The budget cannot be used for anything outside what has been formally agreed. If needs change, the correct approach is to request a review, not to spend first and explain later.

Services That Personal Budgets (Social Care) Cannot Normally Be Used For

Under Care Act guidance and standard local authority direct payment agreements, personal budgets are generally not permitted to be used for:

- Long-term residential or nursing care
- Services that the NHS is legally responsible for providing, such as physiotherapy
- Dental charges, GP services, or prescriptions
- General living costs such as rent, utility bills, food or clothing
- Adaptations (structural) to your home
- Employing people without DBS (Disclosure and Barring Service) checks
- Employing a family member, partner, spouse or close relative who already lives with the supported person
- Gambling, debt repayment or unlawful purposes
- Anything that does not directly relate to assessed eligible care needs

When direct payments are set up, families sign a formal agreement outlining:

- What the money can be used for
- Record-keeping requirements
- Monitoring processes
- Circumstances in which payments may stop

Always keep a copy of your signed agreement and refer to it before making unfamiliar purchases.

Restrictions Specific to Personal Health Budgets (NHS Funding)

The NHS remains responsible for core clinical services. **A personal health budget is intended to enhance or tailor support, not replace essential NHS provision. According to NHS England guidance, PHBs cannot be used for:**

- Primary medical services provided by GPs
- Emergency services
- Hospital care and urgent treatment
- Prescription medicines
- Dental treatment
- Public health services such as vaccinations
- Gambling, alcohol, tobacco or debt repayment
- Anything illegal

The **budget can support agreed therapies, specialist carers, behavioural support, or equipment**, but it cannot substitute for core NHS statutory services.

Employment and Family Member Restrictions

There are also rules about *who can be paid using direct payments.*

1. **You can employ a family member who lives in the same household only in exceptional circumstances**, and the local authority must agree that it is necessary to meet care needs.
2. **Payment to close relatives living elsewhere may be allowed**, depending on council policy.



For Personal Health Budgets, NHS guidance also requires agreement before paying family members. Approval is typically based on whether employing that person is the only or best way to meet assessed needs safely.

Consequences of Spending Outside the Rules

If funds are used outside the agreed plan or against national guidance:

- You may be asked to repay the money
- Direct payments could be suspended
- The budget arrangement could be reviewed or withdrawn

Early communication prevents escalation. If spending occurred because needs changed unexpectedly, councils and NHS teams should first explore whether the care plan requires updating.



Bringing Your Journey Together

By understanding your rights under the **Care Act 2014,** working collaboratively with NHS England and local authorities, and speaking up when circumstances change, you help ensure that support remains responsive, lawful, and person-centred.

Personal budgets and personal health budgets were created to give people greater choice, control and flexibility.

Support is not static. Lives change. Health changes. And your care plan must be able to change with you or your loved one.

If you need support, you can always **contact Catalyst Care Group.**


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