

Ref. No.	
Category (Y/N)	
People	
Place	
Corporate	
In Constitution	

# Individual Service Funds Policy

## Policy Details

What is this policy for?	The purpose of this policy is to set out the policy of the Council in relation to Individual Service Funds, with a structure for their application in the provision of care and support services for adults eligible for services and/or support.
Who does this policy affect?	In accordance with Sections 31, 32 and 33 of the Care Act statutory Guidance, the Council must promote an alternative when considering <u>any</u> care and support functions in respect of a person. Sections 11.8, 11.30, 11.31, 11.32, and 11.33 of the Care Act Statutory Guidance set out the Council's obligations in respect of Individual Service Funds.  Responsibility for applying this policy sits with everyone carrying out adult social care and support functions on behalf of the Council.
Keywords	Adult social care: Individual Service Funds; care assessment; financial assessment; personal budgets, strength-based practice
Author	Sarah Perrett, Commissioning Project Manager
Does this policy relate to any laws?	<a href="#">Care Act 2014</a> Care Act 2014: <a href="#">Care and support statutory guidance</a> Chapter 11 <a href="#">Mental Capacity Act 2005</a>
Is this policy linked to any other Dorset Council policies?	Charging and Financial Assessment

## Adults and Housing

### Individual Service Funds Policy

Purpose	<p>The purpose of this policy is to set out the responsibilities of the Council in relation to Individual Service Funds, with a structure for their application in the provision of care and support services.</p> <p>Giving the individual choice and control over their care is paramount. The Council encourages the individual to assume control and will promote Individual Service Funds to enable them to do this.</p> <p>The Care Act 2014</p> <p>Clause 11.30 identifies 3 ways in which a personal budget can be deployed:</p> <ul style="list-style-type: none"> <li>• as a managed account held by the local authority</li> <li>• as a Direct Payment</li> <li>• as a managed account held by a third party (often called an Individual Service Fund or ISF).</li> </ul>								
Scope	Sections 11.8, 11.30, 11.31, 11.32, and 11.33 of the Care Act Statutory Guidance lay out the Council's obligation to consider Individual Service Funds.								
Areas of responsibility	Responsibility for applying this policy sits with everyone carrying out care and support functions on behalf of the Council.								
Related Policies	<p>Wellbeing policy</p> <p>Charging and Financial Assessment policy</p>								
Keywords	Individual Service Fund; Personalisation; Nominated individual; Mental capacity; Eligible care and support needs.								
Glossary of Terms / Definitions	<table border="1"> <thead> <tr> <th data-bbox="448 1570 852 1637">Term</th> <th data-bbox="852 1570 1374 1637">Definition</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 1637 852 1742">Dorset, the Council, we, ourselves, us</td> <td data-bbox="852 1637 1374 1742">Dorset Council (the 'local authority')</td> </tr> <tr> <td data-bbox="448 1742 852 1901">The Care Act</td> <td data-bbox="852 1742 1374 1901">The Care Act 2014 puts people and their carers in control.</td> </tr> <tr> <td data-bbox="448 1901 852 1984">Policy</td> <td data-bbox="852 1901 1374 1984">A policy is a set of principles, rules and guidelines that help the Council make</td> </tr> </tbody> </table>	Term	Definition	Dorset, the Council, we, ourselves, us	Dorset Council (the 'local authority')	The Care Act	The Care Act 2014 puts people and their carers in control.	Policy	A policy is a set of principles, rules and guidelines that help the Council make
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	decisions and that let people know what they can expect from us.
Commissioned services	Care and support that has been arranged and paid for on an individual's behalf by the Council.
Direct payments	Direct payments are monetary payments made to individuals who request to receive one to meet some or all their eligible care and support needs.
Outcome	<p>An outcome can be summarised in a short statement about what it is important for an individual to achieve which will maximise independence and self-determination.</p> <p>Achieving outcomes should be empowering for the individual and create independence from long-term intervention and funded services.</p>
Individual Service Fund (ISF)	An ISF is an arrangement whereby a provider both receives and manages the individual's personal budget. They can provide care and support from their own organisation and/or broker support on an individual's behalf from another organisation or individual. The ISF provider/broker will work with the individual or their representative to agree how they want their care needs to be met, how the budget is spent and will contribute to the support planning process.
Personalisation	Personalisation means that every individual who receives support, whether it is provided by the Council, or funded by themselves, will have choice and control over the 'shape' of that support in all care settings.
Eligible needs	'Eligible' needs are those needs for care and support which Dorset may be <u>required</u> to meet by the Care Act. Although the Council has powers to meet any other needs, the determination of

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Legislation and legal requirements	<p>The <a href="#">Care Act 2014</a></p> <p>The <a href="#">Human Rights Act 1998</a></p> <p>The <a href="#">Disability Discrimination Act 1995</a></p> <p>The Mental Capacity Act 2005</p>						
Equality impact assessment	<p>The Department of Health published its equality impact assessment on the Care Act 2014 in May 2014. Below is an extract from Table 2 on page 13.</p> <p>"The primary objective of the proposals set out in the Care Act 2014 is to support people who use care and support and their carers to maintain their health, wellbeing, and independence for as long as possible. As part of the overall objective of improving quality of care and experience, proposals are also intended to strengthen and enhance the social care market."</p>						

## **1.0 Provision of Individual Service Funds (ISF) Principle**

The core purpose of adult care and support is to help people to achieve the outcomes that matter in their life. Underpinning all of the 'care and support functions' carried out by the Council is our focus on the needs and goals of the individuals concerned. This applies in all cases where the Council assesses an eligible need for care or support and ensures that control for meeting those needs is placed with the individual.

Individual Service Funds (ISFs) were formally introduced in the Care Act 2014 statutory guidance, as an option for commissioning self-directed support.

An ISF is a personal budget held by an organisation which has been accredited by the Council and which has been selected by or on behalf of an individual and can be used to meet some or all the outcomes that have been identified as part of a Care Act Assessment as directed by the Individual supported (or their circle of support).

## **2.0 Making Individual Service Funds (ISF) Available**

- 2.1 ISFs will be offered to the individual during the assessment and support planning process.
- 2.2 When considering arranging their care and support through an ISF, the individual will be provided with information in an accessible format covering:
  - a) What ISF's are:
  - b) How to request an ISF.
  - c) Information and advice on how the ISF arrangement works and any contractual requirements, how the provider will manage the budget on behalf of the individual, and advice on what to do if a dispute arises.
  - d) Consideration will be given to using real local examples that illustrate how other people have benefitted from ISF arrangements.
  - e) A list of Providers/Brokers who are accredited by the Council will be made available to the Individual and their circle of support.
- 2.3 The Council will continue to expand its register of accredited Individual Service Fund providers/Brokers to ensure choice of ISF of Providers/Brokers is available to individuals.
- 2.4 When considering a request for an ISF from an individual with mental capacity to decide about ISF, the Council will agree to an ISF if the following three conditions are met:
  - 1) The individual has capacity to make the request.
  - 2) The Council is satisfied that an ISF is an appropriate way to meet the individual's needs.

2.5 In considering a request from a nominated individual for an ISF for an individual without mental capacity to make a decision about ISFs, the Council will agree to an ISF if the following four conditions are met:

- 1) The nominated individual is authorised under the Mental Capacity Act 2005, and if not, then there is at least one individual who is authorised to support the request.
- 2) The Council is satisfied that the nominated individual will act in the individual's best interest in arranging care and support through the ISF.
- 3) The Council is satisfied that an ISF is an appropriate way to meet the individual's needs.

2.6 Where a decision has been made to refuse a request from a Provider to become an ISF Provider/Broker, the Council will work with the Provider to support future accreditation.

2.7 An individual will not be forced to take an ISF against their will, but instead will be informed of the alternative choices available to them.

### **3.0 Calculating the Individual Service Fund Amount**

3.1 The gross amount of the ISF will be equivalent to the Council's estimate of the reasonable cost of securing the provision of the service concerned to meet the needs for which it has a duty or power to meet. This may be increased in exceptional circumstances, at the Council's discretion.

3.2 In estimating the reasonable cost of securing the required support, the Council will consider the associated costs incurred without which the service could not be provided lawfully. However, if a service of the required standard can be secured more cost-effectively in another way without unreasonably restricting choice and control, the Council may limit the amount payable accordingly.

3.3 Where an individual disagrees with the amount ISF proposed, the individual will be informed of their right to pursue the matter through the appeals procedure.

### **4.0 The Individual's Contributions**

4.1 The individual will be assessed for charges in the same manner as if they were receiving services directly provided by the Council.

4.2 Where funds are to a nominated ISF Provider/Broker, the payment will be made gross of any assessed contribution. The individual will be invoiced for their contribution directly by Dorset Council.

4.3 Contributions will not be sought for aftercare services provided under section 117 of the Mental Health Act 1983.

### **5.0 Administering Individual Service Funds**

5.1 The Council must be satisfied that the ISF is being used to meet eligible care and support needs and therefore will have systems in place to monitor usage. The ISF Provider/Broker must ensure that the organisations used can meet the individuals needs safely and legally.

- 5.2 Any management charge to be applied by the ISF Provider must be declared by the Provider/Broker before any agreement to proceed with the ISF. The ISF personal budget should not be spent on any management or business costs that the ISF provider might incur, these costs are intended to be included in the hourly rate.
- 5.3 The Council's practice will be that, except in exceptional circumstances, the ISF shall be financially audited on an annual basis. In cases where the ISF Provider/Broker has demonstrated an ability to manage ISFs without concern the Council may opt to reduce the monitoring frequency.
- 5.4 The Council will allow everyone to keep a surplus of up to 4 times their weekly budget in their ISF, for a period of up to 12 weeks, or enough to cover an identified need in the future to help meet their needs in a flexible way.
- 5.5 The Commissioner and the ISF Provider/Broker will meet regularly to consider individual needs and any accumulated surplus for each person who the Provider/Broker holds an ISF. The ISF Provider/Broker will manage any contingency needs from within the personal budget and manage any surplus as agreed with the Commissioner or as identified and detailed in the agreed support plan.
- 5.6 Under the terms of the agreement, the Council reserve the right to reclaim surplus funds where it has been identified at review that the individual's care and support needs have changed.

## **6.0 Using the Individual Service Fund**

- 6.1 ISFs are designed to be used flexibly and innovatively and the Council will not place any unreasonable restriction on the use of the payments if they are being used to meet eligible care and support needs.
- 6.2 Although our policy is that ISFs cannot be used to pay for adults to receive long-term care in care homes, they can be used to enable people to purchase a short stay in residential care, provided this does not exceed 4 consecutive weeks in a 12-month period. When periods of residential stays are separated by less than 4 weeks, they will be added together for the purposes of calculating the number of consecutive weeks in the 12-month period.
- 6.3 The Council will continue to pay the ISF to meet existing contractual obligations in the event of hospitalisation. The ISF Provider/Broker is contractually obliged to return any unspent money that has not been required to deliver care and support either during hospital admission or post-discharge. Regard will be given to maintaining the ISF recipient's employment arrangements with carers and personal assistants, to ensure continuity of care following hospital discharge.
- 6.4 In cases of hospitalisation, the Council will explore with the individual, their carer(s), and the NHS, available options to ensure that the health and care needs are being fully met in the best way possible.

## **7.0 Reviewing Individual Service Funds**

- 7.1 In addition to monitoring ISFs to ensure that they are being used to meet care and support needs, the Council will also review the making of the ISF within six months of the first payment. Where relevant the first review will be combined with an initial care review 6-8 weeks after the sign-off of the individual's personal budget and plan. This review is to ensure that the individual is comfortable with the ISF and experiencing no issues. This review will be incorporated with the initial review of the care and support plan and used to identify any long-term support arrangements that may be necessary.

7.2 Further reviews will be made every 12 months. Where practical these reviews will be combined with ISF monitoring process.

7.3 The outcome of the review will be written down and a copy given to all parties. Where there are issues that require resolving, the resolution method will be agreed, unless there are exceptional reasons why this is not possible.

## **8.0 Ending Individual Service Funds**

8.1 ISFs will only be ended as a last resort and only when the Council has taken all reasonable steps to address any situations leading to the decision to end the ISF.

8.2 A minimum notice period of 4 weeks will, except in exceptional circumstances, be given before ISFs are ended.

8.4 ISFs may be ended for the following reasons, after due regard to the conditions in paragraph 8.1 above. In all cases, the Council will ensure that alternative arrangements are in place to meet the care and support needs of the individual before the direct payment is ended:

- An individual for whom an ISF is being paid to purchase support for themselves, or someone acting as their authorised representative, decides they no longer wish to receive an ISF.
- The individual receiving an ISF is no longer capable of managing their ISF, even with appropriate support.
- The individual receiving an ISF no longer needs the care or support for which the ISF is being paid.
- The Council believes it is no longer appropriate to make the ISF. For example, it is apparent that the ISF has not been used to achieve the outcomes on the support plan.
- The individual receiving ISF loses mental capacity. However, when the individual receiving ISF loses mental capacity the Council may continue with the ISF if someone is willing to act on their behalf, but this arrangement will be treated as temporary and closely monitored.

8.5 Where an individual has lost capacity, or where an individual needs additional support to terminate ISF arrangements, the Council will provide appropriate support.

8.6 When the ISF has ended, a final monitoring exercise to establish the extent of monies due to be returned to the Council (if any) will be undertaken. In calculating the amount to be returned, specific regard will be made to outstanding liabilities properly incurred during the period of the ISF, and legitimately after the end of the ISF, which may include redundancy commitments.