

# Annual Report

by the Secretary of State for  
Work and Pensions on the  
Social Fund 2009/2010

# Annual Report on the Social Fund 2009/2010

Presented to Parliament pursuant to section 167(6) of  
the Social Security Administration Act 1992

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ISBN: 978 0 10 296804 0

Printed in the UK by The Stationery Office Limited  
on behalf of the Controller of Her Majesty's Stationery Office

ID: 2377605 4205 07/10

Printed on paper containing 75% recycled fibre content minimum.

# CONTENTS

		Paragraph
	Preface by the Secretary of State	
<b>Section 1</b>	<b>Introduction</b>	
	Introduction	1.1
	Source of data for this report	1.3
<b>Section 2</b>	<b>The Regulated Social Fund</b>	
	Sure Start Maternity Grants	2.1
	Funeral Payments	2.5
	Cold Weather Payments	2.8
	Winter Fuel Payments	2.15
<b>Section 3</b>	<b>The Discretionary Social Fund</b>	
	The Discretionary Social Fund	3.1
	Policy changes in 2009/10	3.5
<b>Section 4</b>	<b>General administration</b>	
	General administration	4.1
	Reviews	4.6
	Performance management and improvement	4.10
	Clearance standards	4.12
<b>Section 5</b>	<b>Financial issues</b>	
	Background	5.1
	The 2009/10 discretionary Social Fund budget	5.3
	In-year allocation to the loans budget	5.5
	Payments from the contingency reserve	5.6
	Recoveries	5.7
<b>Section 6</b>	<b>Summary of financial performance</b>	
	Summary of financial performance	6.1
	The 2010/11 discretionary Social Fund budget	6.6
<b>Section 7</b>	<b>Annexes</b>	

## **PREFACE**

During the year the Social Fund has experienced particular pressure due to the recession and a severe winter.

The recession has contributed to a 26% increase in Crisis Loan applications.

The severe winter resulted in 11.6 million Cold Weather Payments being made to around 4.1 million benefit recipients. Valuable help was also provided to pensioners through the Winter Fuel Payment.

Jobcentre Plus staff have continued to provide an excellent service to the public in the face of these increased pressures.

**IAIN DUNCAN SMITH**  
**Secretary of State for Work and Pensions**

## 1. INTRODUCTION

- 1.1 This is the twenty second annual report to Parliament on the operation of the Social Fund for Great Britain required by sections 167(5) and (6) of the Social Security Administration Act 1992.
- 1.2 The Social Fund scheme includes a regulated scheme made up of Maternity, Funeral, Cold Weather and Winter Fuel Payments; and, a discretionary scheme comprising Community Care Grants and repayable Budgeting and Crisis Loans.

### Source of data for this report

- 1.3 The figures in this report, unless stated otherwise, are taken from the Department's Social Fund Policy, Budget and Management Information System and from scans of the Social Fund Computer System<sup>1</sup>. Together these data sources record details of every individual customer application, subsequent payment decision and any outstanding repayment record and also provide useful comparative data for policy purposes – such as average awards, what needs they cover and how various customer groups are using the Fund. These comparisons are shown in the annexes to this report.

## 2. THE REGULATED SOCIAL FUND

### Sure Start Maternity Grants

- 2.1 In 2009/10 the Sure Start Maternity Grant was a payment of £500. It provided help for families with the costs associated with the expenses of each baby that was expected, born, adopted, the subject of a parental order (following a surrogate birth), or the subject of a residence order (in certain circumstances).
- 2.2 From April 2010 the policy was amended so that the help available to couples granted a parental order following a surrogate birth was no longer restricted to those who were married. This was as a direct result of changes to the Human Fertilisation and Embryology Act.
- 2.3 The grant was available to recipients, and partners of recipients, of Income Support, income-related Employment and Support Allowance, income-based Jobseeker's Allowance, Pension Credit, Child Tax Credit (at a rate higher than the family element), or Working Tax Credit (which includes a disability or a severe disability element).
- 2.4 Sure Start Maternity Grant statistics are in Annexes 1, 2 and 12.

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<sup>1</sup> There is also a statutory requirement to produce a Social Fund White Paper Account. Current arrangements are that this is laid in Parliament separately

## **Funeral Payments**

- 2.5** The Funeral Payment scheme continued to provide help towards a simple, respectful, low-cost funeral. Payments were made to recipients, and partners of recipients, of income-related benefits and tax credits (see full list at paragraph 2.6 below).
- 2.6** The full list of qualifying benefits and tax credits is:
- Income Support
  - income-related Employment and Support Allowance
  - income-based Jobseeker's Allowance
  - Pension Credit
  - Child Tax Credit (at a rate higher than the family element)
  - Working Tax Credit (which includes a disability or severe disability element)
  - Housing Benefit
  - Council Tax Benefit.
- 2.7** Funeral Payment statistics are in Annexes 1, 2 and 12.

## **Cold Weather Payments**

- 2.8** For the winter of 2009/10, the amount of the Cold Weather Payment was £25.00 for each 7 day period of very cold weather. This provided 11.6 million awards worth £290 million.
- 2.9** Every residential postcode in Great Britain was linked to one of 85 weather stations used in the scheme. A payment was made when the average temperature had been recorded as, or was forecast to be, 0°C or below over seven consecutive days at the linked weather station.
- 2.10** Eligible customers were those awarded Pension Credit, or income-related Employment and Support Allowance that included a work related activity or support component. Those awarded Income Support, income-related Employment and Support Allowance in the assessment phase, or income-based Jobseeker's Allowance, and who had a pensioner or disability premium or had a child who was disabled or under the age of five, were also eligible to receive payments.
- 2.11** The annual review of the Cold Weather Payments scheme took place in the summer of 2009. The review included: an assessment of the continuing availability of the weather stations used to provide temperature data for the scheme; whether any new stations were more suitable or should be introduced in addition to those that were currently being used; and the impact on weather station linkages of changes to the postcode system by the Royal Mail.

- 2.12 As a result of the review, nine new weather stations were introduced. As a result there were 85 weather stations covering the scheme in Great Britain during winter 2009/10.
- 2.13 Representations from Members of Parliament about the suitability of individual weather stations or their links with particular postcode districts were also carefully considered. This resulted in many of these postcodes being linked to one of the nine new weather stations introduced for the 2009/10 scheme.
- 2.14 A summary of Cold Weather Payments is included in Annex 1.

### **Winter Fuel Payments**

- 2.15 Winter Fuel Payments helped people aged 60 or over to meet heating expenses. They were tax free and did not affect entitlement to social security benefits. Forecasts indicated that 12.6 million people in around 9.1 million households benefited from a Winter Fuel Payment in 2009/10.
- 2.16 For winter 2009/10 an additional amount was paid. This increased the total payable to a household with someone aged up to 79 to £250 and to a household with someone aged 80 or over to £400. The total spent in 2009/10 on Winter Fuel Payments was estimated to be £2.7 billion.
- 2.17 Most people who were aged 60 or over and normally living in Great Britain were eligible for a Winter Fuel Payment, though there were some exceptions. Some people were eligible to receive a Winter Fuel Payment if they lived in another European Economic Area country or Switzerland and if they had previously qualified for a payment in the United Kingdom. The qualifying week for winter 2009/10 payments was the week beginning 21 September 2009.
- 2.18 Most payments were made automatically before Christmas 2009 without the need to claim. However, newly eligible people needed to make a claim if they were not receiving a social security benefit (or receiving only Housing Benefit, Council Tax Benefit or Child Benefit) during the qualifying week.

## **3. THE DISCRETIONARY SOCIAL FUND**

- 3.1 The national grants budget was maintained at £141 million in 2009/10. The national grants budget was allocated to 23 local Jobcentre Plus budget areas administered from 20 Benefit Delivery Centres around Great Britain. The same local budget amounts were allocated as in the previous year.
- 3.2 A single national loans budget was allocated for Budgeting Loan and Crisis Loan payments. This was under central management and allowed all Budgeting Loan applicants in the same circumstances the same treatment under the budget. This meant that there were



no longer any local loans budgets to control or re-allocate, and simplified the overall management of national loans funding.

- 3.3 As announced in the Budget on 22 April 2009, additional net funding was made available for Social Fund loans in 2009/10 and 2010/11 in Great Britain to cover the increased demand during the recession.
- 3.4 Discretionary loans and grants statistics are in Annexes 1, 3, 6, 7, 10 and 11 (Budgeting Loans), Annexes 1, 3, 8, 9, 10 and 11 (Crisis Loans) and Annexes 1, 3, 4, 5 and 11 (Community Care Grants).

### **Policy changes in 2009/10**

- 3.5 Minor changes and improvements were introduced and were supported by Jobcentre Plus's continuous improvement strategies.
- 3.6 From 6 April 2009, the Secretary of State's directions and guidance were amended to improve the first review stage within Jobcentre Plus for discretionary grants and loans. The change reduces the range of cases in which customers must be offered a formal interview, thus speeding up the overall review process for customers and staff. Customers continued to receive a full review conducted on their case, followed by the right to a further review by the Independent Review Service.
- 3.7 Also from 6 April 2009, the Secretary of State's directions limited the circumstances in which an applicant could receive more than one Crisis Loan for living expenses for the same period to those circumstances over which an applicant had no control. The change aimed to reduce inappropriate applications for living expenses for periods for which a payment had already been awarded.
- 3.8 From October 2009, Jobcentre Plus implemented a new national policy for customers who made repeated applications for Crisis Loans for living expenses. Whilst most living expenses Crisis Loan applications continued to be taken over the telephone, those customers making their third or subsequent application in 12 months were generally invited to make their application in person by interview at a Jobcentre Plus office. This policy did not apply to applications for help to meet living expenses because a benefit had been claimed but was not yet in payment. It applied, for example, where a weekly income was in payment but was lost or misspent.
- 3.9 This interview approach will allow Jobcentre Plus to better understand the customer's circumstances and to signpost them for advice on money management.
- 3.10 The Secretary of State's Crisis Loan Direction 17 was amended from 1 April 2010. This direction covers applications made by customers whose benefit is, or has been, sanctioned and who may be using Crisis Loans as income replacement. More types of benefit sanctions are now captured under Direction 17. The Direction was also simplified to make it easier for Decision Makers to identify ineligible customers.

## **4. GENERAL ADMINISTRATION**

- 4.1** The Social Fund was delivered via a Jobcentre Plus network of Benefit Delivery Centres, Contact Centres and local Jobcentre Plus frontline offices.
- 4.2** Jobcentre Plus responded to the challenge of increasing customer demand by using continuous improvement to deliver services more efficiently and maintained high levels of customer service. For example, in 2009/10, a new site in Wembley was opened to process Sure Start Maternity Grants and postal Crisis Loan applications for Great Britain.
- 4.3** In addition, Jobcentre Plus has focused on finding improvements in the administration of Funeral Payment claims, including changes to the Funeral Payment claim form.
- 4.4** Other areas in which efficiencies were identified and improvements introduced included the process for sending review cases to the Independent Review Service, recovery of loan debt and the management of uncollected cheques for Crisis Loans.
- 4.5** In 2009/10 Jobcentre Plus faced challenges due to increased volumes of Crisis Loan applications. It responded by centralising the management of the delivery of Crisis Loans made by telephone. It also completed the implementation of a national virtual telephony network to reduce waiting times for customers. These changes enabled Jobcentre Plus to provide a more efficient and cost effective Crisis Loan service to deal with applications for living expenses.

### **Reviews**

- 4.6** A discretionary Social Fund applicant who is dissatisfied with a decision has the right to have the decision reviewed. Consideration is given to whether the law, directions and guidance have been applied correctly, and the case handled fairly and reasonably.
- 4.7** A reviewing officer within Jobcentre Plus carries out the initial review and the outcome is notified to the applicant. Applicants who remain dissatisfied can ask for a further review by a Social Fund Inspector at the Independent Review Service. Social Fund Inspectors are appointed by, and are accountable to, the Social Fund Commissioner. In 2009/2010, Social Fund Inspectors reviewed nearly 47,000 reviewing officer decisions.
- 4.8** The Social Fund Commissioner has reported separately on the standard of reviews carried out by Social Fund Inspectors. His report has been published.
- 4.9** A summary of Social Fund review applications is set out in Annex 11.

## Performance management and improvement

- 4.10** The Social Fund Quality Assurance Framework (QAF) is an internal management tool for improving Social Fund decision making standards. It was designed and developed in conjunction with the Independent Review Service. It provides a robust checking methodology for the quality of decisions, and is a mechanism for providing feedback and identifying individual training needs for operational staff. The Framework has been assured by Internal Audit.
- 4.11** Review and evaluation of the operation of the Social Fund QAF is ongoing. During the year the number of QAF checks for each decision maker was increased from 4 to 5 per month. QAF results were used to target errors and roles and responsibilities were clarified.

## Clearance standards

- 4.12** Local and national performance is monitored against a comprehensive set of Social Fund clearance standards. All component parts of the set must be met to meet the overall standard. The achievement against the standard in 2009/10 is shown below:

Average Actual Clearance Times (working days)	Standard	Achieved
Community Care Grants	9	12.5
Budgeting Loans	6	5.4
Crisis Loans	2	2.1
Local review of above grants and loans	10	12.8
Funeral Payments	16	14.5
Sure Start Maternity Grants	5	5.0

- 4.13** The standard for Average Actual Clearance Times was met for Budgeting Loans, Funeral Payments and Sure Start Maternity Grants, but was missed for Community Care Grants, local reviews and Crisis Loans.

## 5. FINANCIAL ISSUES

### Background

- 5.1** Payments from the regulated Social Fund are entitlement based and not paid from a cash-limited budget. Regulations prescribe the circumstances and amounts that are payable.
- 5.2** National cash-limited budgets are allocated for loans and grants. From 2009/10 the loans budget was a single national allocation. The

grants budget continued to be distributed to individual Jobcentre Plus budget areas.

### **The 2009/10 discretionary Social Fund budget**

5.3 In April 2009 the total gross budget of £792 million comprised:

- £178.2 million of new annually managed expenditure (AME)
- £121.9 million AME specifically for the loans scheme to cover the additional demand due to the recession
- loan recoveries of £491.9 million.

5.4 The gross discretionary budgets allocated in April 2009 were:

Community Care Grants	£141 million
Loans	£ 650 million
Contingency reserve	£1 million

### **In-year allocation to the loans budget**

5.5 An in-year allocation of £70 million was made in February. As a consequence the gross discretionary budget for the year became £862 million, and the gross loans budget for the year increased to £720 million. The in year allocation was funded by an increase in loan recoveries.

### **Payments from the contingency reserve**

5.6 There were no applications for additional funding from the contingency reserve during the year.

### **Recoveries**

5.7 The Department's Debt Management service manages Social Fund recoveries from people who are no longer receiving benefits.

5.8 The new automated Social Fund loan referral system became fully operational during the year, leading to the Debt Management service receiving over 611,000 new debt referrals.

5.9 £582.9 million was recovered through the repayment of loans, £91.0 million over the target set at the start of the year.

5.10 £0.2 million of Funeral Payments was recovered from estates.

5.11 Details of recoveries are given in Annexes 1 and 10.

## **6. SUMMARY OF FINANCIAL PERFORMANCE**

6.1 The Social Fund provided payments of over £1.3 billion, with an estimated additional £2.7 billion of Winter Fuel Payments paid to around 9.1 million households that include someone aged 60 or over.

- 6.2** Compared to 2008/09, the figures show:
- Overall there were 5,971,000 applications to the discretionary Social Fund, 940,000 more than in 2008/09.
  - Applications received for Community Care Grants increased by 8.8% from 588,000 to 640,000.
  - The proportion of grant decisions resulting in an initial award decreased from 43.2% to 40.7%.
  - Applications received for Crisis Loans increased by 25.9% from 2,895,000 to 3,645,000.
  - The proportion of Crisis Loan decisions resulting in an initial award increased from 68.5% to 74.4%.
  - Applications received for Budgeting Loans increased by 8.9% from 1,548,000 to 1,686,000.
  - The proportion of Budgeting Loan decisions resulting in an initial award remained almost the same at 71.5%.
- 6.3** Gross expenditure on Budgeting Loans was £482.3 million, and gross expenditure on Crisis Loans was £228.8 million. Expenditure on Community Care Grants was £138.8 million.
- 6.4** Loan recoveries during the year were £582.9 million against a recovery target of £491.9 million. Recoveries provided 82% of the funds needed to meet gross loans expenditure.
- 6.5** Overall during 2009/10, the discretionary Social Fund provided help in the form of over 4.1million awards.

### **The 2010/11 discretionary Social Fund budget**

- 6.6** In April 2010 the total gross budget of £802 million comprised:
- £178.2 million of new annually managed expenditure (AME)
  - £141.5 million AME specifically for the loans scheme to cover the additional demand due to the recession
  - loan recoveries of £482.3 million.
- 6.7** The £802 million gross discretionary Social Fund budget is allocated as follows:

Single national LOANS budget	£660m
GRANTS budget distributed to budget areas	£141m
CONTINGENCY	£1m
<b>TOTAL</b>	<b>£802m</b>

## **INDEX TO ANNEXES**

### **General**

1. National Social Fund summary statistics

### **The Regulated Social Fund**

2. Sure Start Maternity Grants and Funeral Payments: awards by claimant group and by qualifying benefit or tax credit

### **The Discretionary Social Fund**

3. Gross expenditure by applicant group
4. Community Care Grants: expenditure by Direction 4
5. Community Care Grants: reasons for initial refusal
6. Budgeting Loans: initial awards by family composition and comparison with 2008/09
7. Budgeting Loans: reasons for initial refusal
8. Crisis Loans: gross expenditure by category
9. Crisis Loans: reasons for initial refusal
10. Loan Recovery
11. Summary of Social Fund Review applications

### **Social Fund Appeals**

12. Summary of Social Fund Appeals

### **Client Groups and Applicant Groups**

13. Client Groups and Applicant Group definitions

## NATIONAL SOCIAL FUND SUMMARY STATISTICS

	REGULATED SOCIAL FUND			DISCRETIONARY SOCIAL FUND		
	SSMG	CWP	FP	CCG	BL	CL
<b>Applications received (000)</b>	372	N/A	68	640	1,686	3,645
<b>Initial decisions (000)</b>	372	N/A	67	646	1,684	3,626
<b>Awards (000)</b>	274	11,590	39	263	1,204	2,697
<b>Awards as % of initial decisions</b>	73.8	N/A	58.0	40.7	71.5	74.4
<b>Initial refusals (000)</b>	110	N/A	33	382	434	823
<b>Gross expenditure £m</b>	138.9	289.7	47.1	138.8	482.3	228.8
<b>Recoveries £m</b>	N/A	N/A	0.2	N/A	463.5	119.4
<b>Net expenditure £m</b>	138.9	289.7	46.9	138.8	18.8	109.4
<b>Average award £</b>	506	25	1,208	437	395	82

## KEY

SSMG = SURE START MATERNITY GRANT	CCG = COMMUNITY CARE GRANT
CWP = COLD WEATHER PAYMENT	BL = BUDGETING LOAN
FP = FUNERAL PAYMENT	CL = CRISIS LOAN
N/A = not applicable	

## NOTES:

1. Average SSMG award reflects multiple births.
2. There is no requirement to claim Cold Weather Payments.
3. The number of discretionary awards made after review is not included in the table. However, gross expenditure does include awards made after review, reconsideration or appeal.
4. For the regulated Social Fund, the method of calculating average awards is to divide gross expenditure by the number of awards (including those made after reconsideration or appeal).
5. For the discretionary Social Fund, the method of calculating average awards is to divide initial gross expenditure (excluding the value of review awards) by the number of initial awards.
6. The difference between applications received, initial decisions, awards and initial refusals, is due to: applications being withdrawn; applicants rejecting or not responding to loan offers; and, not decided at the time the count was made.
7. Cold Weather Payment figures are taken from Departmental records.
8. Figures and percentages may not sum due to rounding.

## SURE START MATERNITY GRANTS AND FUNERAL PAYMENTS

### AWARDS BY CLAIMANT GROUP

Claimant Group	Sure Start Maternity Grants		Funeral Payments	
	Awards (000)	% of Total Awards	Awards (000)	% of Total Awards
Pensioners	0.1	0.0	18.1	46.5
Unemployed	23.6	8.6	2.5	6.4
Disabled	10.6	3.9	4.3	11.0
Lone Parents	59.0	21.5	2.9	7.4
Employed	57.6	21.0	1.0	2.5
Others	123.5	45.0	10.2	26.2

### AWARDS BY QUALIFYING BENEFIT OR TAX CREDIT

Qualifying Benefit	Sure Start Maternity Grants		Funeral Payments	
	Awards (000)	% of Total Awards	Awards (000)	% of Total Awards
Income Support, Employment and Support Allowance (income-related), Jobseekers Allowance (income-based) and Pension Credit	133.0	48.5	28.8	73.7
Child Tax Credit (at a rate higher than the family element)/ Working Tax Credit (which includes a disability or a severe disability element)	141.4	51.5	3.2	8.2
Housing Benefit & Council Tax Benefit	N/A	N/A	7.1	18.1
<b>Total</b>	<b>274.4</b>	<b>100</b>	<b>39.0</b>	<b>100</b>

**NOTES:**

1. Claimant group definitions are in Annex 13.
2. These tables include awards made after reconsideration or appeal.
3. If an award is made to a claimant who receives more than one qualifying benefit or tax credit, then the award is recorded under the qualifying benefit or tax credit which appears first in the table above.
4. Figures and percentages may not sum due to rounding.



## DISCRETIONARY GRANTS AND LOANS

### GROSS EXPENDITURE BY APPLICANT GROUP

Applicant Group	Community Care Grants		Budgeting Loans		Crisis Loans	
	Amount £m	% of Total Amount	Amount £m	% of Total Amount	Amount £m	% of Total Amount
Pensioners	12.5	9.0	34.5	7.2	2.9	1.3
Unemployed	20.9	15.1	71.5	14.8	119.3	52.1
Disabled	46.2	33.3	131.2	27.2	43.9	19.2
Lone Parents	44.2	31.9	217.1	45.0	38.3	16.8
Others	14.9	10.8	28.0	5.8	24.4	10.7

**NOTES:**

1. Applicant group definitions are in Annex 13.
2. This table includes awards on review.
3. Figures and percentages may not sum due to rounding.

## COMMUNITY CARE GRANTS

### EXPENDITURE BY DIRECTION 4

Direction 4 Condition Satisfied	Amount £m	% of Total Amount
<b>Direction 4(a)(i)</b> People moving out of institutional or residential care	9.7	7.0
<b>Direction 4(a)(ii)</b> Helping people stay in the community	40.3	29.1
<b>Direction 4(a)(iii)</b> Families under exceptional pressure	77.7	56.0
<b>Direction 4(a)(iv)</b> Prisoner or young offender on release on temporary licence	0.2	0.1
<b>Direction 4(a)(v)</b> People setting up home as a planned programme of resettlement	9.2	6.7
<b>Direction 4(b)</b> Travelling expenses	1.6	1.1

**NOTES:**

1. *If more than one condition is satisfied by an application it will be recorded under the first condition, in the order set out in the table.*
2. *This table includes awards on review.*
3. *Figures are estimated as the Management Information System does not split expenditure made after a review by the part of direction 4 satisfied.*
4. *Figures and percentages may not sum due to rounding.*

**COMMUNITY CARE GRANTS**  
**REASONS FOR INITIAL REFUSAL BY APPLICANT GROUP**

**Counts**

Reason for Refusal	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
Savings sufficient to meet cost	200	~	100	~	~	400
Not in receipt of a qualifying benefit & unlikely to be	1,100	16,600	13,000	2,900	25,100	58,600
Excluded items	800	2,300	2,400	2,600	1,000	9,100
Amount less than £30, not travelling expenses	~	~	100	~	100	200
Direction 4 not satisfied	11,700	93,800	54,400	70,800	29,500	260,200
Previous application and decision	200	1,200	1,200	1,100	500	4,200
Insufficient priority	4,500	5,800	17,800	11,100	5,900	45,000
Other	500	400	1,500	800	400	3,500
<b>Total</b>	<b>19,000</b>	<b>120,100</b>	<b>90,300</b>	<b>89,400</b>	<b>62,400</b>	<b>381,200</b>

## Percentages

Reason for Refusal	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
Savings sufficient to meet costs	1	#	#	#	#	#
Not in receipt of a qualifying benefit & unlikely to be	6	14	14	3	40	15
Excluded items	4	2	3	3	2	2
Amount less than £30, not travelling expenses	#	#	#	#	#	#
Direction 4 not satisfied	62	78	60	79	47	68
Previous application and decision	1	1	1	1	1	1
Insufficient priority	23	5	20	12	9	12
Other	3	#	2	1	1	1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

### NOTES:

1. The qualifying benefits are: *INCOME SUPPORT; INCOME-RELATED EMPLOYMENT AND SUPPORT ALLOWANCE; INCOME-BASED JOBSEEKERS ALLOWANCE; PENSION CREDIT.*
2. Applicant group definitions are in Annex 13.
3. Figures are rounded to the nearest 100.
4. ~ represents less than 50.
5. # represents less than 0.5%.
6. Figures and percentages may not sum due to rounding.
7. This information is obtained from a scan of the Social Fund Computer System. The overall total may therefore differ slightly from that at Annex 1.

**BUDGETING LOANS**  
**INITIAL AWARDS BY FAMILY COMPOSITION**  
**(INCLUDING COMPARISON WITH 2008/09)**

	Number of Awards (000)	Gross Expenditure £m	Average Award £	% of Total Number of Awards		% of Total Gross Expenditure	
				2008/09	2009/10	2008/09	2009/10
Single person, no children	472	132.8	281	37.0	39.5	25.5	28.1
Couple, no children	68	24.4	359	5.7	5.7	5.1	5.2
Single person or couple with children	656	315.5	481	57.2	54.8	69.4	66.7

**NOTES:**

1. This table does not include awards and gross expenditure on review.
2. Not included in the table are 8,000 awards for which no partner flag was recorded. This accounts for less than 1% of the total number of initial awards.
3. Figures and percentages may not sum due to rounding.
4. Obtained from extracts from the Social Fund Computer System.

## BUDGETING LOANS

### REASONS FOR INITIAL REFUSAL BY APPLICANT GROUP

#### Counts

	Pensioners	Disabled	Lone Parents	Unemployed	Others	Total
Outstanding debt	6,600	51,700	36,900	69,600	18,900	183,700
Not in receipt of a qualifying benefit	600	7,700	2,000	33,400	48,900	92,500
Not in receipt of a qualifying benefit for 26 weeks	1,400	10,000	26,400	90,800	16,400	145,000
Other	500	2,500	2,800	5,700	1,300	12,800
<b>Total</b>	<b>9,000</b>	<b>71,800</b>	<b>68,200</b>	<b>199,500</b>	<b>85,500</b>	<b>434,000</b>

#### Percentages

	Pensioners	Disabled	Lone Parents	Unemployed	Others	Total
Outstanding debt	73	72	54	35	22	42
Not in receipt of a qualifying benefit	6	11	3	17	57	21
Not in receipt of a qualifying benefit for 26 weeks	15	14	39	46	19	33
Other	5	3	4	3	2	3
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

#### NOTES:

1. The qualifying benefits are: INCOME SUPPORT; INCOME-RELATED EMPLOYMENT AND SUPPORT ALLOWANCE; INCOME-BASED JOBSEEKERS ALLOWANCE; PENSION CREDIT
2. Numbers are rounded to the nearest 100.
3. Figures and percentages may not sum due to rounding.

## CRISIS LOANS

### GROSS EXPENDITURE BY APPLICATION PURPOSE

Purpose	Amount £m	% of Total Amount
Items or services	76.3	33.5
Rent in advance	9.8	4.3
Living expenses (general)	70.5	30.9
Living expenses (alignment) <sup>(2)</sup>	71.3	31.3

**NOTES:**

1. *This table includes awards on review.*
2. *An alignment payment is to cover living expenses up to the first payment of benefit or wages.*
3. *Figures and percentages may not sum due to rounding.*

**CRISIS LOANS  
REASONS FOR INITIAL REFUSAL BY APPLICANT GROUP**

*Counts*

	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
No serious risk to health & safety	4,000	388,300	94,100	77,900	60,400	624,600
Help available from another source	200	500	700	500	500	2,300
Excluded items	800	20,600	7,400	7,400	8,600	44,800
Inability to repay	~	12,800	3,500	2,600	1,900	20,900
Suitable alternative	~	100	100	100	~	200
Enough money to pay for crisis	~	~	~	~	~	~
Previous application and decision	300	61,800	12,200	4,400	6,600	85,300
Insufficient priority	~	100	~	~	~	200
Benefit sanction/disallowance	~	24,200	100	100	600	25,000
Other	100	8,200	2,800	1,700	2,500	15,300
<b>Total</b>	<b>5,400</b>	<b>516,600</b>	<b>120,900</b>	<b>94,800</b>	<b>81,100</b>	<b>818,700</b>



**Percentages**

	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
No serious risk to health & safety	74	75	78	82	74	76
Help available from another source	4	#	1	1	1	#
Excluded items	14	4	6	8	11	5
Inability to repay	1	2	3	3	2	3
Suitable alternative	#	#	#	#	#	#
Enough money to pay for crisis	#	#	#	#	#	#
Previous application and decision	5	12	10	5	8	10
Insufficient priority	#	#	#	#	#	#
Benefit sanction/disallowance	#	5	#	#	1	3
Other	1	2	2	2	3	2
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**NOTES:**

1. Applicant group definitions are in Annex 13.
2. Figures are rounded to the nearest 100.
3. ~ represents less than 50.
4. # represents less than 0.5%.
5. Figures and percentages may not sum due to rounding.
6. This information is obtained from a scan of the Social Fund Computer System. The overall total may therefore differ slightly from that at Annex 1.

## LOAN RECOVERY

### AVERAGE WEEKLY REPAYMENT DEDUCTIONS FROM INCOME SUPPORT, JOBSEEKERS ALLOWANCE AND PENSION CREDIT

		Feb 2009	May 2009	Aug 2009	Nov 2009
Average deduction	IS	£11.50	£11.54	£11.70	£11.84
	JSA	£7.07	£7.16	£7.63	£7.78
	PC	£11.51	£11.33	£11.87	£12.01
Number of deductions	IS	696,000	684,000	663,000	647,000
	JSA	122,000	147,000	162,000	185,000
	PC	65,000	62,000	67,000	69,000

**NOTES:**

1. Data from Income Support, Jobseekers Allowance and Pension Credit Quarterly Statistical Enquiries.
2. The numbers of deductions are rounded to the nearest 1,000.
3. Data for February 2010 has not yet been released.

### REPAYMENT SOURCE 2009/10

	Crisis Loans		Budgeting Loans	
	Amount £m	% of Total Amount	Amount £m	% of Total Amount
Income Support & Pension Credit	55.0	45.9	387.3	83.4
Jobseekers Allowance	40.2	33.6	47.1	10.2
Employment and Support Allowance	5.8	4.9	6.9	1.5
Incapacity Benefit	11.7	9.8	4.6	1.0
Other benefits	1.4	1.2	3.3	0.7
Cash	5.6	4.7	15.1	3.2

**NOTES:**

1. Social Fund loans are recoverable from most Social Security benefits.
2. Figures and percentages may not sum due to rounding.

## SUMMARY OF SOCIAL FUND REVIEW APPLICATIONS

First Reviews	CCG	BL	CL	Total
Number of applications for first review	116,260	22,490	89,540	228,300
Number of decisions revised at first review	46,310	3,360	34,420	84,080
Percentage	40	15	38	37

IRS Reviews	CCG	BL	CL	Total
Number of applications for Social Fund Inspector(SFI) review	29,570	3,950	15,570	49,090
IRS Decisions	29,590	3,890	15,620	49,100
Number of reviewing officer decisions reviewed	28,420	3,560	14,930	46,920
Number of reviewing officer decisions confirmed	15,240	3,440	7,330	26,010
Percentage confirmed	54	97	49	55
Number of reviewing officer decisions substituted by SFI	13,190	120	7,600	20,910
Percentage substituted	46	3	51	45
Number of reviewing officer decisions referred back	~	~	~	~
Percentage referred back	#	#	#	#

**NOTES:**

1. This does not include 830 decisions made under section 38(5) of the Act. In these cases the Social Fund Inspector is reviewing a Social Fund Inspector's decision not a decision made at Jobcentre Plus. The law does not give the Social Fund Inspector the power to confirm, substitute or refer back, an Inspector can only change or not change the decision.
2. The number of reviewing officer decisions reviewed excludes applications for Social Fund Inspector review that were outside the Inspector's jurisdiction or withdrawn.
3. Figures are rounded to the nearest 10.
4. Percentages have been calculated using non-rounded figures.
5. ~ represents less than 5.
6. # represents less than 0.5%.
7. Totals may not sum due to rounding.

## APPEALS

### Social Fund Appeals dealt with at the First-tier Tribunal 2009/10

Type of Payment	Number of appeals	Number heard and decided at hearing	Number decided in appellant's favour	Percentage decided in appellant's favour
Funeral Payments	3,280	2,370	330	14
Sure Start Maternity Grants	1,380	980	80	8

**SOURCE:**

*Figures are provided by the First-tier Tribunal.*

**NOTES:**

1. *The number of appeals is the number received by the Social Security and Child Support Appeals Tribunal.*
2. *Figures are rounded to the nearest 10.*
3. *Percentages have been calculated using non-rounded figures.*

## Client Groups

Social Fund payments are wide ranging from payments to help with intermittent unexpected expenses (mainly to those in receipt of qualifying benefits), to payments aimed at certain groups to help with particular events. The fund does not therefore fall exclusively into any one of the Departmental client groups of Children, Working Age and Older People, although Social Fund payments are either paid to, or benefit, all of these groups. Some statistics in this report are shown by applicant or claimant groups that fall into one or more of the wider client groups.

### APPLICANT OR CLAIMANT GROUP DEFINITIONS

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#### **PENSIONERS**

Includes:

- applicant or partner aged 60 or over with Pension Credit
- applicant or partner aged 60 or over in receipt of state retirement pension

Includes also where applicant is under 60 and partner is:

- 60 or over with Income Support (IS) pensioner premium
  - 80 or over with IS higher pensioner premium
  - 60-79, disabled with IS higher pensioner premium
- 

#### **UNEMPLOYED**

Includes:

- unemployed or with training allowance
- 

#### **DISABLED**

Includes:

- in receipt of Employment and Support Allowance
  - applicant or partner aged under 60 with IS disability premium
  - lone parent with IS disability premium
  - family with IS disability premium
  - others with IS disability premium
  - in receipt of other benefit for incapacity or disablement
- 

#### **LONE PARENT**

Includes:

- person who has no partner and in receipt of Income Support because they are responsible for a child
- 

#### **OTHERS**

Includes:

- others
- involved in a trade dispute
- in paid employment
- not known or unallocated

NOTE: It is possible that an applicant who is unemployed may receive a disability or pensioner premium. Such an applicant would be counted as Unemployed.



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Department for Works and Pensions

15th July 2010

[www.dwp.gov.uk](http://www.dwp.gov.uk)

ISBN 978-0-10-296804-0



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