

Individual Service Funds

Definition

An Individual Service Fund (ISF) involves the customer making a request that their **personal budget** (or part of) is paid directly to a service provider of their choice. The provider manages the money, manages the care and support in line with the support plan and provides services. The personal budget is held by the provider on the customer's behalf and the **money is ring-fenced for use on that customer's specific support**.

An important requirement of an ISF arrangement is that the provider must work with the customer to develop a personalised and flexible service i.e. the person and the provider will develop the detail of the care and support plan; and the customer's choices drive who, what, how and when care and support is provided.

The provider is directly accountable to the customer on how that money is used to meet needs and outcomes and is responsible for ensuring and communicating clearly to the customer about how the money is used and managed.

A written agreement between the provider and the customer will clearly explain the arrangements, responsibilities and accountabilities including any administrative/management fee.

Suffolk's Approach

Suffolk County Council views ISFs as an important part of its strategy to develop an increasing personalised approach to providing care and support. This sits alongside efforts to increase the take-up of Direct Payments, where the assessed personal budget available to an individual to meet their care and support needs is paid directly to the customer who is then able to choose how those care and support needs are met.

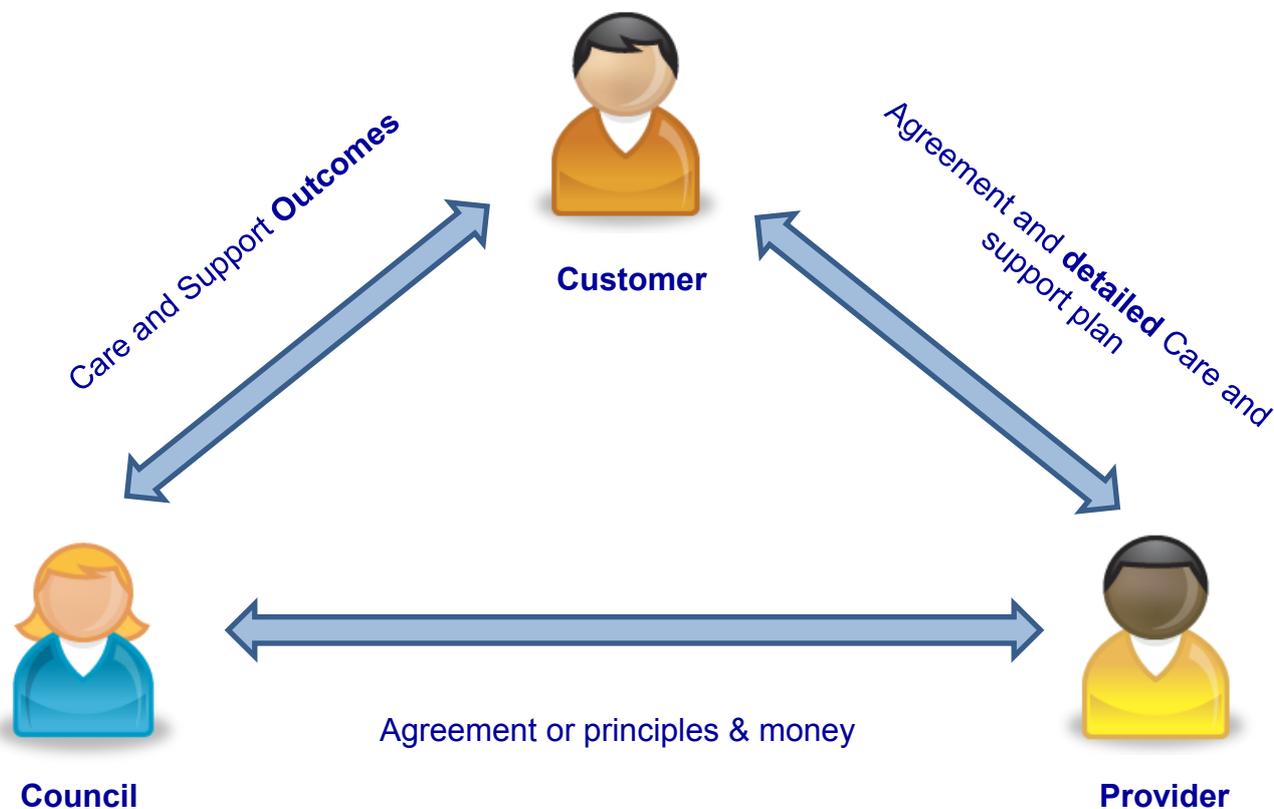
The focus on a customer driven partnership with a chosen provider, through an ISF, fits well with this aim of increasing personalisation; that is a care and support package which is driven by the needs of the customer and not the needs of the Council or the provider.

In line with this approach the Council will use a light touch approach covering the principles and practice expected in an ISF model with ISF providers (see appendix 1).

The key relationship in this model is between customer and provider. The customer will be empowered and supported to ensure that the care and support that they receive is right for them. If it is not, then the customer will be able to exercise their right to give notice

and seek their care and support from another provider in the same way as a customer would exercise that choice if they took a Direct Payment.

Unlike a Direct Payment, there is a three-way relationship between the Council, the Customer and the Provider which is described in the diagram below, however **the focus of that relationship is between a supported and empowered Customer, exercising choice, and the provider of their care.**



The benefits of Individual Service Funds

For the customer

A successful ISF would enable the customer to say, with confidence:

- I can use my hours/budget flexibly and can choose what I am supported with
- I am supported where it makes sense for me; at home and out and about
- I can exercise choice about who supports me. My care workers know me and I know them.
- I get care and support on the days and at the times that are right for me
- I have choice over how I am supported and my care workers know this is important to me
- I have choices over the nature of the support that I receive and exercise my judgement over what is best for my health and well-being

For the service provider

A successful ISF would enable the provider to say, with confidence:

- We are freed to work with our customers to support them in the best way possible

- We have a good dialogue with customers which enables us to respond to their changing needs
- We have the best possible understanding of how effective we are
- Our resources are focused on caring for our customers and not on contractual bureaucracies
- We can grow our business by reaching out directly to new customers

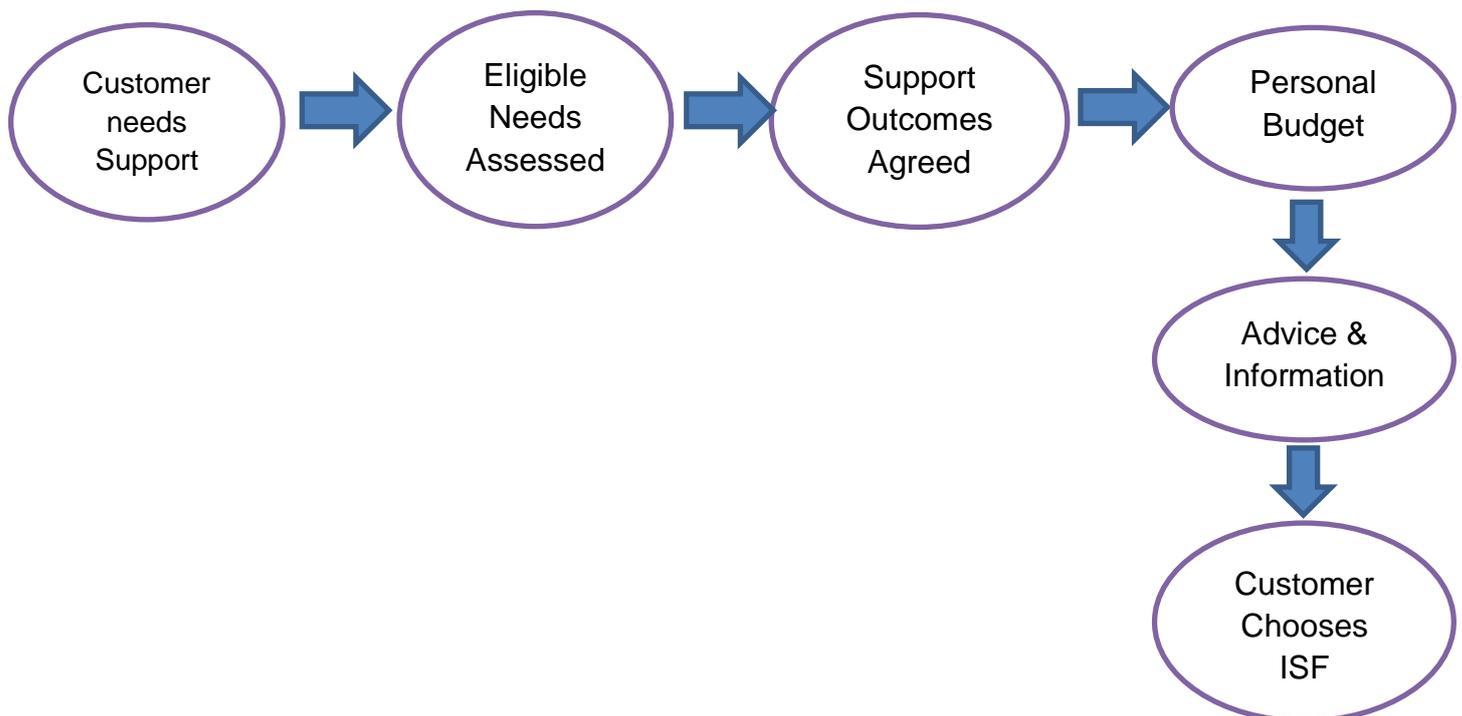
For the Council

A successful ISF would enable the Council to say, with confidence:

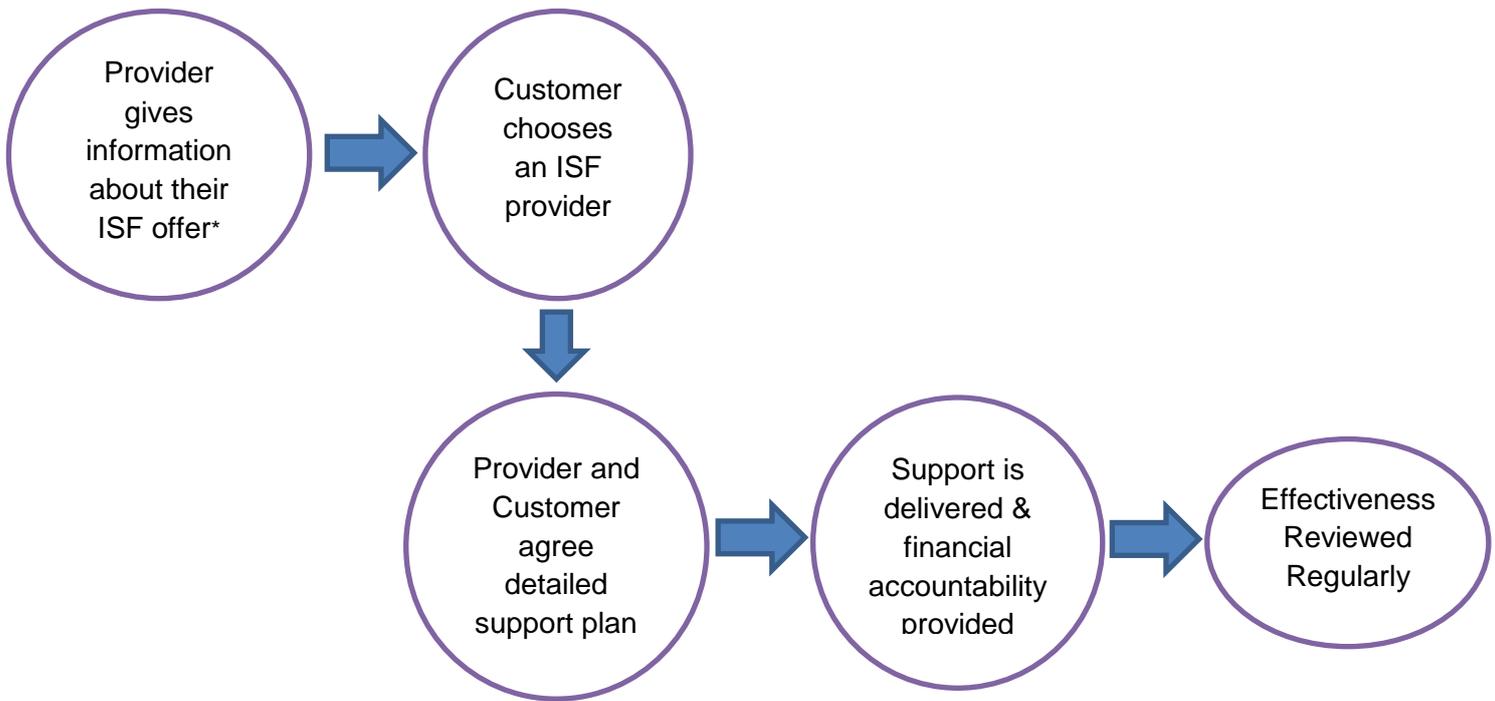
- We are able to develop a mature relationship with our customers and our providers that focuses on quality, personalised care and support and not on paperwork
- The Council can focus on ensuring our customers achieve the outcomes they want and need

The ISF Process – An overview

Council and Customer interaction



Provider and Customer interaction



* This information is likely to include the range of services offered, the rates charged for services and the percentage or fee taken to administer the ISF.

Individual Service Funds - Agreement of Principles

All ISF providers in Suffolk will need to agree to abide by these principles

Where a Customer chooses to transfer their Personal Budget to an Individual Service Fund provider; the Provider will manage the Individual Service Fund in accordance with the customer's agreed support plan outcomes. The customer will nominate the provider as the recipient of their personal budget and this will be paid to the Provider by the Council four weekly in arrears.

The Personal Budget money paid by the Council remains the property of the Council, and as such must be returned to the Council when a reasonable request to do so is received. The Customer will not be able to prevent the Council requesting the return of Personal Budget money or the Provider from returning it when requested.

The terms of the arrangement between customer and provider, save for the requirements of these principles, are a matter for the customer and provider. Some of the requirements in this set of principles will need consent to share customer's information with the Council – in order to facilitate that there is an expectation that such consent would be a feature of the arrangements between customer and provider.

The Provider will only use monies held within each Customer's personal budget for services that are agreed in the customer's detailed care and support plan. There will be considerable flexibility on what can be included in the detail of care and support provided (an ISF is very much not a time and task approach) – the condition being that any and all activity has to clearly contribute to maintaining or improving the health and well-being outcomes defined by the customers support plan outcomes.

The Provider can use part of the ISF to fund organisational administration costs; the Council does not intend to prescribe a limit to that, but expects total transparency on what each provider will charge in this respect to enable customers to make an informed choice. This should be shown either as a clear percentage of the customer's personal budget or as a flat weekly fee. Where organisational costs are included in the hourly rate charged by the Provider, the Provider will be required to clearly state how much of that hourly rate relates to organisational costs; expressed as a percentage or as a cash amount.

The Provider must provide regular and clear information to the customer on how their personal budget is being spent on at least a quarterly basis and upon request from the customer. A copy of that information should also be made available to the Council.

The provider will develop a personalised care and support plan driven by the choices and needs of the customer in respect of what, where, who, when and how their support is delivered.

The Provider will review the effectiveness of the detailed support plan on a regular basis, in line with the needs of the customer and the outcomes stated and deal with any concerns or complaints about service delivery.

The financial records held by the Provider in relation to each Individual Service Fund must be fully auditable and the following clearly recorded as a minimum:

- All payments made by the Council being paid into each Individual Service Fund
- All charges levied by the Provider against each Individual Service Fund for care and support services in accordance with the individual's Support Plan
- Any accrued surpluses and the reasons
- All payments made from the ISF budget for care and support services in line with the support plan other than those delivered by the ISF provider
- Any charge made for organisational administration or management against each Individual Service Fund

Unless specifically documented and agreed otherwise within the Support Plan, the following broad arrangements will apply to the management of surplus balances within Individual Service Funds:

- The Provider may hold and manage up to a maximum value of 4 weeks' worth of the regular weekly payment amount made by the Council to the Provider. This allows for short term contingency/holiday arrangements etc.as agreed between the customer and the ISF provider. Any long term or permanent change in the customer's support needs or circumstances would trigger a full review of that customer's care and support outcomes.
- Should the surplus balance within any Individual Service Fund exceed the value stated above, the Provider will notify the Council. The Council will make investigations as to the reasonableness of the retention of the monies and may instigate a review of the service and retains the right to recover some or all of any such surplus balance.
- Within the above constraints, the Provider may use surplus balances as agreed with the Customer provided that the surplus is used to meet the agreed outcomes set out in the Support Plan.
- In case of any arising emergency, within a 24 hour period or outside normal office working hours, the Provider may use a proportion of the surplus balances which are held as contingency to meet any urgent need for additional support to alleviate risk. The provider is required to contact the council at the earliest opportunity to agree a way forward in addressing any recurring issues.

The Provider or the Customer may wish to terminate the Individual Service Fund agreement. A reasonable notice period for all parties would be four weeks. The Provider will give the Council a minimum of four weeks' notice (confirmed in writing) of any intention to terminate an Individual Service Fund agreement, except in unplanned circumstances such as the death of the Customer, or an emergency admission to permanent residential or nursing care. This should match the notice given to the Customer where the Provider has given notice to the Customer or where the Customer has given notice to the Provider.

The Provider will also notify the Council within two days of the cessation of their service to the Customer in unplanned circumstances such as those detailed above.

The Provider will refund any surplus balance within any Individual Service Fund that remains on the cessation of service to the Council after deduction of any payment in lieu of notice due to the Provider or any outstanding contribution that the Customer has failed to make. The Provider will give the Council a financial statement which details the surplus balance, any deductions and the refund.

The ISF provider will collect the customer's financial contribution and will include this as part of the ISF. Should there be any issues with the collection of a customer financial contribution the Council would require the provider to inform the Council where a payment totalling eight weeks (of the customer's contribution) are overdue. If that customer continues to fail to pay their contribution with arrears totalling 16 weeks (of the customer's contribution) and/or their care is in jeopardy and after the Provider has taken all reasonable steps to ensure payment (i.e. using Direct Debit as default arrangement and informing/reminding the Customer of any arrears) the Council will underwrite that amount and reimburse the Provider for any care provided and not paid for by the Customer, **but** would in those circumstances also consider the ending of the ISF arrangements with the customer.

Information for Customers

Taking your Personal Budget as an Individual Service Funds

If you know that most of your support will come from one provider you can ask Suffolk County Council to pay your Personal Budget to that provider for them to use that money to provide you with all the services you decide you want to meet your needs.

This is called an “Individual Service Fund “.

Your provider will deliver services to you that you want and need in a way that suits you and will manage the money on your behalf.

The provider you choose will need to agree to sign up to an Individual Service Fund – Agreement of Principles and have the right things in place at their end to receive and manage the money on your behalf. We will provide you with this set of principles so that you can see if the provider is doing what has been agreed.

We (Suffolk County Council) will set up the Individual Service Fund and provide all the necessary paper work and guidance for both you and your provider to do that. Your provider will be responsible for defining and agreeing the terms of their service agreement with you.

An Individual Service Fund means that:

- The money is held by the provider on your behalf
- You decide how to spend the money to meet your identified support needs and outcomes.
- You decide with your provider how your care and support is delivered to you
- The provider is accountable to you
- The provider manages the money and reports to you
- The provider supports you to report to the Council about how the money has been spent and how your needs and outcomes have been met
- The provider commits to only spend the money on your services and the management and support necessary to provide the services for you.
- If you have to pay any financial contribution you have to pay it to the provider so that there is enough money in your account to pay for your services.
- You have to agree that the administration cost to your provider is paid for by you from your account

What do you need to know before you decide to have an ISF?

- You need to check that provider you choose offers an Individual Service Fund and that they have agreed to keep to the principles of how an ISF should work in Suffolk as set out by Suffolk County Council.
- You need to be sure that you are happy with the quality of the services for that provider. You will be able to check via the Care Quality Commission (CQC) web site or ask the provider for their CQC Inspection Report.
- You need to be confident that the provider you choose will only spend the money on **your** services.
- You need to be confident that you will have a service from your chosen provider that is flexible and tailored to suit you.

- You will need to look carefully at the provider's agreement which sets out all the terms and conditions for both you and them. The Council may ask for a copy of that signed agreement.
- You may want to talk to family or friends about it before you decide. Or you may want to get some independent advice.

What will the Council do if you decide to have an ISF?

- Ask both you and your provider to sign a form to say that you nominate them to receive the money on your behalf
- Set up the Individual Service Fund and make the payments to your chosen provider.
- Respond to any concerns you or your provider have about your needs changing.
- Periodically review your Care and Support Plan with you.
- Ask you to tell us if at any time you feel unsafe or unsupported
- Ask you to tell us of any change in your circumstances – e.g. planned hospital admission, change of address.

How to get an Individual Service Fund

Step 1:

After your eligible care and support needs have been assessed the Council will tell you what sum of money you may get as your personal budget.

You will have discussed the options available to you regarding how to use your personal budget, with the Council. These would include making a decision to take a Direct Payment, to arrange an Individual Service Fund or to have your support arranged by the Council.

Step 2:

You decide that an ISF is the best option for you and identify the provider who you would like to deliver your services. You may already know this or you may want to find the right provider for you.

Step 3:

You will need to choose a provider that offers Individual Service Funds (ISF); the Council will have a list of those providers that have signed up to the ISF principles set out by the Council. If you want to have your support supplied by a provider who doesn't currently offer an ISF these can be set up if the provider is able to do so and is prepared to agree to the ISF principles, although it may take a little time for the provider to set up arrangements for that to happen.

Step 4:

The Council will help you complete the forms needed for your personal budget to be paid direct into an account held by your chosen support provider. These forms will include a legal agreement between you and the Council.

Step 5:

We will ask both you and your provider to sign a form to say that you nominate them to receive the money on your behalf and that they agree to receive it and use the money only on services for you.

Step 6:

We will set up the payment to your provider and will complete all the arrangements so that you both know when the money will be paid and what you and your provider will need to do to tell us how the money has been spent.

We require that you and your provider have a signed agreement between you both that sets out what you expect from your provider and what your provider will expect from you.