



# How We Decided Your Estimated Budget

Version 4 Continuing Care

Classification: Public



# What is an Estimated Budget?

An Estimated Budget for continuing care – also known as an ‘indicative budget’ or ‘indicative allocation of money’ – is an indication of how much money an Integrated Care Board (ICB) thinks is needed to help meet a child or young person’s assessed continuing care needs. It is used as the basis for care and support planning with a family.

## How we decided your Estimated Budget

We have chosen to use a tool called ‘Formulate’ that is used by some ICBs in England for calculating Estimated Budgets. There are three parts to the Formulate tool, which are:

### The Needs Profile

The Needs Profile is a form with questions that capture:

- The child or young person’s ‘additional needs’. This means the areas of day-to-day life where their disability, impairment or health condition (rather than their age) affects their independence – such as self-care and health needs, participating and staying safe.
- The impact on the child or young person’s parent(s) or carer(s) of meeting the additional needs identified. This is captured through a series of ‘impact factors’.
- Details of areas where the parent(s) or carer(s) are struggling to meet some or all of the additional needs identified – and require support.

The Needs Profile questions have been carefully designed to produce an accurate estimate of the money needed by a family to meet a child or young person’s continuing care needs.

### The Formulate Algorithm

The Formulate algorithm has been in development since 2014 and has been designed to calculate fair and accurate Estimated Budgets for children and young people with continuing care needs and their families. It has been modelled using real data from around the country. The algorithm is not used in any area until:

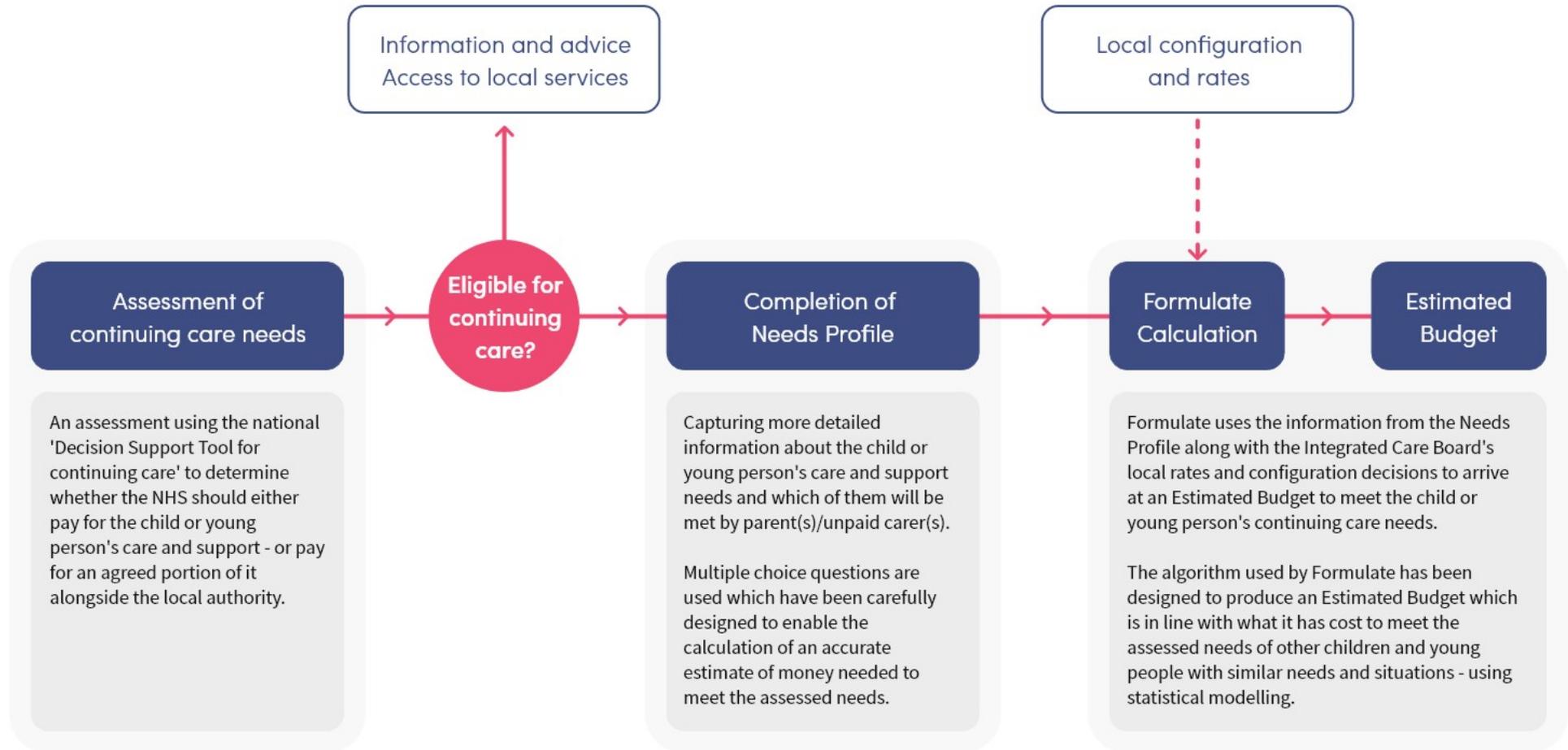
- (1) The ICB has completed a ‘Local configuration document’ which determines how a completed Needs Profile is translated into an Estimated Budget.
- (2) A testing exercise has taken place to ensure that Estimated Budgets are coming out in line with the costs of meeting the needs of others with similar needs and situations.

### The Configuration Document

This document is completed and kept up to date over time by the ICB to ensure Estimated Budgets are appropriate and sufficient for purchasing support in the local area. These decisions are reflected in the Formulate algorithm. The ICB’s ‘configuration decisions’ are a mixture of:

- Sums of money (rates) which the algorithm uses to translate estimated support time into a budget. For example, the cost per hour for meeting personal care needs.
- Decisions about how the algorithm should work locally in different circumstances. For example, whether to use different rates where a Direct Payment is chosen and what the maximum estimated time should be for each instance of personal care support.

The diagram below shows the process involved in determining an Estimated Budget:



## What if the estimated budget seems too little or too much?

No approach is perfect, and everyone's personal situation is different. This is why we calculate an **Estimated** Budget.

If the figure does not seem realistic, for example it seems either too low or too high:

- 1) Check whether the child or young person's assessed needs have been reflected appropriately in the Needs Profile form.
- 2) Check whether the responses in the 'Sustainability of parenting or caring role(s)' and 'Ongoing support from parent(s) or unpaid carer(s)' sections are correctly reflective of the situation at home and what feels manageable.

It is important to remember that at the stage where your Estimated Budget is provided, no final decision has been made about your Actual Budget (AB).

## How is the actual budget determined?

We will confirm what the **actual** budget will be after a care and support plan has been prepared for the child or young person and agreed as suitable for meeting the assessed needs.

The **actual** budget may be lower or higher than the estimated figure, due to the child or young person's specific personal situation. There may be other factors that also mean the two figures are different, such as variation in the local cost and availability of a particular type of support needed.