

# Individual Service Funds – Information for Professionals

Once you have completed an assessment and determined an Indicative Budget, if the Service User or Carer has decided that they don't want to take their Personal Budget as a Direct Payment, the next option to offer is an Individual Service Fund (ISF).

## 1. What is an ISF?

An ISF operates in a very similar way to a Direct Payment, with one important difference – an organisation holds the Personal Budget on behalf of the Individual and helps them to develop their individualised Support Plan.

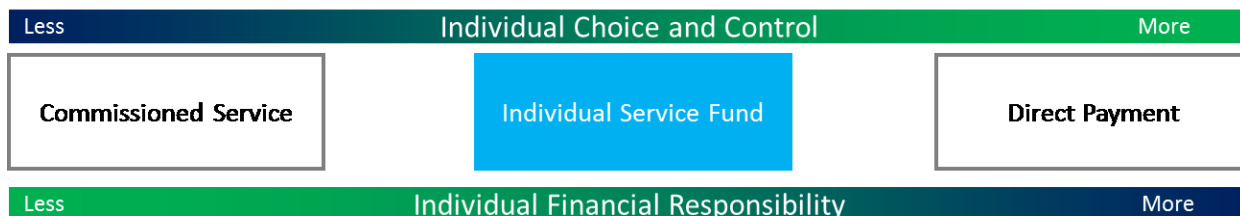
The Provider organisation then manages the support and activity needed to deliver the plan, through a combination of direct provision and subcontracting. This includes all financial aspects including using the ISF to pay invoices for services provided, purchasing items of equipment, and paying the cost of social and community based activities that have been identified in the plan.

## 2. Why would a Service User or Carer want an ISF?

For some people, arranging their own care and support services and managing the money to do so is a perfect solution. This can give people a huge amount of choice and control over how their needs are met and who is going to help them to do this. For these people, a Direct Payment is the natural choice.

For others, making a plan and managing the money is more responsibility than they want or can cope with. In the past these people had to rely on Dorset County Council to manage their services for them, which meant they didn't always have much choice over who supported them and how their outcomes would be met. The procurement rules we have to comply with are not always compatible with maximum choice for the individual.

An Individual Service Fund is a good option for people who want a lot of choice over who supports them, and who want to work in partnership with an organisation co-produce their own support plan, but who cannot or don't want to manage the financial aspects of a Direct Payment. The chosen provider takes the financial responsibility on behalf of the individual, keeping all the required records needed to audit the ISF and to explain to the Individual how and where their budget is being spent.



### 3. Why would a Provider want to work in this way?

Provider organisations who are interested in truly person-centred support and helping individuals to improve their lives and achieve their outcomes will be keen to offer ISFs.

Providers develop close working relationships with the people they support, and in most cases are in an ideal position to make continual assessments about how needs and outcomes are being met, how risks are being reduced or mitigated, and how people are developing their independence on a day to day basis. An ISF makes the most of this by making the Individual and the Provider partners in the delivery of the support plan, empowering the individual to direct their own support through their provider, and allowing the support plan to be adjusted accordingly without the need for constant Professional approval.

ISFs also give the Provider the opportunity to market their services directly to individuals, reducing the requirement on them to participate in complex and time-consuming procurement exercises. This has a proportionally greater benefit to smaller locally based providers who are able to offer very effective services but do not have the resources or infrastructure in place to effectively compete against large national organisations, and therefore encourages a greater diversity of provider organisations in our care marketplace.

There may be circumstances where the provider needs to charge an administration fee for managing an ISF (for example, where they are not asked to directly provide any care or support services), and as long as this is made clear as early as possible then this can be allowed.

ISF payments will be made in advance and by automated payment, so Providers will not have submit invoices in arrears and worry about delays in receiving payment. From a logistical point of view this could offset some of the additional financial recording requirements under the ISF agreement.

But ultimately the real reward for providers is the opportunity to work with people in a different way to make a real positive difference to how people live their lives.

### 4. How does this impact on my role?

The way ISFs will work in Dorset has been designed to mirror Direct Payments as closely as possible. Therefore the process for professional staff will therefore be almost identical – the assessment will be carried out as normal and the unmet eligible outcomes will be identified. Once the RAS has been completed and an indicative budget has been identified, the Individual then chooses an ISF Provider. They may need some support to figure out what to look for in an ISF Provider.

The Commissioning Team will maintain a Register of providers who have signed up to the ISF Terms and Conditions. As a minimum this will include all the providers on the Learning Disability and Mental Health Dynamic Purchasing System (DPS) who want to offer ISFs. The list will indicate whether the Provider is already contracted to provide Commissioned Services, and where relevant will indicate the quality level achieved (Gold, Silver or Bronze). The list will also hold information about CQC Registration and quality status, and details of any other best practice accreditations or kite-marks held by the Provider. The individual can choose an ISF provider from this list, or may want to use another Provider that is not already signed up. If that is the case, the provider will need to

contact the Commissioning Team, and be accredited and sign up to the ISF Terms and Conditions before they are added to the list. See Section 6 for more detail.

Once the Service User or Carer has chosen their ISF provider, they begin working with them to develop a Support Plan that meets the unmet eligible outcomes identified in your assessment. The provider may have a range of options or ideas about how each outcome might be met, but it is a fundamental principle of ISF that the Provider will support the Individual to make key decisions about what services they have and how they are delivered. This might include services out in the community, or some services delivered by third-party providers or Personal Assistants. This is allowed under an ISF and the Provider should support the Individual to arrange and coordinate this (including employment of Personal Assistants), and ensure that payment arrangements for third parties are put in place.

The proposed plan can also build in flexibility about how support will be delivered, allowing the Individual to alter the time, day and amount of support they receive each week, as long as it continues to deliver the outcomes and remains within the budget envelope. The Provider keeps a record of all support delivered or commissioned, all income received, and money spent.

The Provider should be clear with the Individual about whether any administration charge will apply as soon as possible. The provider might be able to do this at the beginning of the process, or may need to determine this based on how the Support is designed. In either case the Individual should be free to choose an alternative provider if they are not happy with the proposed charge before any further commitment is made.

This plan is then sent to the Professional, who will check that the proposed activity is linked back to the outcomes, is proportionate, does not ignore any outcomes, and that all proposed activity is legal. The ISF Provider will have also costed the plan, and if this is higher than the Indicative Budget then the Professional will either need to agree to increase the budget (if they think the plan is appropriate) or ask for the plan to be revised to bring it within budget. The Indicative Budget can only ever be a best guess for how much will be needed, so Professional judgement will need to be applied to determine whether the proposed activity and cost is reasonable or not.

Once the plan has been agreed, the ISF Provider will arrange for all the services to be put in place. They will also put an agreement in place between themselves and the individual to underpin the agreement. Dorset County Council will pay the ISF Provider directly for the Personal Budget amount. You will need to make arrangements for the Direct Payments team to set up the ISF package on AIS. NOTE: ISF payments cannot be made retrospectively, so everything needs to be put in place and set up including updates to AIS before the ISF can commence. All parties including DCC need to understand the impact that any unnecessary delay will have.

The ISF Provider and the Individual will regularly review and adjust the plan according to changing need and where outcomes have successfully been met. The Provider will only ask the Professional to reassess where there is a need to change the plan to the extent that the budget increases. The ISF Provider should also report back to the Professional periodically about how successful they have been in delivering the outcomes. Providers are obliged to keep detailed records about how the Personal Budget has been spent, which the Professional can ask to see at any point.

From the perspective of the Professional, management of an ISF should otherwise be the same as for a Direct Payment, albeit with the support of a Provider organisation to help develop the support plan and evidence how outcomes are being met.

## 5. What if the Individual is unhappy with their service?

If they feel able to they should initially raise their concerns with their ISF Provider, but they may also need professional support to help resolve this. In some cases they might not feel able to do this, and so will likely contact the Professional managing their case or their local team.

The Individual may want to change their ISF Provider at some point in future, and they should be supported by their existing provider to choose an alternative and tie up the required notice periods. This should not automatically prompt a reassessment, but should be determined based upon any proposed changes in how the support will be delivered and how much it will cost.

## 6. Who can be an ISF Provider?

ISF has been written into the new Dynamic Purchasing System contract, and so providers who are part of the Learning Disability and Mental Health DPS can start offering ISFs as soon as they are ready. Providers who are not part of either of the Dynamic Purchasing Systems can also apply to join the register of ISF providers - in principle, any Provider who is willing to sign up to the Terms and Conditions can be an ISF Provider in Dorset.

In practice, Dorset County Council does need to ensure some basic safeguards are in place before setting up contracts with providers, and so we have opted for a light-touch accreditation process. Providers who are interested complete a series of pass/fail questions about their organisations, and explain their experience in Support Planning and Individual Service Design, and in Financial Management.

The applications will be considered by a Quality Assurance Panel of Professionals and Experts by Experience, and approved or rejected based on a collective view of their suitability

The ISF Register includes Provider Contact details, a brief organisational description, the areas the Provider is working in, details of any charges, and information about other services offered. The ISF Register also indicates whether the Provider is contracted to provide commissioned services, and if part of the Learning Disability and Mental Health DPS which Quality Tier they occupy (Gold, Silver or Bronze). The register will also make clear that ISF Providers who are not otherwise contracted with DCC will not be quality monitored by Dorset County Council.

## 7. ISFs and AIS

Specific Care Items have been set up for ISFs, and these operate in the same way as the Direct Payment Care Items. The ISF Provider is set up as the recipient rather than the individual, in the same way as for a DP set up to go to the Holding Account.

When setting up a package, the ISF amount is entered as a cost so there is no need to set up a schedule.

The process map for setting up an ISF is available on [Sharepoint](#)