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Introduction

This guide is for anyone that's involved in implementing ISFs in a local system. It explains what ISFs are, the benefits of ISFs, and the required changes to introduce and implement ISFs that will ensure that people receive the person-centred, high-quality care and support that they want and need.

It shares learning from a pilot project in South West England to identify some of the potential challenges of implementing ISFs and share best practice tips and recommendations to overcome these challenges.

The guide focuses on five key areas that influence the successful implementation of ISFs, including:

- organisational culture
- collaboration
- person-centred support planning
- commissioning and finance
- learning and development.

The guide will be useful for anyone that's involved in implementing and delivering ISFs, to help them to understand what they are and the implications of new ways of working on their role.

In particular, it will be useful for:

adult social care providers, including ISF holders – to help them to understand the implications for their service(s) and new ways of working to support ISFs

adult social care and health commissioners, including finance and procurement colleagues – to help them to understand ISFs and the required changes to commissioning practices and ways of thinking/working to successfully implement ISFs

social workers and health workers involved in carrying out assessments and reviews with people who need care and support – to help them to understand the required changes in their approach to assessments and reviews, to successfully implement ISFs

other organisations, such as brokerage organisations, learning providers and direct payment support teams.

What is an Individual Service Fund?



For individuals, having an Individual Service Fund is not all about direct support hours – it's about having control of your total budget and using it flexibly to meet the needs that you have identified as being important to you.

Director – New Key



An Individual Service Fund (ISF) is one way of managing a personal budget, where someone who needs care and support (and/or their family, advocate or carer) chooses an organisation to manage the budget on their behalf and works with them to plan care and support services and activities that will help them to achieve their identified outcomes.

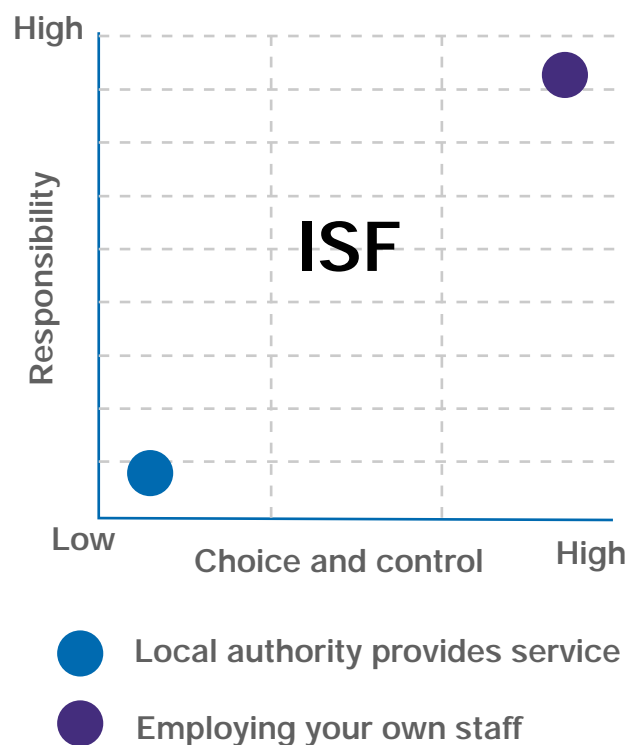
This arrangement requires more flexible contracting between commissioning authorities and providers, and person-centred support planning to use personal budgets creatively to meet an individual's needs and outcomes.

In this guide, we've used the term 'ISF holder' to indicate the organisation which holds the ISF and uses it to arrange and pay for care and support services on behalf of the individual. The ISF holder may also provide some services to the individual themselves.

The budget could come from social care, health or the individual, and will be based on their eligible needs.

ISFs give people the choice and control over their support, without having to manage the money themselves.

This is a middle option between direct payments, which have high levels of choice and control plus high levels of responsibility, and local authority managed services, which can have low levels of choice and control and where responsibility lies with the council.



Useful resources

[Individual Service Funds: easy read – Dorset County Council](#)

This leaflet provides information about ISFs in an easy read format.



[Individual Service Funds: video – Helen Sanderson Associates](#)

This animation explores ISFs, the benefits of them and how they work, through an animated video.



[Information for people supported \(2020\) – My ISF](#)

This website is for people who need care and support and are considering using an ISF. It provides information about why they'd want an ISF, who can support them and how to plan their services.



[Good things about Individual Service Funds: easy read - Self Directed Futures](#)

This short letter explains what an ISF is and the good things about them, in an easy read format. It also includes other easy read resources that explain what an ISF is and how they work.



[Choice and control for all: the role of Individual Service Funds in delivering fully personalised care and support - Groundswell](#)

Groundswell works with health and social care organisations to transform, support and improve people's lives. This paper explores what ISFs are, how they've evolved, how they're working and the opportunities for further development in the future.



ISFs and the Care Act

ISFs were formally introduced in the Care Act 2014, as an option for commissioning self-directed support. Here's the relevant Care Act guidance about ISFs.

Clause 11.30 of the Guidance

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 of the Guidance

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 of the Guidance

How Individual Service Funds can work

When people who need care and support are considering their options, they should be given the choice to take their personal budget as an Individual Service Fund (ISF).

If they (and/or their family, advocate or carer) decide to use an ISF arrangement, the social care or health commissioning authority will set up an ISF agreement with the individual and their chosen 'ISF holder' (i.e. the provider that's managing the allocated budget on behalf of the individual).

Where the individual receives budget from both social care and health, for example if someone is under s117 of the Mental Health Act, the local authority will tend to lead on setting up the commissioning arrangement and the overall personal budget, which should include their personal health budget contribution that will be paid by the lead commissioner directly to the ISF provider. In this arrangement, the local authority, as the lead commissioner, is responsible

What can the ISF pay for?

ISFs can be used for a range of purchases as long as they demonstrate that they are achieving positive outcomes for the individual and meeting their needs.

The ISF holder could provide the services themselves or commission other providers or services, for example massage therapy, swimming lessons or yoga classes, and/or use it to purchase and maintain equipment such as assistive technology.

In some cases, individuals might choose to share resources and support with other individuals, and the ISF holder should support this.

There are some contractual restrictions about what the ISF can be used for, for example alcohol, sexual activities, gambling, drugs and anything illegal. The commissioning authority might have other restrictions. There should be a three-way conversation to decide and ensure that the ISF is used to meet someone's eligible needs.

Overcoming difficulties with ISFs

Example 1:

Sarah has an ISF which includes a personal health budget. She has a house that was paid for by a community trust but there is no official landlord. A few months ago, the lift that takes Sarah to her front door broke, and a repair company estimates that it would cost £100 to fix. Sarah is unable to pay for this repair. She spoke to her ISF holder, who worked in collaboration with the social worker and commissioning authority, to agree that the repair costs could be paid for through her ISF, as she could not achieve her care and support outcomes to access the community without being able to use the lift to leave her house.

Example 2:

John has a physical disability and chooses to recruit his own staff to support him. However, recently his staff turnover has been high as he doesn't have the right skills and knowledge to manage his staff team. The ISF holder worked with John and his social worker and commissioning authority to arrange bespoke training about employing and managing staff, using his ISF.

As part of the ISF agreement, the commissioning authority will negotiate a separate administration fee with the ISF holder. This fee can be used to pay for all or some of the following:

- care and support planning
- coordinating all the services and/or purchases required
- learning and development of the workforce.

Having a skilled and competent workforce that are able to support the individual to understand their own care and support and finances, is an essential part of making ISF's successful and sustainable.

Reviewing the ISF agreement

As part of the agreement, the ISF holder and commissioning authority will establish ISF contract review points to ensure that the intended outcomes are being met.

They'll also discuss what to do with any unspent monies – in this case, the money could be used in different ways to support the individual, or it could be returned to the commissioning authority.

Best practice examples suggest that it's important that ISF agreements are flexible so that the individual and/or their family, advocate or carer are reassured that their support and/or funding will not be reduced, unless it's been identified as no longer required as part of this review process.



There are lots of benefits of Individual Service Funds (ISFs).

James uses his ISF to support him with a range of activities that have improved his independence and quality of life. Here, Barry, a family carer, explains how having an ISF has made a positive difference to James's life.

“When James finished college, he moved into residential care that was funded through a direct payment, and we managed his account. After a health scare, we contacted Devon County Council to review this arrangement and decided to try an ISF. We appointed New Key as the ISF holder, and they worked with James to choose what support and activities he wants to do. James loves the freedom of choice that he gets and takes part in a wide range of activities including art, a computer class and being a presenter on an activity centre radio station.

Having an ISFA has allowed James to make more choices and take control of his

Case study

New Key



New Key is an ISF holder and here, its' director explains the difference that ISFs have made to the people that they support.

“As a director of a domiciliary support company, we have embraced working in a creative way when supporting people.

For individuals, having an ISF is not all about direct support hours – it’s about having control of your total budget and using it flexibly to meet the needs that you have identified as being important to you.

For example, we’ve supported one person to have personal training sessions in a local gym and used his ISF to deliver bespoke learning for the personal trainer to help them to understand the individual’s specific needs. This has been a great opportunity for the individual to make wider connections in the community, and to receive support from a qualified instructor who understands his needs.”

Useful resources

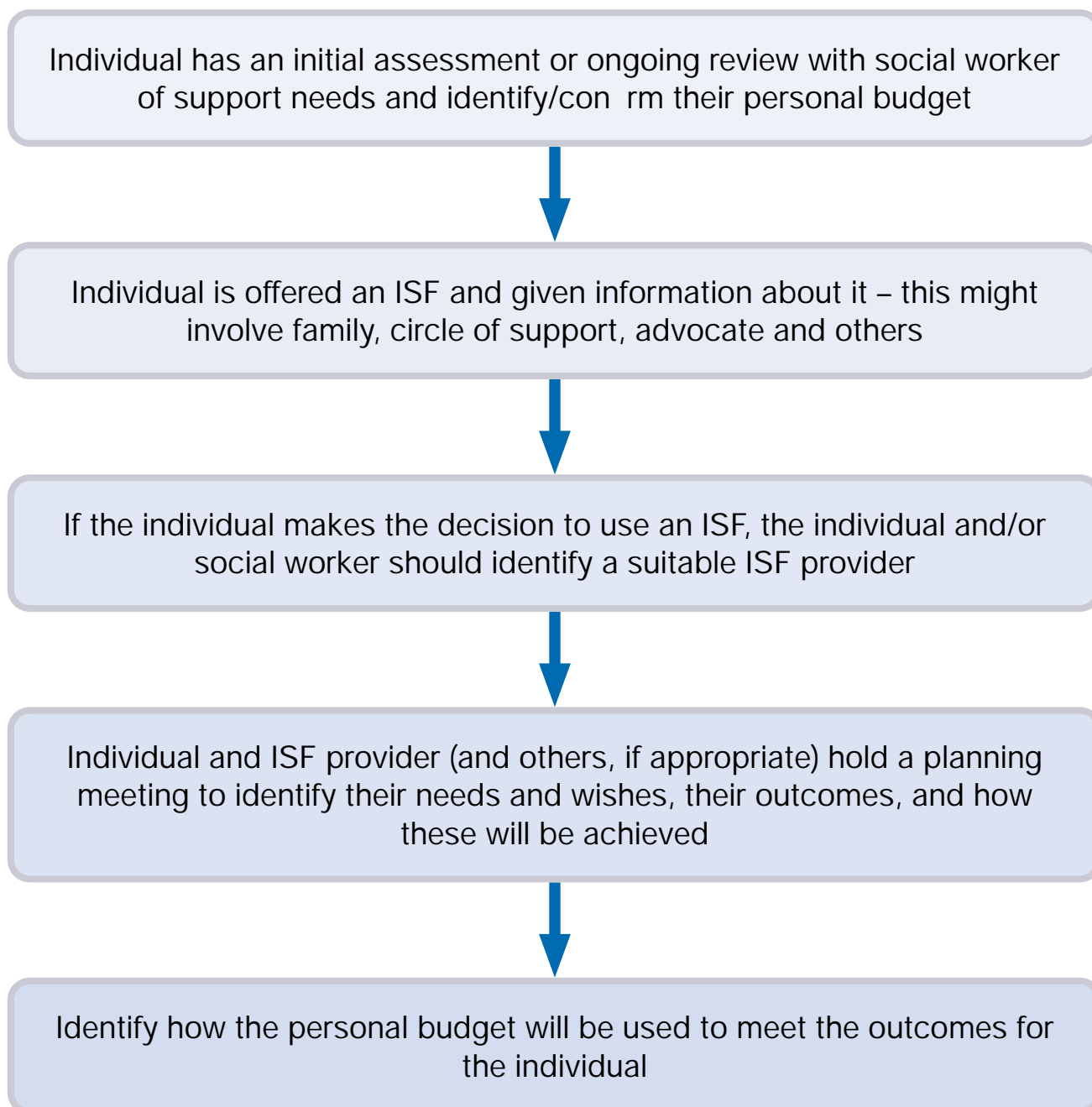
[Beyond direct payments: making the case for micro-enterprise, Individual Service Funds and new forms of commissioning in health and social care \(2018\)](#)

This guidance was developed to make the case for new approaches to support people should a direct payment not be their preferred option. It offers alternative options for consideration, including Individual Service Funds, to help funders understand their role as investors in people and communities, and ensure that their systems are designed to liberate innovation and action at personal and local level.



The Individual Service Fund process

This flowchart provides a summary overview of the Individual Service Fund process. You can tweak and adapt it based on the processes that your organisation uses.



ISF provider and individual agree the plan and how the budget will be spent with the commissioning organisation



Upon agreement, the individual and ISF provider develop an ISF agreement and share with everyone involved, including information about the review process and dates



When agreed, ISF provider to put the support in place and the individual lives their life in a way that they want and choose



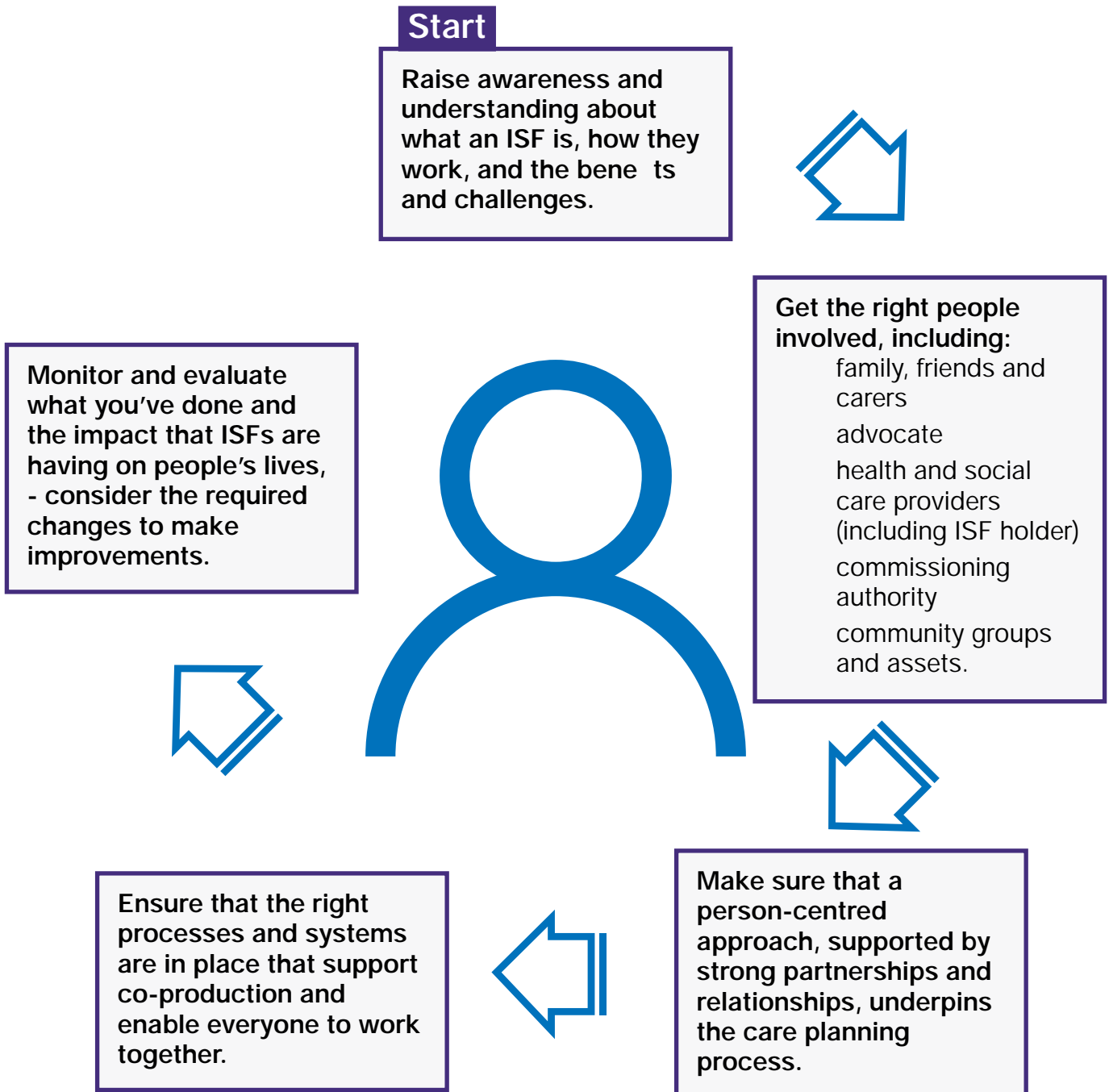
ISF provider and individual to regularly review the agreement and report to the commissioning organisation as required – this should include a re-assessment of needs and budget as needed



If the individual doesn't have capacity to make these decisions, the process will need to involve the best interest decision process around ISFs and identify who is responsible for making decisions – this could be the Court of Protection, a family member, an advocate or someone else in their circle of support. The same process would be followed with this in mind.

Making Individual Service Funds work

This diagram shows the method of achieving a successful Individual Service Fund (ISF) arrangement.



Useful resources

These reports share learning and recommendations from other organisations that have developed and implemented ISFs. You can use the learning to support the development and implementation of ISFs in your area.

[Individual Service Funds: easy read – Dorset County Council](#)

Sam Smith and Frances Brown on behalf of In Control Scotland

This guide aims to promote inclusion and social justice through greater understanding of the benefits of the creative use of ISFs. It outlines the core components of an ISF and details what needs to be in place for an ISF to work for all of the partners involved.

Demonstrator project to explore the introduction of Individual Service Funds (ISF) as a delivery mechanism to facilitate personalisation in Adult Social Care (2014) SPECTRUM: Centre for Independent Living CIC

This report shares learning from two pilot projects that explored ISFs as a delivery mechanism to facilitate personalisation in adult social care. Southampton Mencap and SPECTRUM Centre for Independent Living explored different models of an ISF to enable a full compare and contrast evaluation, and this report shares the outcomes and learning from both projects.



Evaluation of the Individual Budgets Pilot Programme: Final Report (2008) Social Policy Research Unit University of York

In 2015, the Department of Health funded 13 local authorities to pilot individual budgets. This report shares the learning from these pilots, including the implications of individual budgets on organisational arrangements, processes, culture and professional roles in local authority adult social care services.



How to implement Individual Service Funds

We've identified five key areas that influence the successful implementation of Individual Service Funds (ISFs).

These are:

- organisational culture
- collaboration
- person-centred support planning
- commissioning and finance
- learning and development.

This section uses learning from the pilot project (see previous section) to share some of the challenges of implementing ISFs and what you can do to overcome them.

It provides a series of recommendations to help you to implement ISFs, under each key area, and links to useful documents and websites to help.

In the 'learning and development' section, we've co-produced a set of competencies and learning outcomes to help you to design and/or commission high-quality learning and development for the workforce that's involved in implementing and delivering ISFs.

Organisational culture

Changing the culture with staff and social workers has been the biggest challenge of implementing ISFs. It took a lot of time and perseverance to get everyone on board with this new way of working. Initially, we spent a lot of time explaining what an ISF is, how they work and supporting people to understand the benefits for the individual. Good training is an essential part of making them work - once people had the understanding and had experienced them working in practice, they could see what a difference it was making to people's lives.

ISF holder

The individuals and organisations that are involved in implementing ISFs need to work together as a 'system' and in a person-centred way, and you need to ensure that your culture supports them to work in these ways.

Culture is the character and personality of your organisation – it's what makes it unique and is underpinned by the values, traditions, beliefs, interactions, behaviours and attitudes of the people in it.

Organisations that have been involved in delivering ISFs indicated that there is often a reluctance to embrace the changes needed to implement this new way of working.

Having a culture that enables people to work in person-centred ways, embraces new ideas and is open to change, can help you to successfully implement ISFs.

Here is some of the key learning about culture from the pilot project, including some of the challenges faced and recommendations for making it work.

What we found

Here are some of the challenges that the pilot project found.

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Jackie is a social worker in South West England. Up until six months ago her knowledge and understanding of ISFs was limited. Here she tells us how she's had to change her way of thinking and working, and how culture needs to change, to implement ISFs.

"Up until six months ago, my understanding of ISFs was limited, so I spent some time with a local ISF holder to increase my understanding.

I've found that lots of social workers are still unaware of what an ISF is, and there's lots of learning and work to be done to change people's ways of thinking and ways of carrying out assessments and reviews.

I always believed that I worked in a person-centred way, however I have since developed my way of thinking using the PATH template for planning care and support and broadening my knowledge about asset, strength and community-based ways of working, which focus on the individual's wants, needs, interests and preferences. I've learned that this can only be achieved when everyone works together towards these outcomes.

The choice and flexibility that an ISF offers has been a great success and I've been very lucky that everyone who I've worked with to implement in ISFs, has demonstrated a willingness to embrace change with great enthusiasm and motivation."

Useful resources

[Culture for Care: toolkit \(Skills for Care\)](#)

This toolkit is for adult social care employers and explains what workplace culture is and how you can develop a positive one in your organisation.



[CPD module \(Skills for Care\)](#)

Understanding Workplace Culture is a practical continuing professional development (CPD) module aimed at registered managers and other managers in adult social care services. It'll help managers to explore the critical links between vision, values and culture, providing practical support to influence change and develop the culture of their service.



Collaboration



The South West ISF forum has been a perfect example of how good collaboration works. Meeting every three months, everyone interested in ISF's are welcome. Ideas issues and challenges are discussed, resources and information shared, and progress reported. Having a forum as part of your ISF planning and implementation will benefit everyone, increase understanding and improve working relationships

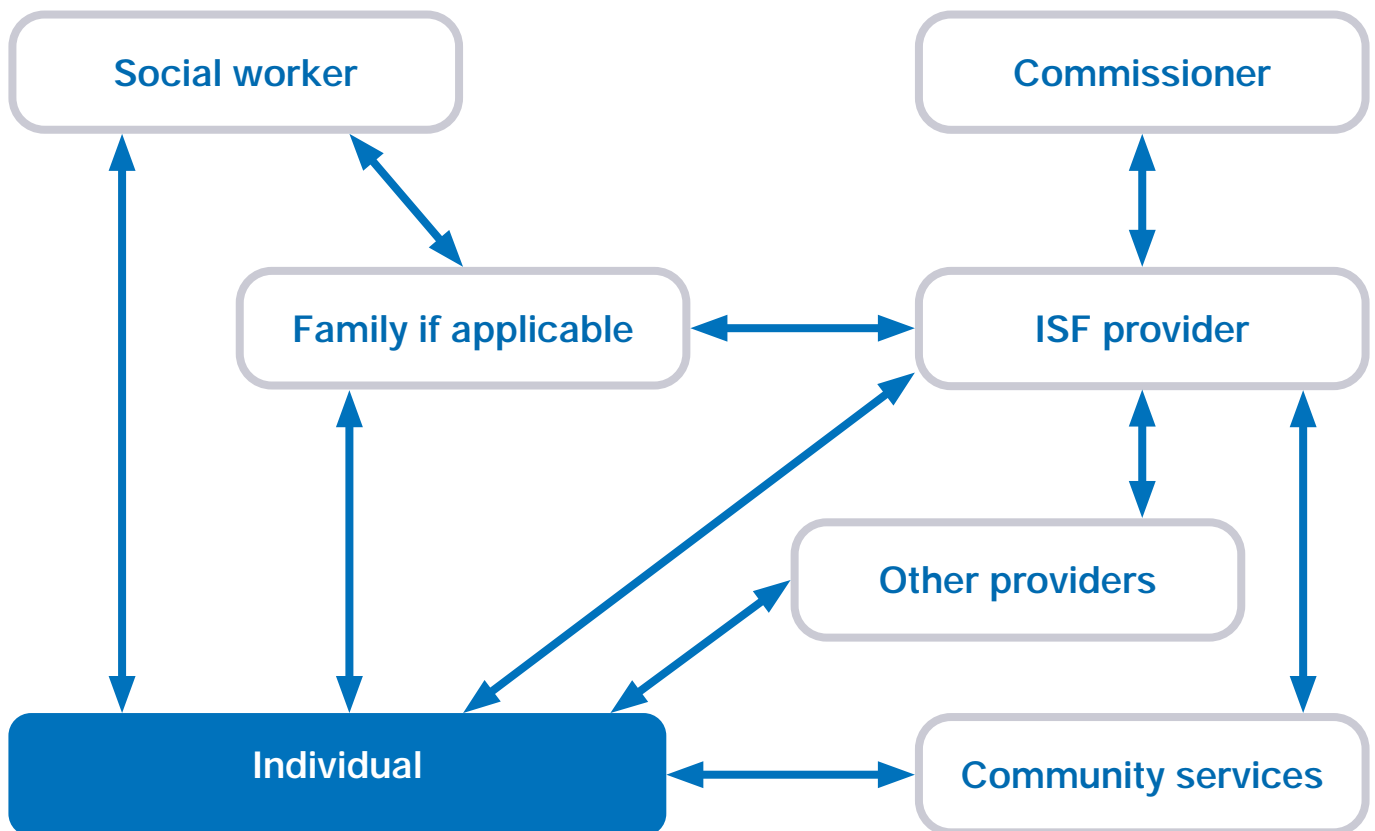
Rosalita Mainwaring - Head of Area (South West). Skills for Care



Implementing and delivering ISFs will involve people and organisations working in collaboration, which might mean developing new relationships and partnerships.






Everyone involved in the system needs to be willing to collaborate and make things happen.

This diagram shows the different relationships that are important when implementing and delivering ISFs.



What will help

Here are some of the things that you can do to overcome these challenges.

	Ensure that everyone across the system is committed to achieving a set of shared outcomes that are focused on the individual.
	Encourage everyone across the system to review, develop and implement their systems, policies and procedures to ensure that they enable and support the ways of working needed to successfully implement ISFs.
	Focus on the assets of each partner in the system and what they can bring to the ISF arrangement – ensure that everyone is clear about their role and responsibilities.
	Find organic ways to encourage collaboration and networking with partners from across the system, for example through local networks, events and meetings.
	Collect and share examples of successful collaborative relationships and use this learning to shape collaboration in your system.

Case study

Jackie – Social Worker



Jackie is a social worker in South West England. Up until six months ago her knowledge and understanding of ISFs was limited. Here she tells us how she worked with a local ISF holder to develop her understanding.

“Six months ago, my understanding of an ISF was limited, so I spent time with a local trusted provider (New Key) to develop my understanding about how ISF’s work.

I learned that some individuals who use an ISF arrangement share resources with others in the local community, so that they can make the most efficient use of their personal budget – this also means that they can use their ISF in other ways or it can be returned to the commissioning authority if they no longer need it.

As I speak to more people about ISFs, I’ll be encouraging them to offer and join networks of peer support to share good practice and talk about any challenges.

I’ve been working closely with New Key, a local ISF holder, and this collaboration has helped us to overcome any barriers to person-centred support planning and positive risk taking.

The choice and flexibility that ISFs offer is great, and all involved have demonstrated a willingness to embrace changes with great enthusiasm and motivation.”

Person-centred support planning

“

James chose to use an Individual Service Fund agreement and is now enthusiastic to have more freedom and choice in how his support is delivered. He knows that it is his choice how the support funds are used and has expanded the variety of activities he undertakes. Many people with a disability value their independence as far as is practicable so it's important that James has a greater say in which support staff he needs for different activities.

Barry Minshall – Family Carer of James who receives an ISF

”

Person-centred support planning is a way of thinking and doing things that sees people who use health and social care services as equal partners in planning, developing and monitoring their own care and support, to ensure that it meets their needs.

This means putting people and their families at the centre of decisions, seeing and respecting them as experts and working alongside professionals to get the best outcome for the individual.











Person-centred support planning needs to be at the heart of the ISF planning process, to ensure that budgets are used in the most efficient way to achieve the best outcomes for people.



What we found

What will help

Here are some of the things that you can do to overcome these challenges.

	Ensure that people who need care and support are given all of the information that they need at the start, to make an informed decision about whether an ISF is the best choice to meet their desired outcomes.
	Focus outcomes on the individual's wants, needs, interests and preferences, and ensure that everyone across the system is working towards these outcomes.
	Research what resources are available in the local community, including commissioned and voluntary resources, and share this information with everyone across the system.
	Support processes for integrated person-centred care planning and consider how partners across the system can pool their resources to get the best outcomes for individuals.
	Ensure that individuals are supported by a consistent team of care staff and social workers, who know what's important to them.
	Work together to identify the barriers and challenges that are preventing person-centred support planning and identify ways to overcome them and make the required changes.
	Ensure that positive risk taking is part of the support planning process.
	Provide learning and development opportunities, and ongoing support, for people that are involved in support planning as part of the ISF arrangement.
	Commissioning arrangements that allow individuals, families and ISF Providers to have visibility in support planning and how its delivered
	Where possible get involved in any networks and forums.

Case study

Encompass Supported Living



Encompass Supported Living is an ISF holder. They ensure that each individual has their own detailed communication plan, to ensure that they can be involved in the whole care planning process.

“Each person has their very detailed communication plan which gives staff information about how that person communicates their wants, needs, likes and dislikes, and how they prefer to be communicated with.

We use a combination of communication tools to meet the needs of the people that we support, including Makaton, verbal speech, gestures, pictorial and visual aids.

For example, we’ve found that using Google on a tablet works extremely well for one tenant who is autistic – they scroll through Google images to show staff their likes, interests and wants so this can be included in the care planning process.”

Case study

Encompass Supported Living



Encompass Supported Living is an ISF holder. They work with the individuals that they support to find innovative ways to increase independence. Here they share how using ‘Alexa’ has supported some of their tenants.

“One fantastic addition to what has been an ‘Alexa’, which is a virtual assistant technology. We’ve found that it’s a great tool for tenants who are blind or partially sighted. They’re able to ask Alexa questions, or ask it to do simple tasks such as turn on the lights, switch TV channels or tune into the radio.

Previously, tenants found using remote controls challenging and so would wait for support staff to do these tasks. However, now they’re able to do this independently, at whatever time they want.

We’ve also found other digital products that make everyday tasks more accessible for these tenants, for example bins with sensors on.

These are some of the small changes that we can make, that really do make a big difference to people’s lives – having this independence really has given them such great satisfaction.”

Resources to help

[Person-centred planning resources](#)

SCIE

These guidance documents provide information and advice about person-centred planning with a range of people, including autistic people and people with a learning disability.



[From a Support Plan](#)

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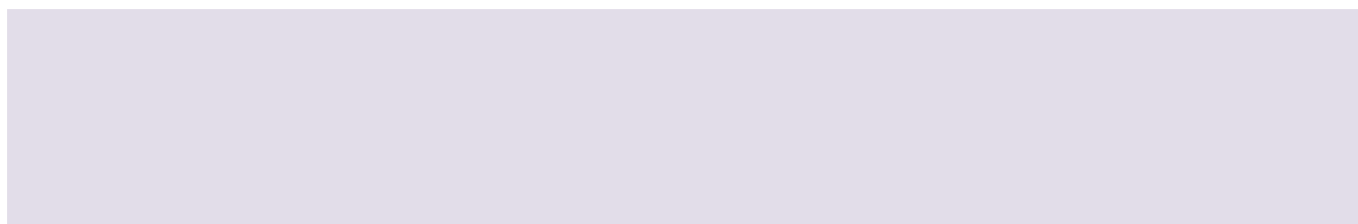
Commissioning and finance

The Care Act 2014 encourages local authorities and health commissioners to maximise the use of ISFs as a way of commissioning flexible support.



What will help

Here are some of the things that you can do to overcome these challenges.



Case study



Here, a commissioner from Devon County Council explains how they trialled different ways of working until they found the right one for all involved.

“To develop the ISF agreement, we worked with a group of practitioners, individuals and their families, commissioners, and procurement, finance and legal representatives.

We wanted to design a contract which described the new set of relationships between the three main parties (individual, ISF holder and commissioning authority), and which was robust but still accessible by all.

We looked at the various options, such as a two-way or three-way agreement, and decided which one would best suit everyone involved. We changed direction a couple of times before we got to the final product that we’re all happy with.”



Here, a member of the commissioning and procurement team at Devon County Council explains how they designed an evaluation framework for ISFs.

“We needed to design an evaluation framework for the council’s ISF programme.

We worked with a group of practitioners, individuals and their families, commissioners, and procurement and finance representatives to design the framework.

We started by looking at other national examples and built upon them to develop a set of key questions which would show progress against individual outcomes and goals.

As part of the evaluation, the individual (and/or their family and carers), ISF holder and care manager answers these questions to build a picture of the individual’s progress.

There’s also a financial element to the evaluation which looks at changes at the level of investment in care packages over time.”

Encompass Supporting Living is an ISF holder and adult social care provider. Here, they share their tips to help others to make the required changes to their finance systems to manage an ISF.

Ensure that everything is in place and agreed prior to an individual's support starting as ISFs cannot be backdated.

Individual bank accounts will help to ensure that ISF money is kept separate and makes it easier to manage.

If you don't set up individual bank accounts, we suggest keeping comprehensive spreadsheet records, as you'll need a system of recording income and expenditure for each individual. This will give you the required information to provide regular statements to the individual and/or their representative.

You'll need to keep up-to-date records that detail what the budget has been spent on by the care provider and third parties, chargeable activities and outcomes. Where an individual has been assessed as needing to pay a contribution, the ISF holder will need to collect this and incorporate it in the

Learning and development

Learning outcomes for everyone

Understand what an Individual Service Fund is, how it works and the benefits and drawbacks, when compared to traditional services and other forms of self-directed support.

Know how health and social care legislation and policy supports Individual Service Funds.

Demonstrate respect and protection of personal choice, human rights and what a 'good life' means for different people.

Learning outcomes for commissioning and finance staff

Demonstrate leadership for innovation in person-centred support.

Demonstrate a commitment to shared risk taking and working in partnership.

Understand and use Care Act law and Human Rights law, as well as local and national policy, to enable self-directed support, and lead on ensuring that other parties have this understanding.

Be able to use procurement processes for Individual Service Funds.

Demonstrate how to use market shaping for personalisation to provide a range of options including Individual Service Funds.

Understand the importance of including the cost of appropriate learning and development for all involved in an Individual Service Fund contract, including joint training for commissioning, finance and procurement teams to enable them to work more closely together.

Know the different ways to grow local provision with an understanding of local services and assets.

Integrating assistive technology with other support using Individual Service Fund processes.

Know how to provide good legal advice for all involved, to support decisions to choose an Individual Service Fund or direct payments or other support

Learning outcomes for providers who hold Individual Service Funds (i.e. ISF holders)

Know how to broker and pool budgets between individuals and other service providers.

Demonstrate support for individuals and families to understand and choose to use an Individual Service Fund.

Be able to co-ordinate and facilitate good person-centred support planning.

Understand personal health budgets and how they work with Individual Service Fund budgets.

Understand how to conduct reviews of outcomes and demonstrate how to evidence that they have been met; and know when to do this in collaboration with social workers.

Learning outcomes for social workers and their managers

Know how to suggest and offer an Individual Service Fund to people who could benefit.

Understand the importance of your own role in implementing Individual Service Funds.

Understand the various models for collaboration (i.e. two-way agreements/three-way agreements).

Demonstrate the ability to write good outcomes for individuals and communicate them with everyone that's involved in their care and support.

Demonstrate the skills needed to research assets in the local community, that meet the individual's needs and interests and help them to make best use of them.

Understand that an Individual Service Fund can be used to meet eligible needs in ways that are different and more creative than what's traditionally seen as 'care and support'.



Resources to help

[Self-directed support and workforce development \(2018\)](#)

Annelies Allcosk, ESSS

This evidence summary seeks to address the following question: How can the social care workforce in Scotland be further developed to deliver self-directed support?

It draws on a range of evidence, reports and websites to identify effective strategies for workforce development around self-directed support.

