

Personal Budget

Introduction

The Collective Labour Agreement for University Medical Centres (CAO UMC) makes provision for a Personal Budget for UMC staff who were born after 1950. This budget is intended for the development of your career, and to help you achieve a good work-life balance at all stages of your career.

Depending on your age and the nature of your work, the amount may be increased by means of a Raised Personal Budget or a Supplementary Personal Budget.

These agreements continue in the Collective Labour Agreement for University Medical Centres 2015-2017 (CAO UMC).

This document deals only with the Personal Budget. More information about the raised and supplementary budgets can be found on the intranet > Staff > Personal Budget.

What

Why am I entitled to a Personal Budget?

The Personal Budget is for you to invest in your personal development, in line with your personal needs and wishes, based on the principle of long-term employability. The job market will change in the coming years. People are increasingly being encouraged to continue working until they reach pensionable age. It is therefore important that you remain healthy during your career, achieve a good balance between your work and home life, and have sufficient opportunities for development and growth.

How is the Personal Budget calculated?

The budget is a certain percentage of your gross salary, in accordance with the salary scale. Extra salary components such as allowances, ORT/TVO, bonuses, etc. do not count in the calculation of your Personal Budget. The budget you accrue is not interest-bearing, and will not be deducted from your salary.

How much is my Personal Budget?

Accrual of your Personal Budget began on 1 January 2008. It is accrued monthly as a percentage of your gross salary. The percentages are as follows:

- 0.25 % in 2008
- 0.50 % in 2009
- 1.0 % in 2010
- 1.3 % in 2013
- 1.55 % in 2014

Maximization of the Personal Budget

The budget was maximized as of 1 January 2013. If the budget balance exceeds the maximum amount, accrual will not continue until you use some of the budget and the balance falls below the maximum. The maximum budget you may accrue is 36 months x the monthly balance, based on full-time employment. You may make an agreement with your manager to accrue a larger Personal Budget if you need to do so for a specific purpose relating to your development.

How do I find out how much Personal Budget I have?

You can find the amount on your payslip. The balance you have accrued is shown every month on the bottom right-hand side of your payslip, which you may access online. The balance is adjusted every time you spend some of the budget, but the expenditure is not itemized on your payslip. You can finance your development expenditure in advance from the budget you will accrue in that calendar year. In other words, you may go 'into the red' up to the amount that you will accrue until the end of the calendar year.

Accrual of the Personal Budget during illness

Budget accrual is based on your gross salary. This means that accrual continues if you are on sick leave. It also means that when your salary is reduced to 70% in the second year of sick leave, the accrual amounts for your budget will also fall to 70%.

Accrual during parental leave and care leave

During periods of parental leave and care leave, you receive a lower salary or no salary at all. Since the accrual of your Personal Budget is linked to your gross salary, it will decrease accordingly.

Pension and basic pensionable salary

The fact that the UMCG reserves a Personal Budget for you does not mean that your basic pensionable salary will rise. You will continue to accrue pension on your normal gross salary.

Leaving the employ of the UMCG / death

Your Personal Budget will not be disbursed in cash in the event of your death, or if you leave the employ of the UMCG. If you are transferring to a different UMC, you will be able to take the balance with you.

For what

What can I use my Personal Budget for?

In principle you can use your budget for anything that contributes to your personal development and thus to your long-term employability. This may involve acquiring new knowledge and/or skills that you can use in your current position. Perhaps you have plans to look for another position or even change your profession, and you need new knowledge and/or skills. You can use your Personal Budget for this too. What matters is that it contributes to your employability in the labour market. You may also use the budget for courses that help you to achieve a good balance in your work and carry out your work more effectively (e.g. a course on dealing with stress or a course on effective communication).

Study leave

The time required for development financed from the Personal Budget is 'payable' by the staff member. You can use the budget for study leave. This is calculated as follows: a budget of 0.8% of the annual salary is equal to 15 hours of study leave. Put more simply, this is: no. of hours x your hourly pay. Your hourly pay rate is printed on your payslip. For academic medical specialists, 0.8% of the annual salary is equal to two days of study leave.

Holiday entitlement

You can use your Personal Budget for holiday leave. This involves 0.8% of your budget, or 15 holiday hours. This is adjusted accordingly for part-time staff. For medical specialists, the

amount is two days' leave. Staff who use the Raised Personal Budget for holiday leave are not permitted to use the Personal Budget for this purpose as well. Staff who use the Supplementary Personal Budget to reduce their hours are permitted to use the Personal Budget for the 15 holiday hours. The rate for part-time staff is adjusted accordingly.

Examples

Here are some examples of how you can use your Personal Budget.

- Courses, for example:
 - On-the-job PC support
 - Core quadrants
 - Assessment
 - Coaching
 - Time management
 - Saying 'no'
 - Preparation for job interviews
 - Spelling
- Attending conferences
- Subscription to specialist literature
- Jointly with colleagues, inviting a speaker to give a lecture or workshop geared to the needs of the team
 - To cover the cost of registering (or re-registering) in non-compulsory registers (including quality registers)
 - To pay the membership fees for a union and/or professional organization.

IT equipment

You may use your Personal Budget, on certain conditions, for IT equipment (e.g. an iPad or laptop). The expenditure must be for work-related development. Because the Tax and Customs Administration (Belastingdienst) does not permit net expenditure of the Personal Budget on consumer goods, purchase amounts are always taxable. In concrete terms, this means that if a staff member in the 52% income-tax bracket purchases an iPad for € 500, the amount deducted from the Personal Budget will be slightly more than € 1,000. Even if you follow a course in which an iPad (for example) is provided, the amount of the iPad is still taxable. The cost of the course is not taxable, and the net amount will be paid.

Which IT equipment is permitted?

- Laptop, notebook
- Desktop PC configuration
- Tablet PC
- Smartphone
- E-reader
- Software
- Software (relating to work/courses)

Peripherals

- Image: monitor, webcam
- Input: drawing tablet, keyboard, mouse, scanner
- Output: printer, all-in-one (print/scan/copy)
- Storage: external hard drive, NAS
- Network/expansion: router, repeater, network adapter, hub for expansion or conversion into other input/output standards

Each type of IT equipment/device may be purchased only once every three years from the Personal Budget. More information is provided on the Personal Budget website on the intranet.

What may I not use the Personal Budget for?

The Personal Budget must not be used to purchase consumer goods other than specified above. It must only be used for development, not for everyday articles that do not relate to work - even if you learn something by using them. Neither is the Personal Budget intended to finance your hobby.

The Personal Budget and the Tax and Customs Administration

The Personal Budget you accrue is a reserve that is calculated on the basis of your gross monthly salary. You accrue this budget for your personal development, with a view to enhancing your long-term employability. The budget is not taxed, unless the things you use it for are not directly related to your work. See below for an explanation.

Tax-exempt

In order for expenditure from your Personal Budget to be tax-exempt, it must relate to a training course or study programme.

Tax legislation stipulates that the cost of all development activities that help you to retain or preserve your capacity to earn an income will be reimbursed tax-free. Examples include keeping your professional knowledge and skills up to date, or acquiring knowledge and skills for a future profession. You may undertake these development activities within or outside the UMCG. In concrete terms this means, for example, that registration fees for a conference or study programme, the purchase/subscription cost of specialist literature, and fees for training and coaching will be reimbursed tax-free.

Taxable

Expenditure on activities that indirectly affect your duties as an employee is taxable. This includes, for example, a course in 'Balanced Energy' or 'Emotional Equilibrium'. Everything that is considered a 'general necessity' in society (e.g. a driving licence) is taxed, even if it is work-related.

Expense claims (e.g. for IT equipment) that must be grossed up for tax purposes in accordance with regulations will result in an increase in your taxable income for the relevant year. This may affect statutory allowances such as rent allowance and care allowance. These could be temporarily reduced. This could also have negative consequences for staff who are receiving incapacity benefit. This benefit may also be reduced.

How

How can I use my Personal Budget?

How can you indicate that you wish to use part or all of the budget, and what is the procedure?

Your Personal Budget is personal, which means that an amount will be reserved specially for you and that you have control over how you spend it. Your plans for using the budget will be discussed during the annual appraisal review. You are expected to make a well-substantiated proposal as to how you will use it. The proposal should state how the activity will contribute to your long-term employability, in line with your personal development needs.

Form

On the form you are asked to select one of the options below.

TAX-EXEMPT: The claim costs will be deducted from the Personal Budget (or Supplementary Personal Budget) without tax being charged.

- The claim concerns a training programme geared to a certain profession or to the acquisition of specialist knowledge (code 1)
- The claim concerns skills training directly related to job performance (code 2)
- The claim does not primarily concern skills training directly related to job performance but rather to the human body and mind. However, it will directly improve the employee's general work performance (code 3)
- Remote workplace (code 9)
- Training leave (code 10)

TAXED: The costs of the claim are taxed. The gross amount will be deducted from the Personal Budget (or Supplementary Personal Budget).

- The claim does not primarily concern skills training directly related to job performance but rather to the human body and mind. The activity has an indirect positive effect on job performance in the sense that the employee will feel better (code 4)
- The claim concerns a health, safety and environmental facility or provision (code 5)
- The use of IT tools is geared to the development of future skills relating to current and/or future work (code 7)
- Sport and exercise

There are two options for claiming the expenses.

1. You pay for the training/study course yourself and claim back the cost from UMCG. Please enclose documentary evidence, for example original cash receipts, invoices or printouts/photocopies of bank statements in order to receive payment.

2. You ask the UMCG to pay the bill directly. Remember to include a copy of the invoice.

More information

In principle, your manager is your first point of contact if you have questions about your Personal Budget. If you cannot reach agreement with him/her or if you have any specific questions, please contact your P&O advisor. You can find more information on the intranet > Staff > Personal Budget.

The Wenckebach Institute offers a number of workshops and individual programmes that are non-taxable and therefore ideal in terms of using your budget.

For more information, please visit www.wenckebachinstituut.nl

