

Care Fees Budgeting

Planning a budget

A budget shows how much money there is coming in and going out. Working out the weekly/monthly/annual budget is an important step to managing everyday finances, which is even more critical when care costs are involved. Once you've created a budget, it will help you understand what you need to do next. You can use the forms on pages 2 -5 to help you work out your budget.

You can choose to plan the budget on a weekly, monthly or annual basis. It depends upon the situation and the way in which income and expenses are paid. To convert between weekly, monthly and annual amounts use the following methods:

Weekly amount x 12 = monthly amount

Weekly amount x 52 = annual amount

Monthly amount x 12 = annual amount

Monthly amount x 12 ÷ 52 = weekly amount

Note:

Many state benefits are paid every 4 weeks so to add these into the budget do the following:

4 weekly amount x 13 = annual amount (you can then use the methods above)

Three steps to working out your budget:

1 (Page 2)

Write down all the regular income from all sources and add it all together. This is the total income.

2 (Pages 3 - 4)

Write down all the expenses (monthly, weekly or annual) and add it all together. This is the total expenses.

Money may not get spent on everything in the table, but make sure you include everything that applies to this situation.

3 (Page 5)

Subtract the total expenses from the total income. This gives you the **balance**. This is the amount left over each week/month/year (depending on how you have calculated).

If the final amount is less than zero, then more money is being spent than is coming in. This is called having a **shortfall**. If you have a shortfall then please read the section on page 5.

Budget Calculator

Step 1. Income

	£ Weekly	£ Monthly	£ Annually
State pension payments			
State benefits			
Personal pension payments			
Income from savings and investments			
Insurance payments			
Income from property			
Any other income			
Total Income (A)	£	£	£

Step 2. Expenses

	£ Weekly	£ Monthly	£ Annually
Mortgage or rent (Including service charges)			
Council Tax			
Household maintenance (E.g. furniture repairs, general upkeep costs)			
Household bills (E.g. water, gas, electric, telephone, broadband, TV licence)			
Housekeeping (E.g. laundry, dry cleaning, cleaner, toiletries)			
Finance payments (E.g. loans, car leases, credit cards)			
Insurances (E.g. house, life cover, boiler)			
Food and drink (E.g. Supermarket shopping, dining out, smoking)			
Pets (E.g. Pet food, pet insurance, vet bills)			

Car costs (E.g. road tax, insurance and maintenance, fuel, breakdown cover)			
Other transport costs (Bus fares, train fares, taxis)			
Savings and investments (Payments into pensions, regular savings, investments)			
Lifestyle (E.g. clothes, hair and beauty, hobbies, day trips)			
Other expenses (E.g. Christmas, holidays, gifts to family, weddings, events, charity)			
Health (E.g. private medical, dental, opticians, physical care)			
Actual/proposed care costs (Eg care home fees, domiciliary care costs)			
Total Expenses (B)	£	£	£

Step 3. The balance

Total income (A) – total expenses (B) = the balance

	£ Weekly	£ Monthly	£ Annually
Total Surplus/(Shortfall)	£	£	£

Shortfall

If you have a shortfall and you are worried about how to pay for care expenses, then please get in touch with us using one of the methods below. There are a variety of options available for funding care and in some circumstances care can even be free.

Contact us

T: 01282 866287

E: info@carepal.org

W: www.carepal.org