Social care and support

Paying for support

Date: April 2021

After the needs assessment, social services should assess your relative’s financial circumstances, using their own financial assessment criteria. They should not take the family or carer’s financial circumstances into account when conducting this assessment.

Local authorities (LAs) fund support in different ways. The LA can provide support directly as a service. Alternatively, you can also take more control over support by using direct payments.

Whilst many people have their support funded or provided by LAs, some people choose to self-fund i.e. pay for support themselves. If a person has savings or assets that are over a certain amount (currently (2020) £23,250 in England) they will be required to pay for all of their own support until they drop below this threshold.

Personal budgets

Every person who receives care and support from the LA will have a personal budget. A personal budget is money set aside for a person’s support and care, based on assessed needs.

The total weekly or annual personal budget should be written on the Care Plan and linked clearly to the outcomes that the money will be used to achieve. The money can be used by the person in four different ways:

- services directly provided or commissioned [purchased from private companies] by the local authority e.g. a day centre
- direct payments
- Individual Service Funds
- a combination of some or all of these

A direct payment is when you receive your personal budget directly. Direct payments can give you and your relative more control over the support he or she receives. You can support your relative to choose how the money is spent, as long as the LA agrees that it is meeting his or her assessed needs. For example, you could use direct payments to pay for a personal assistant to help in the home and take your relative out to places he or she wants to go.

Direct payments can mean more responsibility, as you will have to manage the direct payments. However, you do not have to do this alone. Some LAs offer an in-house service to help you manage direct payments, including a payroll service for personal assistants. Support brokers, some support providers and certain local voluntary organisations can also support you to manage a direct payment.
If you prefer not to have a direct payment, your LA can look after your personal budget and organise your relative’s support for you. This is typically called a managed budget.

Carers UK has further information about direct payments and how to access them on their website.

Disability Rights UK has a specific helpline for personal budgets and direct payments. You can find out more on their website.

Individual Service Funds (ISFs) at a glance

The right for any person, in receipt of a personal budget or assessed as needing one, to request an ISF was written into the Care Act in 2014. An ISF is like a direct payment except that it is held on behalf of the person by an organisation (such as a care provider) and is used to meet their outcomes in accordance with their wishes and care plan outcomes.

The person can nominate the organisation that they want to manage their ISF – usually this is from a list kept by the local authority. An ISF allows full choice and control but with much less administration required by the person or their family

What is an ISF?

In simple terms, an ISF is a personal budget that is held by an organisation (or micro provider) which has been nominated by or on behalf of the person and can be used to meet some or all of the outcomes that have been identified as part of a Care Act Assessment as directed by the person (or their circle of support).

It’s an internal system of accounting within a service provider organisation that makes the personal budget (the weekly money from an LA for a person or carers’ support) completely transparent to the individual or family. This helps provide for much more flexible support arrangements that can be evolved quickly and easily over time as needs change.

An ISF is not a contract, it is an arrangement, developed by a service provider, to make itself more answerable to the person, as part of providing more flexible support to them. The approach helps with making best use of someone’s available budget. Instead of being accountable only to the council, an ISF provider organisation is directly accountable to the person and their family, and this includes ensuring they regularly report back on how the available budget is being spent.
In recent years an increasing number of people have used direct payments to manage their own support, while others have received council managed services, organised using contracts with private or voluntary organisations. While both options can work well, there is often a wide gulf between direct payments, which have high levels of choice and control (plus high levels of responsibility) and council managed services, with low levels of choice and control, and where control remains with the council.

Individual Service Funds are more of a middle option, which suit anyone who wants flexible support, but without all the responsibilities that come with managing a direct payment. The illustration below shows how much more control is offered through an ISF vs a council commissioned service.

**ISFs and the degree of control**

<table>
<thead>
<tr>
<th>Council commissioned service</th>
<th>Council or 3rd party managed personal budget</th>
<th>Direct payment to buy services</th>
<th>Individual Service Fund</th>
<th>Direct payment to employ personal assistant(s)</th>
</tr>
</thead>
</table>

*Less individual control*  *More individual control*

**What the Care Act guidance says about ISFs**

The Care Act 2014 says that LAs should develop a local offer around ISFs and should also consider all requests made to set up an ISF arrangement. There are a number of LAs across England offering ISFs to their residents in varying degrees and the number is growing fairly rapidly.

In particular the Care Act guidance highlights the following:

**Clause 11.30:** There are three main ways in which a personal budget can be deployed:

- As a managed account held by the local authority with support provided in line with the persons wishes
- As a direct payment
- As a managed account held by a third party (often called an individual service fund or ISF) with support provided in line with the persons wishes;

**Clause 11.32:** Where ISF approaches to personal budget management are available locally, the local authority should:

- Provide people with information and advice on how the ISF arrangement works and any contractual requirements
- Explain how the provider(s) will manage the budget on behalf of the person
• Provide advice on what to do if a dispute arises
• Consideration should be given to using real local examples that illustrate how other people have benefited from ISF arrangements

Clause 11.33: Where there are no ISF arrangements available locally, the local authority should:

• consider establishing this as an offer for people
• reasonably consider any request from a person for an ISF arrangement with a specified provider

What are the benefits of using an ISF?
Providing flexible support through an ISF means working with the person to design, develop and manage the best possible support, and being able to alter that support with minimal fuss when changes are needed. Using an ISF is a way in which a service provider can work truly in partnership with the person and their family to deliver upon their needs and wishes.

The key benefits are:

• Decision-making:
  is located with someone who has the right information, motivation and expertise to make the best possible decisions – the people closest to the person.

• Responsive services:
  decisions can be made quickly and easily, as problems and opportunities occur. There is no undue delay or contractual restrictions.

• Resources:
  can be used flexibly and creatively in order to build on the person’s assets and community. Resources are not tied into particular kinds of service or support.

• Clarity:
  can be established about everyone’s rights and responsibilities. There is no confusion, unnecessary dependence or undue complexity in the arrangements and the personal budget is made transparent to the individual or family.

What are the main differences between Direct Payments and ISFs?
ISFs are similar to direct payments because:

• the personal budget is clear to the person or their representative.

• People have a high degree of flexibility in how support is defined and provided. Decisions can be made and changed immediately, without the permission of the council.

• Rights and responsibilities of the person are clear. It should be noted that these rights do not extend to terminating the contract, unless the Third Parties Rights Act is used in the contract.

• Councils must accept that the service providers will charge for their management costs for delivering ISFs.

However, ISFs are unlike direct payments because:
• The council is delegating service provision, auditing and management of the personal budget that meets the persons assessed needs to the ISF service provider organisation.

• An ISF must be contracted for by the LA using clauses that enable providers to be flexible in how they meet a person’s outcomes i.e. they must not specify how and when support will be delivered each day.

What should you see if an ISF is being done right?

If an ISF is genuine and is being delivered in a flexible and adaptive way, that is controlled by the person and their close family, you should expect the person being supported to be able to make the following statements:

| What? | “I can use my hours/budget flexibly and can choose what I am given support with” |
| Where? | “I am supported where it makes sense for me; at home and out and about” |
| Who? | “I choose who I want to support me. My support workers know me and I know them” |
| When? | “I get support on the days and at the times that are right for me” |
| How? | “I choose how I am supported and my support workers know that this is important to me” |
| Co-produced | “Myself and my family are fully involved in decisions about my own support and how the ISF is used” |

We can help

If you have any questions about social care, please contact us using Tel: 0333 1212 300 or Email: info@downs-syndrome.org.uk. If our information officers are unable to help, they will refer you to our social care adviser.

Contact us

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