HOW CAN I BETTER UNDERSTAND SOCIAL CARE FUNDING THROUGH THE CARE ACT?

A practical guide for families who want to understand the social care system, gain clarity, recognise the choices available to their family, and feel more confident asking for support that reflects the life of the person they love.

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WHO IS THIS GUIDE FOR

This guide is for disabled people and families trying to understand what adult social care should actually do, and what choices people should have when a council agrees to fund care and support. It is especially for families supporting someone who cannot easily self-advocate, who communicates in their own way, who needs help to make decisions, or who needs the people who know them best to explain what is really happening.

*A NOTE ABOUT LANGUAGE

We use **'you'** throughout this guide, but we know every family's situation is different. Please take what applies to you.

HOW THIS GUIDE CAME TO LIFE

Through our work with families, we have seen how overwhelming social care funding can feel. **Many families are expected to make important decisions about a loved one's care without ever being given a clear explanation of how personal budgets work, what choices are available, or how much control they have.**

Families rarely begin by asking technical questions about funding. Most of the time, they begin with a real-life problem, fear or decision: **whether their loved one can remain at home, whether the current support is working, who will manage the care team, or whether there is a more flexible way to use the available budget.**



Adult social care funding in England can be difficult to understand. Families are not always given clear information about how personal budgets work, what choices are available or the different ways a budget can be managed.

This can leave people assuming their only options are council-arranged support, managing a Direct Payment themselves or paying privately.

And many families have never been told that an Individual Service Fund exists. They may not know the term to search for, may be presented with a false choice between council-arranged support and managing a Direct Payment themselves, or may receive something described as "flexible support" without knowing whether it is an Individual Service Fund.

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This guide has been created with specialist input from Chris Watson, Chair of SDS Network England and Founder of Self Directed Futures, to help close this information gap. With nearly 30 years' experience across adult social care, Chris works alongside councils, the NHS, support providers, brokers, citizens and families to help make Direct Payments, Individual Service Funds and personal budgets work meaningfully in practice, not only on paper.

The guide explains funding options in plain English, helps you understand the questions to ask, and supports you to take a more informed role in decisions that directly affect everyday life.

BRIEFLY ABOUT THE CARE ACT



The Care Act:

What local authorities must do

The Care Act 2014 is the main law governing adult social care in England. It places individual wellbeing at the centre of decisions about care and support.

Local authorities must:

- ☑ **Promote individual wellbeing**
- ☑ **Promote integration of care and support with health services**
- ☑ **Provide information and advice**
- ☑ **Promote quality and choices in local services**

The Act also sets out how adults and carers should be assessed, how eligibility is decided, and how needs should be met through care planning, personal budgets and Direct Payments.

> *"This guide is about helping people to ask better questions, challenge poor decisions and keep the focus where it should always be: on the disabled person and the life they are trying to live. "*
> – Chris Watson, Chair of SDS Network England, Founder of Self Directed Futures, and Co-Chair of the LDA Commissioners Network

KNOWING YOUR RIGHTS, CHOICES AND CONTROL UNDER THE CARE ACT

> *"I don't understand what support we are entitled to, how the budget should work, or what choices our family has."* – a concerned family member.

Families should feel able to discuss the confusion and misunderstandings they experience, and it's our responsibility to provide accurate, trustworthy information. Let us help you gather all the pieces of the puzzle and guide you through the whole process.

WHAT COUNCILS SHOULD CONSIDER WHEN PLANNING SUPPORT?

Understanding your rights under the Care Act can help you recognise what good support should look like, what choices should be available, and when it is reasonable to ask questions about a decision.

The starting point matters. The Care Act guidance says: *"The core purpose of adult care and support is to help people to achieve the outcomes that matter to them in their life."* It also says that councils *"must promote wellbeing"* when carrying out any care and support function. That is not fluffy language. It is the legal frame for how councils should assess, plan and fund support.

This means adult social care should not start with the question, "What service do we usually provide?" It should start with the person. What do they need? What matters to them? What helps them be safe, well, connected, respected and in control of their own life? What does their family know about how support works best for them?

The guidance is clear that **wellbeing is broad**. It includes **"personal dignity", "physical and mental health and emotional wellbeing", "control by the individual over day-to-day life", "participation in work, education, training or recreation", "domestic, family and personal" life, "suitability of living accommodation"** and **"the individual's contribution to society."**



So, when disabled people and families talk about routines, relationships, community, confidence, work, education, hobbies, communication, culture, safety or family life, they are not drifting away from the Care Act. They are talking about the things the Care Act tells councils to consider.

WHY FAMILY KNOWLEDGE MATTERS IN CARE PLANNING

One of the strongest points in the guidance is that the Care Act moved adult social care away from simply fitting people into existing services. The guidance says: ***"The Act therefore signifies a shift from existing duties on local authorities to provide particular services, to the concept of 'meeting needs'."*** **It goes on to say: *"Local authorities must consider how to meet each person's specific needs rather than simply considering what service they will fit into."***

That sentence matters a lot. It means councils should not reduce support planning to a menu of standard options. A disabled person should not be pushed towards a day service, a care agency, a residential placement, a commissioned provider or a standard hourly rate simply because that is what the council already has available. The question should be whether the proposed support actually meets the person's assessed needs and helps them achieve the outcomes that matter to them.

The guidance makes this even clearer when it says: ***"Promoting wellbeing does not mean simply looking at a need that corresponds to a particular service."***

It says ***the assessment and planning process should be "a genuine conversation about people's needs for care and support and how meeting these can help them achieve the outcomes most important to them."***

It also says **councils and partners must make *"the person the starting point for planning, rather than what services are provided by what particular agency."***

This is why families often have to hold the line. **Many disabled people cannot walk into a meeting and make a neat argument about why a standard care package will not work. Some people cannot explain pain, distress, anxiety, sensory needs, communication needs, risk, loneliness or the importance of trusted relationships in a way that fits a council form.** Families often carry that knowledge. They know what happens at 2 am. They know what causes distress. They know which support workers the person trusts. They know when something looks fine on paper but falls apart in real life.

HOW SHOULD CARE PLANS AND PERSONAL BUDGETS WORK?

The Care Act guidance recognises that some people will need help to take part. It says: ***"Some people will need assistance to make plans and decisions, and to be involved in the planning process."***

It also says: ***"The modern care and support system should routinely enable supported decision making, where options and choices are presented simply and clearly."*** The fact that someone needs support to speak up does not mean the council can plan around them. It means the council has to work harder to involve them properly.

Where the council is going to meet someone's needs, there should be a care and support plan. The guidance says: ***"Care and support should put people in control of their care, with the support that they need to enhance their wellbeing and improve their connections to family, friends and community."*** It also says: ***"The person must be genuinely involved and influential throughout the planning process."*** That is a strong phrase. **Genuinely involved and influential means more than being invited to a meeting after the real decisions have already been made.**



If the person would have substantial difficulty being involved in their assessment or care planning, and there is no appropriate person able to support and represent them, the council must arrange an independent advocate.

The guidance goes further, stating that **"the plan 'belongs' to the person it is intended for." That is an important thing for disabled people and families to remember.** A care and support plan is not meant to belong to a brokerage team, a finance panel, a commissioned provider or a council process.

It should describe how the person's needs will be met in a way that makes sense for them.

The personal budget is part of that. The guidance says: *"The personal budget is the mechanism that, in conjunction with the care and support plan, or support plan, enables the person, and their advocate if they have one, to exercise greater choice and take control over how their care and support needs are met."* It says people should know how much money is available, have *"a choice over who is involved"* in developing the plan, and have *"greater choice and control over the way the personal budget is used to purchase care and support, and from whom."*



That means the personal budget should not be a mystery figure. Disabled people and families should be able to ask what the budget is, what it is meant to cover, how it has been worked out and whether it is enough to buy the support needed.



WAYS YOUR PERSONAL BUDGET CAN BE USED

This section focuses on the areas where disabled people and families often need clearer information. The principal options for managing a personal budget are:

- **The council manages the budget and arranges the support.**
- **The person receives a Direct Payment.**
- **A provider or third party manages the budget as an Individual Service Fund.**
- **A mixture of these arrangements is used.**

DIRECT PAYMENTS.



Independence



Choice



Control

by enabling people to commission their own care and support in order to meet their eligible needs.

The guidance says: Direct Payments should **allow people to be "free to choose how their needs are met", whether through council provision, third-party provision, Direct Payments or a combination of approaches.**

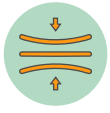
That is the whole point of a Direct Payment. It is not extra money, and it is not a favour. It is one way of using a personal budget, so support can be arranged around the person's real life. This might mean **employing personal assistants, choosing a provider, arranging support at different times, using community support, building confidence, supporting relationships or finding a more flexible way to meet agreed outcomes.**

The guidance also warns councils not to make Direct Payments too narrow or bureaucratic. It says the processes for administering and monitoring Direct Payments **"must not restrict choice or stifle innovation"** by requiring needs to be met by a particular provider, and **"must not place undue burdens on people."** That does not mean the money can be spent on anything. It does mean **councils should not use monitoring, paperwork or blanket rules to strip away the flexibility Direct Payments are meant to create.**

INDIVIDUAL SERVICE FUNDS, OFTEN CALLED ISFS.



Shared management



Flexibility



Control



Provider-managed budgets

ISFs can be useful when a disabled person and their family want more flexibility and control without taking on all the administration of a Direct Payment.
The guidance says a personal budget can be managed by the council, by a third party or provider as an ISF, as a Direct Payment, or through a mixed package. It also says: "The person should have the maximum possible range of options for managing the personal budget, including how it is spent and how it is utilised."

A good ISF should not just be council-arranged care with a nicer name. It should give the person and family clearer information about the budget, more say over how support is used, and more flexibility to change support as life changes.
The guidance says that where ISFs are available locally, councils should explain how they work, how the provider will manage the budget and what to do if there is a dispute. Where they are not available, councils should consider establishing them and should reasonably consider a request for an ISF with a specified provider.

WHEN MIGHT SOMEONE CHOOSE TO PAY FOR SOMETHING ADDITIONAL?

Private funding and top-up payments are separate from the way a personal budget is managed.

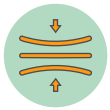
PRIVATE FUNDING AND TOP-UP PAYMENTS.



Additional preferences



Choice



Flexibility

Families are sometimes told they can pay extra if they want a different provider, a higher hourly rate or something more flexible. Sometimes private funding may be a genuine choice, especially where the person or family wants something additional that goes beyond assessed eligible needs. In other cases, **being asked to pay extra may be a warning sign that the council has not set a realistic budget.**

Choice or Funding Shortfall? Private money may be used where a person or family freely chooses something additional that goes beyond the needs the council has agreed to meet. It should not normally be required simply because the personal budget is too low to purchase suitable support.

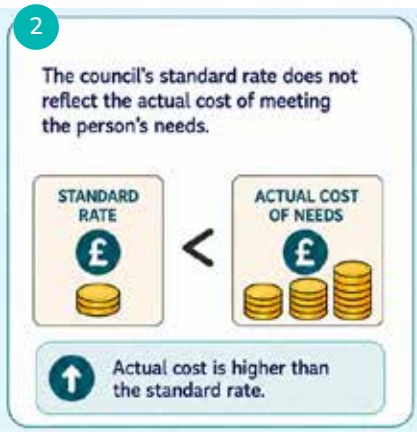
The rules governing accommodation top-ups are more specific than those applying to other forms of private spending. In particular, the Care Act guidance makes it clear that a person must not be asked to pay an accommodation top-up due to market inadequacies or commissioning failures.
This distinction is important.

Choosing to purchase something genuinely additional is different from the council expecting private money to make an inadequate care and support plan work.

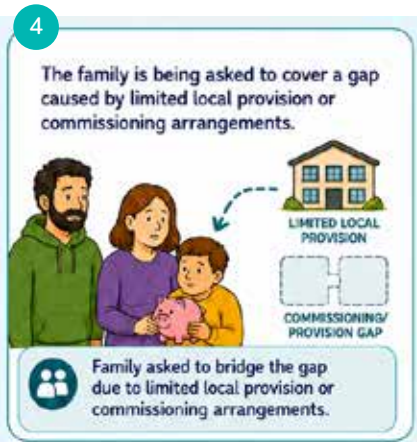
Being asked to pay extra may be a warning sign that the council has not set a realistic budget where:

- **No suitable provider is available within the allocated budget**
- **The council's standard rate does not reflect the actual cost of meeting the person's needs**
- **The proposed support would not be safe, appropriate or sustainable without additional family funding**
- **The family is being asked to cover a gap caused by limited local provision or commissioning arrangements**









In relation to care home accommodation, a top-up payment should usually apply only where the person or family chooses a more expensive option after the council has offered at least one suitable placement that meets the person's assessed needs within the personal budget.

Where no suitable option is available at the council's usual rate, the council should not treat the difference as an optional top-up. It may need to increase the personal budget so that the person's eligible needs can be properly met.

Families can ask:
''Is this payment for something genuinely additional, or is it needed to make the agreed care and support plan work?''.

WHAT SHOULD FAIR AND LAWFUL FUNDING LOOK LIKE?

The principle is simple. **Disabled people and families should not be expected to use private money to make an inadequate care plan work. The guidance says, in relation to accommodation, that a person *"must not be asked to pay a 'top-up' towards the cost of their accommodation because of market inadequacies or commissioning failures."*** It also says that **if no suitable option is available within the personal budget, the council must arrange care in a more expensive setting** and ***"adjust the budget accordingly to ensure that needs are met."***

The point is not that every request must automatically be agreed to. Councils can ask reasonable questions. They can check that public money is being used properly. They can make sure support is safe, lawful and linked to assessed needs. **The point is that decisions should be individual, transparent, and based on the person's needs, outcomes, and wellbeing, not on blanket rules, low-standard rates, or a narrow idea of what social care is allowed to be.**



At the heart of this guide is a simple message. Disabled people should have support that works in their actual lives, and families should not have to become legal experts just to ask for care that properly reflects the person. The Care Act already gives us the language: outcomes that matter, wellbeing, meeting needs, control over day-to-day life, genuine involvement, transparent budgets, choice and control.



WHAT CAN I ASK WHEN A SOCIAL CARE DECISION DOES NOT FEEL RIGHT?

When social care decisions feel unclear, it can help to bring the conversation back to the person, their assessed needs and the life they want to lead. These questions can help you understand the decision, recognise your options and ask for clearer answers.

You can ask:

1



Has the assessment understood the whole person?

2



Does the plan reflect the life they want to live?

3



What is the personal budget?

4



How was it calculated?

5



Can suitable support actually be bought for that amount?

6



What choices do we have over how the budget is managed?

7



How has the person been involved in the decision?

8



Can we have the decision and reasons in writing?

9



What can we do next if we disagree – can we request a review or use the council's complaints process?

ABOUT CHRIS WATSON



Chris Watson is Chair of SDS Network England, Founder of Self Directed Futures, and Co-Chair of the LDA Commissioners Network.

With nearly 30 years' experience across adult social care, from direct support roles to senior local authority positions, Chris works with councils, the NHS, providers, brokers, citizens and families to improve how care and support are commissioned. His work focuses on making Direct Payments, Individual Service Funds and personal budgets genuinely deliver choice, autonomy, transparency and co-produced outcomes.

Through the LDA Commissioners Network, he supports rights-based commissioning for people with learning disabilities and autistic people, with an emphasis on reducing bureaucracy and improving housing and support options. Through Gradually Fading Support, he helps promote approaches that build confidence, independence and purpose over time.

Chris is also an Associate Consultant with the Institute of Public Care, the Down's Syndrome Association and the National Development Team for Inclusion. He contributes to publications, policy, strategy, provider alliances and wider system change, with the aim of helping people lead ambitious, connected and fully self-directed lives.

This guide applies to adult social care in England and is based on the Care Act 2014 and the Care and Support Statutory Guidance. It provides general information and is not advice about an individual case. Correct as at August, 2026.