

Personal Budgets and Direct Payments

Personal budgets and direct payments were introduced as a way of increasing independence and choice for individuals by giving them control over the way in which the services they receive are delivered.

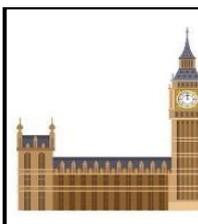
Once a child or young person has an EHC plan, the local authority (“LA”) must ensure the support set out in the plan is made for the child or young person.

Normally, the LA will do this by providing the necessary funding to the school or college attended by the child or young person in order for them to deliver the educational support needed. However, it is also possible for the LA to consider making a payment to the parent, the young person, or another nominated person, so that they can organise the provision themselves. This is called a **direct payment**.



In order for the parent or young person to request a direct payment, the LA must first identify a personal budget. The child’s parent or the young person has a right to request a personal budget when the local authority has completed an EHC needs assessment and confirmed that it will prepare an EHC plan. They may also request a personal budget during a statutory review of an existing EHC plan.

The SEND Code of Practice states:



Personal budgets should reflect the holistic nature of an EHC plan and can include funding for special educational, health and social care provision.

What is a personal budget?

A personal budget for SEN is money that is set aside to fund support as part of an EHC plan for a child or young person with special educational needs. It can include funds from Education, Health and Social Care. You cannot have a personal budget unless you have an EHC plan.

Your LA is obliged to consider identifying a personal budget for educational provision only if you request it when they issue a draft EHC plan following an EHC needs assessment or when they are reviewing an EHC plan.

What is the difference between a personal budget and a direct payment?

A personal budget shows you what money there is to make some of the provision specified in an EHC plan, and who provides it. The parent or young person does not actually manage the funds directly.

With a direct payment the parent or young person is given the money for some services and manages the funds themselves. The parent or young person is responsible for buying the service and paying for it.



How can I get a direct payment?

If you do request a personal budget from the LA, you can at the same time ask the LA to identify which elements of the personal budget which you could then receive as a direct payment. This is an actual amount of money that you would receive so that you could commission the provision in the EHC plan yourself.



The LA can refuse to make a direct payment if they believe the person receiving the payments would not be capable of managing the money, or if they do not believe it would be used in an appropriate way. They can also refuse where it would negatively impact other services provided by the LA, or if it would not be an efficient use of resources.

Where the provision proposed to be replaced by a direct payment takes place in a school or college setting, the consent of the head teacher or principal of the named school or other institution is required. If they do not consent, then the LA will be unable to make a direct payment.

Sometimes the local authority, school or college will look after the Personal Budget for the parents or young person. This is called an **Arrangement** or a **Notional**

Budget. Sometimes the parents or the young person may manage all or part of the Personal Budget themselves. The money to do this will come from a Direct Payment.

The child's parent or the young person should confirm their decision and agreement of the budget. Details of the proposed Personal Budget should be included in section J of the draft EHC plan.

If the LA refuse to identify a personal budget or make a direct payment, you cannot appeal against that decision, but you can ask them to review it.

[What can you pay for with your personal budget?](#)

A personal budget can be used only on the support set out in an EHC Plan. A personal budget does not cover payment for a place at the school or college, or the general provision for children or young people, including those who need SEN Support.

A personal budget does include any top up funding (known as Element 3 funding) that is for provision specified in an EHC plan. It can also include support that is managed by the school or college – if the Headteacher or Principal agree.



[Where can I get more information, advice, or support?](#)

SENDiass4BCP can provide you with a template letter to request a personal budget and direct payments or support you in writing the letter.

Providing Information, Advice and Support for Children & Young People with Special Educational Needs and/or Disability (SEND) and Parents/Carers of Children with SEND who live in Bournemouth, Christchurch, and Poole

Office: 01202 451970 (if you're living in Bournemouth and Christchurch area)
01202 261933 (if you're living in Poole area)

Email: sendiass@bcpcouncil.gov.uk