

# Social Fund Crisis Loan multiple application and award information for January to December 2010 in Great Britain

February 2011

# Contents

Background ..... 3

Methodology ..... 3

Results ..... 4

# Background

Crisis Loans are interest-free loans available to anyone (whether on benefit or not) who cannot meet their immediate short-term needs in an emergency or as a consequence of a disaster, where there is an immediate risk to their health or safety. Repayments are deducted from benefit, and suitable recovery arrangements are made for those not on benefit. In 2009-10, in Great Britain, around 2.7 million<sup>1</sup> Crisis Loans were awarded – at a cost of £233 million<sup>2</sup>. The average initial award was £82<sup>3</sup>. Applicants may be awarded a Crisis Loan for four separate reasons:

- items or services;
- rent in advance;
- general living expenses; or
- alignment payments to cover living expenses up to the first payment of benefit or wages

Further information is available from:

[http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On\\_a\\_low\\_income/DG\\_10018856](http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/DG_10018856)

# Methodology

The results given below are Management Information. DWP's preference is to provide Official/National Statistics, but in this case we only have Management Information available. It is not quality assured to the same extent as Official/National Statistics.

## **Applicants making/receiving x number of Crisis Loan applications/awards in the last 12 months (January to December 2010)**

The number of Crisis Loan applications/awards in the last 12 months looks at, for each individual applicant, the number of applications/awards they made/received in the period. The estimated gross expenditure is the amount awarded to those people receiving x number of awards over the period.

The information given in Tables 1-4 below was taken from a scan of the Social Fund Computer System at the end of December 2010.

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<sup>1</sup> Taken from the Annual Report by the Secretary of State for Work and Pensions on the Social Fund 2009/2010

<sup>2</sup> Taken from the Social Fund Account 2009-2010

<sup>3</sup> Taken from the Annual Report by the Secretary of State for Work and Pensions on the Social Fund 2009/2010

**Number of x<sup>th</sup> applications/awards made/received in a rolling 12 months**

For each application which was made in the period January to December 2010, the number of Crisis Loan applications made in the 12 months (less one day) prior to the date of this application are counted. This provides the number of Crisis Loan applications made in a rolling 12 months. The same process is used for Crisis Loan awards received in a rolling 12 months. The estimated gross expenditure is the amount awarded during the period for the x<sup>th</sup> award in a rolling 12 months.

The information given in Tables 5-7 below was taken from scans of the Social Fund Computer System at the end of December 2010 and at the end of June 2009.

The gross expenditure given in tables 2, 4 and 7 is estimated, as the amount of clerical expenditure for the period is not available. The Department for Work and Pensions publishes the Social Fund account for each financial year which includes clerical gross expenditure. To give an idea of the possible error in the estimated gross expenditure, for 2009-10 the Social Fund account figure was 2.9% higher than the estimate.

# Results

Throughout, tables do not include applications, awards and gross expenditure held clerically.

## Applicants making/receiving x number of Crisis Loan applications/awards in the last 12 months

**Table 1:** Number of applicants who made x number of applications between January and December 2010

Number of applications	Applicants	Percentage
1	610,900	47
2	264,900	20
3	145,400	11
4	87,600	7
5	56,300	4
6	37,900	3
7	26,300	2
8	18,200	1
9	13,100	1
10+	35,400	3
Total	1,296,000	100

Note

1. Figures have been rounded to the nearest hundred. Figures and percentages may not sum due to rounding.

**Table 2:** Estimated gross expenditure made to applicants making x number of applications between January and December 2010

Number of applications	Estimated gross expenditure (£ millions)	Percentage
1	57.3	26
2	40.0	18
3	29.4	13
4	22.0	10
5	16.7	8
6	12.9	6
7	10.0	4
8	7.7	3
9	6.0	3
10+	20.6	9
Total	222.5	100

Notes

**Social Fund Crisis Loan multiple application and award information for January to December 2010 in Great Britain**

1. Figures include gross expenditure made after review but do not include clerical gross expenditure.
2. Figures have been rounded to the nearest £0.1 million. Figures and percentages may not sum due to rounding.

**Table 3: Number of applicants who received x number of awards between January and December 2010**

Number of awards	Applicants	Percentage
1	559,400	49
2	240,300	21
3	127,100	11
4	73,300	6
5	45,500	4
6	28,900	3
7	19,300	2
8	12,600	1
9	8,500	1
10+	17,100	2
Total	1,131,900	100

Notes

1. Figures include awards made after review.
2. Figures have been rounded to the nearest hundred. Figures and percentages may not sum due to rounding.

**Table 4: Estimated gross expenditure made to applicants receiving x number of awards between January and December 2010**

Number of awards	Estimated gross expenditure (£ millions)	Percentage
1	67.8	30
2	42.8	19
3	30.4	14
4	21.8	10
5	16.1	7
6	11.7	5
7	8.8	4
8	6.4	3
9	4.7	2
10+	12.0	5
Total	222.5	100

Notes

1. Figures include gross expenditure made after review but do not include clerical gross expenditure.
2. Figures have been rounded to the nearest £0.1 million. Figures and percentages may not sum due to rounding.

**Number of x<sup>th</sup> applications/awards made/received in a rolling 12 months**

<b>Table 5:</b> Number of applications made between January and December 2010 which were the x <sup>th</sup> application in a rolling 12 months		
Application number	Number of applications which are the x <sup>th</sup> application in a rolling 12 months	Percentage
1	751,900	23
2	550,900	17
3	424,300	13
4	328,000	10
5	257,600	8
6	203,800	6
7	162,600	5
8	130,000	4
9	104,400	3
10+	420,100	13
Total Applications	3,333,500	100

Note

1. Figures have been rounded to the nearest hundred. Figures and percentages may not sum due to rounding.

<b>Table 6:</b> Number of awards made between January and December 2010 which were the x <sup>th</sup> award in a rolling 12 months		
Award number	Number of awards which are the x <sup>th</sup> award in a rolling 12 months	Percentage
1	680,600	26
2	496,000	19
3	368,800	14
4	274,600	10
5	206,500	8
6	155,200	6
7	117,100	4
8	88,300	3
9	66,200	3
10+	178,200	7
Total Awards	2,631,600	100

Notes

1. Figures include awards made after review.
2. Figures have been rounded to the nearest hundred. Figures and percentages may not sum due to rounding.

**Social Fund Crisis Loan multiple application and award information for January to December 2010 in Great Britain**

<b>Table 7: Estimated gross expenditure made on awards between January and December 2010 which were the x<sup>th</sup> award in a rolling 12 months</b>		
Award number	Estimated gross expenditure made in respect of x <sup>th</sup> awards in a rolling 12 months (£ millions)	Percentage
1	75.5	34
2	43.7	20
3	29.4	13
4	20.6	9
5	14.7	7
6	10.6	5
7	7.8	3
8	5.6	3
9	4.1	2
10+	10.4	5
Total estimated gross expenditure	222.5	100

Notes

1. Figures include gross expenditure made after review but do not include clerical gross expenditure.
2. Figures have been rounded to the nearest £0.1 million. Figures and percentages may not sum due to rounding.

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