

Annual Report

by the Secretary of State for
Work and Pensions on the
Social Fund 2008/2009



Annual Report on the Social Fund 2008/2009

Presented to Parliament by
the Secretary of State for Work and Pensions
by Command of Her Majesty
July 2009

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PREFACE

I am pleased to present my report on the Social Fund for 2008/09.

In 2008/09, an estimated £2.7 billion was spent on Winter Fuel Payments which contributed to the heating costs of an estimated 12.4 million pensioners.

In addition, the Social Fund was able to help with the extra heating costs of many vulnerable people by making 8.4 million awards of Cold Weather Payments which were increased to £25 per award for the winter of 2008/09. Around 263,000 families were awarded a £500 grant to help with the costs of a new baby and the Social Fund scheme made over 3.3 million other awards.

One of our priorities is to develop policy changes that can improve the way things are done for the benefit of both our customers and staff. Therefore in April 2009 we introduced a change which ensures that far fewer customers have to undergo a formal interview as part of the first review stage within Jobcentre Plus.

Also in 2008/09 we have developed measures to keep the Crisis Loan system for living expenses focused on those genuinely facing a crisis. At the same time these measures will encourage personal responsibility for managing money better, for example by signposting customers to money advice.

As announced in the Chancellor's Budget report on 22 April 2009, additional net funding totalling £263 million was made available for Social Fund loans in 2009/10 and 2010/11 in Great Britain to ensure that the Social Fund can provide support in the economic downturn.

We continue to modernise and look forward. To fulfil our longstanding commitment to consider further reform of the Social Fund scheme, the current Welfare Reform Bill seeks to make three further improvements to the Social Fund. Where there is urgent need we want to make payments on account of benefit rather than people having to apply for a Crisis Loan. For those successful in their Community Care Grant application, goods or services would be provided under arrangements made with suppliers instead of the current system of cash payments. Any savings through discounts could then be invested into the fund.

There is also a provision in the Bill to allow the Secretary of State to enter into arrangements with external providers to provide social loans in place of the existing social fund provision. We will be consulting further on some of these improvements and our thoughts on wider reforms.



YVETTE COOPER
Secretary of State for Work and Pensions

1. INTRODUCTION

- 1.1 This is the twenty first 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 complements mainstream social security provision in two forms: 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 System¹. 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 The Sure Start Maternity Grant is a payment of £500. It provides help for families with the costs associated with the expenses of each baby that is 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 It is available to recipients, and partners of recipients, of Income Support, income-related Employment and Support Allowance (with effect from 27 October 2008), 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). This ensures that the grant is as widely available as possible amongst people with lower incomes.
- 2.3 Sure Start Maternity Grant statistics are in Annexes 1, 2 and 12.

¹ There is also a statutory requirement to produce a Social Fund White Paper Account, which is prepared on a receipts and payments basis. By definition, and to the extent that encashed payments and receipted loan recoveries are recorded on a different basis from those reported in this annual report, numerical differences will be present between the two documents.

Funeral Payments

- 2.4** The Funeral Payment scheme has continued to provide help towards a simple, respectful, low-cost funeral to recipients, and partners of recipients, of income-related benefits and tax credits (see full list at paragraph 2.5 below). This ensures that the payment is as widely available as possible amongst people with lower incomes.
- 2.5** With effect from its introduction on 27 October 2008, income-related Employment and Support Allowance became a qualifying benefit. 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 and Council Tax Benefit.
- 2.6** Funeral Payment statistics are in Annexes 1, 2 and 12.

Cold Weather Payments

- 2.7** For the winter of 2008/09, the amount of the Cold Weather Payment was increased from £8.50 to £25.00 for each 7 day period of very cold weather. This was part of the Government's strategy to tackle fuel poverty and provided 8.4 million awards worth £210 million.
- 2.8** Every residential postcode in Great Britain is linked to one of 76 weather stations used in the scheme. A payment is made when the average temperature has been recorded as, or is forecast to be, 0°C or below over seven consecutive days at the weather station linked to the eligible customer's postcode.
- 2.9** From the start of the 2008/09 winter, as a result of the introduction of Employment and Support Allowance, vulnerable groups in receipt of income-related Employment and Support Allowance were added to those eligible to receive payments. Eligible customers are now those awarded Pension Credit, or income-related Employment and Support Allowance that includes 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 have a pensioner or disability premium or have a child who is disabled or under the age of five, are also eligible to receive payments.
- 2.10** The annual review of the Cold Weather Payments scheme took place in the summer of 2008. 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 are more suitable or should be introduced in addition to those currently used; and the impact on weather station linkages of changes to the postcode system by the Royal Mail.

- 2.11 As a result of the review, two weather stations used previously in the scheme were no longer used as primary stations and two new weather stations were introduced. There are currently 76 weather stations covering Great Britain.
- 2.12 Representations from Members of Parliament about the suitability of individual weather stations or their links with postcode districts, were also carefully considered. This did not result in any changes to weather station linkages.
- 2.13 A summary of Cold Weather Payments is included in Annex 1.

Winter Fuel Payments

- 2.14 Winter Fuel Payments help people aged 60 or over to meet heating expenses. They are tax free and do not affect entitlement to social security benefits. Forecasts indicate that 12.4 million people in around 9.0 million households benefited from a Winter Fuel Payment in 2008/09.
- 2.15 For winter 2008/09 an additional Winter Fuel Payment was introduced bringing the total amount payable to a person aged 60-79 years living alone in their own home to £250 (£125 if they shared a home with another eligible person). For people aged 80 or over the amount payable was £400 (£200 if they shared a home with another eligible person aged 80 or over). The total spent in 2008/09 on Winter Fuel Payments is estimated to be £2.7 billion.
- 2.16 Most people who are aged 60 or over and normally living in Great Britain are eligible for a Winter Fuel Payment, though there are some exceptions. Some people are eligible to receive a Winter Fuel Payment if they live in another European Economic Area country or Switzerland and if they have previously qualified for a payment in the UK. The qualifying week for winter 2008/09 payments was the week beginning 15 September 2008.
- 2.17 Most payments were made automatically before Christmas 2008 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 In 2008/2009 geographical consistency for all Budgeting Loan applicants nationally has continued, with people in similar personal circumstances able to borrow the same amount, irrespective of where they lived. This was achieved by formally advising all local decision makers to apply the same Budgeting Loan maximum amounts, and by making in year re-allocations to local budgets in August, November, February and March. (See paragraph 5.6 about loans budget re-allocations.)

- 3.2 The national grants budget was maintained at £141 million in 2008/09 and therefore the same local budget amounts were allocated as in the previous year.
- 3.3 From 1 April 2009, as per the commitment given in previous reports, we have allocated a single national loans budget. This is under central management and allows all Budgeting Loan applicants in the same circumstances the same treatment under the budget. This means that there are no longer any local loans budgets to control or re-allocate, and simplifies the overall management of national loans funding.
- 3.4 The grants budget continues to be allocated locally to the 23 Jobcentre Plus budgets which are administered from 20 Social Fund Benefit Delivery Centres around Great Britain.
- 3.5 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 2008/09

- 3.6 From 27 October 2008, minor changes to the Secretary of State's directions and guidance came into force to ensure that recipients of income-related Employment and Support Allowance have access to Budgeting Loans and Community Care Grants. The full list of qualifying benefits is now: Income Support, income-related Employment and Support Allowance, income-based Jobseekers Allowance and Pension Credit.
- 3.7 In addition some policy improvements were developed in 2008/09 and have since been introduced. From 6 April 2009, the Secretary of State's directions and guidance were amended to improve 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 continue to receive a full review conducted on their case, followed by the right to a further review by the Independent Review Service.
- 3.8 Also from 6 April 2009, the Secretary of State's directions now limit the circumstances in which an applicant can 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 aims to reduce inappropriate applications for living expenses in respect of periods for which a payment has already been awarded. This helps to target cash limited funding on those in greatest need.

Further reform

- 3.9** In December 2008 the Department published a consultation document *The Social Fund: A new approach* which set out our initial thoughts on further reform. We would like to thank all individuals and organisations who responded. Following the consultation we are legislating for three proposals in the Welfare Reform Bill to enable:
- payments on account of benefit; these will provide immediate help in a more efficient way, to those waiting for benefit awards paid in arrears.
 - the Secretary of State to enter into arrangements with external providers to provide social loans in place of the existing Social Fund provision.
 - those successful in their grant applications to be awarded goods or services, which would be provided under arrangements made by the Secretary of State with suppliers instead of by cash payments; this was not explicitly included in the consultation document but is an important element of Community Care Grant reform.
- 3.10** We value the responses to the consultation and note that they indicate a need for more in depth engagement. As part of a more fundamental review of the Social Fund, we want to take time to consider other elements covered in the consultation document. We therefore intend to publish a further formal consultation document in 2009.

Reviews

- 3.11** An applicant to the discretionary Social Fund who is dissatisfied with the decision on their case has the right to have the decision reviewed. The principles of the review are straightforward. Consideration is given to whether the law and directions have been followed, whether guidance has been taken into account, and whether the case has been handled fairly and reasonably.
- 3.12** A reviewing officer within Jobcentre Plus carries out the initial review at a local level and the outcome is notified to the applicant. Applicants who remain dissatisfied with the result of the local review can ask for a further review by a Social Fund Inspector at the Independent Review Service, who is fully independent of the Department for Work and Pensions. Social Fund Inspectors are appointed by, and are accountable to, the Social Fund Commissioner. In 2008/2009, Social Fund Inspectors reviewed over 26,000 reviewing officer decisions.
- 3.13** The Social Fund Commissioner has reported separately on the standard of reviews carried out by Social Fund Inspectors. His report has been published.
- 3.14** A summary of Social Fund review applications is set out in Annex 11.

4. GENERAL ADMINISTRATION

Benefit delivery

- 4.1 Delivery of all Jobcentre Plus benefits is centralised into 79 Benefit Delivery Centres (BDCs) of which 20 also deliver the Social Fund.
- 4.2 In 2008/09 Jobcentre Plus has again faced huge challenges posed by the increasing volumes of Crisis Loans. A key part of the strategy for responding to this huge challenge has been to train and deploy staff in Contact Centres to support the Social Fund BDCs in the delivery of Social Fund Crisis Loans by telephone. This action has enabled Jobcentre Plus to deal with nearly 2.5 million² applications for Crisis Loan living expenses in 2008/09.
- 4.3 Due to the pressure on resources from absorbing the increased levels of Crisis Loan demand there has been a consequential increase in outstanding Community Care Grant applications and reviews. This has impacted on national clearance times for Community Care Grants and reviews in 2008/09 as reported at paragraph 4.13.
- 4.4 Jobcentre Plus has further responded by significantly increasing its requirement for the number of Crisis Loan Decision Makers to 1,800 to support the ongoing delivery of Crisis Loans by telephone. We are pleased to report that this number was achieved by June 2009.

Performance management and improvement

- 4.5 In 2008/09, a Social Fund Management Committee (SFMC) was set up, comprising Senior Managers each with responsibility for specific areas of the Social Fund, eg policy, operational performance, financial accountability and risk management.
- 4.6 The role of the SFMC is to oversee the operation of the Social Fund, with particular focus on ensuring its policy and delivery processes continue to be both viable and efficient. Also to identify risks, opportunities for improvement and support any planned reforms.
- 4.7 A particular aim of SFMC is to ensure that Jobcentre Plus has strategies in place to deal with the recommendations of the National Audit Office, especially those concerning the annual Social Fund White Paper Account. One of these strategies is the implementation of a Social Fund Quality Assessment Framework (QAF) within Jobcentre Plus, the purpose of which is to drive up the quality of Social Fund decision making.

² Source: DWP Management Information System Programme.

- 4.8** The QAF is an internal management tool for improving Social Fund decision making standards, and was designed and developed in conjunction with the Independent Review Service. It not only provides a robust checking methodology for the quality of decisions, but also a mechanism for providing feedback and identifying individual training needs.
- 4.9** The Social Fund QAF has now been launched in all of the Social Fund Benefit Delivery Centres and in 10 Contact Centres. National rollout is therefore almost complete, with only 2 sites left to rollout in 2009/10. During 2009/10, the QAF process will continue to be embedded within Social Fund decision processes, with appropriate evaluation and validation taking place to inform the setting of a new standard for accuracy for 2010/11.
- 4.10** For the duration of the QAF rollout and its continuing validation in 2009/10, the quality element of the accuracy checking regime has been withdrawn. There is therefore no meaningful performance against standard to report for 2008/09.
- 4.11** However, local and national performance continued to be monitored against the comprehensive set of Social Fund clearance standards below. All component parts of the set must be met to meet the overall standard. The set comprises:

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

- 4.12** The achievement against the standard in 2008/09 was:

Average Actual Clearance Times (working days)	Standard	Achieved
Community Care Grants	9	11.7
Budgeting Loans	6	5.1
Crisis Loans	2	1.8
Local review of above grants and loans	10	13.9
Funeral Payments	16	14.1
Sure Start Maternity Grants	5	5.1

- 4.13** The standard for Average Actual Clearance Times was therefore met for Budgeting Loans, Crisis Loans and Funeral Payments, but was not met for Community Care Grants, local reviews or Sure Start Maternity Grants.
- 4.14** In the course of their review casework the Independent Review Service is able to identify issues of concern in the overall operation of the discretionary Social Fund. This, plus outcomes from the QAF, is a valuable source of feedback to inform both local and national performance improvement plans.

Pensioners and the Social Fund

- 4.16** The Pension, Disability and Carers Service and the Independent Review Service are working together to ensure that Social Fund customers who are pensioners and the organisations that work with them have an improved awareness of Community Care Grants and who they should contact to make an application.
- 4.17** Local Service provides face to face contact for vulnerable customers who are unable to access the services of the Pension, Disability and Carers Service by telephone. Local Service staff who come into contact with pensioners have a good awareness of the Social Fund. All Local Service staff have also attended workshops delivered by the Independent Review Service.

Social Fund Computer System

- 4.18** In July 2008 changes to the Social Fund Computer System were delivered to accommodate the introduction of Employment and Support Allowance from October 2008.

5. FINANCIAL ISSUES

Background

- 5.1** Payments from the regulated Social Fund are not limited by a budget. Regulations prescribe the circumstances and amounts payable.
- 5.2** For the discretionary Social Fund, national cash limited budgets are allocated for loans and grants. Both budgets were distributed to individual Jobcentre Plus areas up to and including 2008/2009³.

³ From 2009/2010 the loans budget is a single national allocation. However, the national grants budget continues to be distributed to individual Jobcentre Plus budget areas.

The 2008/09 discretionary Social Fund budget

5.3 In April 2008 the standing net discretionary Social Fund budget was £178.2 million. In addition to the £178.2 million, the discretionary Social Fund was given an amount of £40 million net funding for 2008/09 specifically for changes to the loans scheme from April 2006. The £178.2 million + £40 million, together with the forecast for 2008/09 loan recoveries of £463.8 million, allowed a total gross discretionary budget of £682 million to be set at the start of the 2008/09 allocations year.

5.4 The total Social Fund gross discretionary budgets for Great Britain at 1 April 2008 were:

Community Care Grants	£141 million
Loans	£ 540 million
Contingency reserve	£1 million

The recovery forecast for the year was £463.8 million.

In-year allocation to the loans budget

5.5 An in-year allocation of £84 million was made in February 2009. As a consequence the gross discretionary budget for the year became £766 million, and the gross loans budget for the year increased to £624 million. The in year allocation was funded by an increase in loan recoveries and an underspend carried forward from the Social Fund accounts of previous years.

Re-allocation of the loans budget

5.6 During the year there were several minor re-allocations of loans budget funding between Jobcentre Plus budget areas. These amounted to £10.1 million in August 2008, £11.9 million in November 2008, £6.9 million in February 2009 and £4.7 million in March 2009. The funds were taken from some of those budget areas with a projected end of year underspend and given to other budget areas. This enabled all budget areas to continue to offer similar Budgeting Loan amounts to the end of the year, achieving maximum consistency for applicants wherever they live.

Allocations to Jobcentre Plus budget areas

5.7 The basis for both the initial 2008/09 loans budget allocation and the subsequent in-year re-allocation of budgets, was to provide applicants with broadly similar personal circumstances the same level of Budgeting Loan assistance wherever they live.

Payments from the contingency reserve

5.8 There were no applications for additional funding from the contingency reserve during 2008/09.

Recoveries

- 5.9 The Department's Debt Management organisation, which is dedicated to maximising recovery of Departmental debt, actively manages Social Fund off benefit recovery (meaning recovery from people who are no longer receiving benefits from which the Department can automatically recover). This fully supports the recommendation of the National Audit Office in 2005 to give greater priority to recovering old Social Fund loan debt.
- 5.10 During 2008/09, the stock of older off benefit cases awaiting referral to Debt Management was cleared and we moved to a steady state position in which referrals comprise current cases only. In total 161,000 cases were referred to Debt Management in 2008/09, supported by a simplified and enhanced process from the introduction in this year of a new automated referral system.
- 5.11 £537.0 million was recovered through the repayment of loans during 2008/09, £73.2 million over the target set at the start of the year.
- 5.12 Funeral Payments are recoverable from the estate of the deceased. In 2008/09, £0.7 million was recovered.
- 5.13 Details of recoveries are given in Annexes 1 and 10.

6. SUMMARY OF FINANCIAL PERFORMANCE

- 6.1 During the year the Social Fund has, in total, provided payments worth over £1.1 billion. In addition, estimates indicate that Winter Fuel Payments of £2.7 billion have been made to 9.0 million households that include someone aged 60 or over.
- 6.2 Compared to 2007/08, the figures for 2008/09 show:
- Overall there were 5,031,000 applications to the discretionary Social Fund, 831,000 more than in 2007/08.
 - Applications for Community Care Grants increased by 8.3% from 543,000 to 588,000.
 - The proportion of grant decisions resulting in an initial award decreased from 46.1% to 43.2%.
 - Applications for Crisis Loans increased by 37.5% from 2,105,000 to 2,895,000.
 - The proportion of Crisis Loan decisions resulting in an initial award remained the same at 68.5%.
 - Applications for Budgeting Loans decreased by 0.3% from 1,552,000 to 1,548,000.

- The proportion of Budgeting Loan decisions resulting in an initial award decreased from 75.1% to 71.4%.
- 6.3** Gross expenditure on Budgeting Loans was £454.9 million, and gross expenditure on Crisis Loans was £167.0 million. Expenditure on Community Care Grants was £139.2 million.
- 6.4** Loan recoveries during the year were £537.0 million against a recovery target of £463.8 million. Recoveries provided 86% of the funds needed to meet gross loans expenditure.
- 6.5** Overall during 2008/09, the discretionary Social Fund provided help in the form of over 3.3 million awards.

The discretionary Social Fund budget for 2009/10

- 6.6** An amount of £141 million has been allocated to the national grants budget and this was allocated on 1 April 2009 to 23 Jobcentre Plus budgets with each geographical area receiving the same funding as 2008/09.
- 6.7** The 2009/10 Social Fund loans budget is now one single national allocation. On 1 April 2009 the allocated gross single national loans budget was £475 million.
- 6.8** £1 million has been retained centrally to provide a contingency reserve to support any Jobcentre Plus grants budget that comes under pressure from unforeseen expenditure.
- 6.9** However, as announced in the Chancellor's Budget report on 22 April 2009, additional funding was made available for Social Fund loans. This increased the 2009/10 national gross loans budget to £650 million.
- 6.10** The gross discretionary Social Fund budget for 2009/10 is now £792 million in total and is made up £300.1 million net funding and £491.9 million to be provided through repayment of loans.
- 6.11** The £792 million is allocated as follows:

Single national LOANS budget	£650m
GRANTS budget distributed to budget areas	£141m
CONTINGENCY	£1m
TOTAL	£792m

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NATIONAL SOCIAL FUND SUMMARY STATISTICS

	REGULATED SOCIAL FUND			DISCRETIONARY SOCIAL FUND		
	SSMG	CWP	FP	CCG	BL	CL
Applications received (000)	362	N/A	69	588	1,548	2,895
Initial decisions (000)	362	N/A	68	582	1,538	2,870
Awards (000)	263	8,416	41	252	1,098	1,965
Awards as % of initial decisions	72.6	N/A	59.4	43.2	71.4	68.5
Initial refusals (000)	111	N/A	32	330	401	820
Gross expenditure £m	132.9	210.4	48.4	139.2	454.9	167.0
Recoveries £m	N/A	N/A	0.7	N/A	453.9	83.1
Net expenditure £m	132.9	210.4	47.7	139.2	1.0	83.9
Average award £	506	25	1,194	442	410	81

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. *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	19.1	47.2
Unemployed	16.9	6.4	2.1	5.3
Disabled	10.7	4.1	4.5	11.2
Lone Parents	64.6	24.6	2.8	6.9
Employed	52.7	20.1	1.3	3.1
Others	117.6	44.8	10.7	26.4

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	127.4	48.5	30.1	74.4
Child Tax Credit (at a rate higher than the family element)/Working Tax Credit (which includes a disability or a severe disability element)	135.1	51.5	3.2	7.9
Housing Benefit & Council Tax Benefit	N/A	N/A	7.2	17.7
Total	262.6	100	40.5	100

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	13.4	9.7	31.3	6.9	2.5	1.5
Unemployed	15.8	11.3	39.6	8.7	74.3	44.5
Disabled	46.8	33.6	127.2	28.0	34.5	20.7
Lone Parents	47.2	33.9	226.7	49.8	33.2	19.9
Others	16.0	11.5	30.0	6.6	22.5	13.5

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
Direction 4(a)(i) People moving out of institutional or residential care	9.7	7.0
Direction 4(a)(ii) Helping people stay in the community	41.1	29.5
Direction 4(a)(iii) Families under exceptional pressure	76.7	55.1
Direction 4(a)(iv) Prisoner or young offender on release on temporary licence	0.2	0.2
Direction 4(a)(v) People setting up home as a planned programme of resettlement	9.9	7.1
Direction 4(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

ANNEX 5

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	1,200	10,500	10,300	1,900	23,900	47,800
Excluded items	800	1,700	2,400	2,700	1,000	8,600
Amount less than £30, not travelling expenses	~	~	100	~	~	200
Direction 4 not satisfied	10,800	62,000	48,600	67,500	28,200	217,200
Previous application and decision	400	1,600	2,200	1,900	1,000	7,100
Insufficient priority	4,500	4,000	18,800	11,600	5,700	44,500
Other	600	300	1,700	700	400	3,700
Total	18,500	80,000	84,100	86,400	60,400	329,500

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	13	12	2	40	15
Excluded items	4	2	3	3	2	3
Amount less than £30, not travelling expenses	#	#	#	#	#	#
Direction 4 not satisfied	58	78	58	78	47	66
Previous application and decision	2	2	3	2	2	2
Insufficient priority	24	5	22	13	9	14
Other	3	#	2	1	1	1
Total	100	100	100	100	100	100

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 totals may therefore differ slightly from those at Annex 1.

BUDGETING LOANS

INITIAL AWARDS BY FAMILY COMPOSITION (INCLUDING COMPARISON WITH 2007/08)

	Number of Awards (000)	Gross Expenditure £m	Average Award £	% of Total Number of Awards		% of Total Gross Expenditure	
				2007/08	2008/09	2007/08	2008/09
Single person, no children	404	114.2	283	36.9	37.0	25.3	25.5
Couple, no children	63	22.8	365	5.4	5.7	4.8	5.1
Single person or couple with children	624	310.1	497	57.7	57.2	69.9	69.4

NOTES:

1. This table does not include awards and gross expenditure on review.
2. Not included in the table are 7,000 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	6,900	59,600	57,000	42,600	27,300	193,400
Not in receipt of a qualifying benefit	600	3,700	1,600	19,300	48,200	73,400
Not in receipt of a qualifying benefit for 26 weeks	1,400	9,100	29,100	62,300	23,800	125,700
Other	400	1,600	2,100	2,400	1,600	8,100
Total	9,200	74,000	89,900	126,600	101,000	400,700

Percentages

	Pensioners	Disabled	Lone Parents	Unemployed	Others	Total
Outstanding debt	75	81	63	34	27	48
Not in receipt of a qualifying benefit	6	5	2	15	48	18
Not in receipt of a qualifying benefit for 26 weeks	15	12	32	49	24	31
Other	4	2	2	2	2	2
Total	100	100	100	100	100	100

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	55.5	33.4
Rent in advance	7.3	4.4
Living expenses (general)	48.2	29.0
Living expenses (alignment) ⁽²⁾	55.2	33.2

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	4,500	360,000	113,800	89,500	86,100	654,000
Help available from another source	200	500	700	600	500	2,500
Excluded items	800	16,200	7,100	7,500	8,400	39,900
Inability to repay	~	12,500	3,300	2,300	2,500	20,500
Suitable alternative	~	~	100	100	~	200
Enough money to pay for crisis	~	~	~	~	~	~
Previous application & SFO decision	400	40,800	11,600	5,300	7,300	65,400
Insufficient priority	~	100	100	100	100	300
JSA sanction/disallowance	~	16,500	~	~	700	17,300
Other	100	7,900	3,800	2,100	3,200	17,100
Total	6,000	454,500	140,400	107,500	108,800	817,200

Percentages

	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
No serious risk to health & safety	75	79	81	83	79	80
Help available from another source	3	#	#	1	#	#
Excluded items	13	4	5	7	8	5
Inability to repay	#	3	2	2	2	3
Suitable alternative	#	#	#	#	#	#
Enough money to pay for crisis	#	#	#	#	#	#
Previous application & SFO decision	6	9	8	5	7	8
Insufficient priority	#	#	#	#	#	#
JSA sanction/disallowance	#	4	#	#	1	2
Other	2	2	3	2	3	2
Total	100	100	100	100	100	100

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 totals may therefore differ slightly from those at Annex 1.

LOAN RECOVERY

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

		Feb 2008	May 2008	Aug 2008	Nov 2008
Average deduction	IS	£11.04	£11.05	£11.07	£11.22
	JSA	£7.03	£7.00	£6.94	£7.05
	PC	£11.03	£11.27	£11.21	£11.22
Number of deductions	IS	726,000	717,000	703,000	700,000
	JSA	85,000	92,000	92,000	97,000
	PC	63,000	66,000	64,000	63,000

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. Date for February 2009 has not yet been released.

REPAYMENT SOURCE 2008/09

	Crisis Loans		Budgeting Loans	
	Amount £m	% of Total Amount	Amount £m	% of Total Amount
Income Support & Pension Credit	47.6	57.2	403.6	88.8
Jobseekers Allowance	19.3	23.2	26.5	5.8
Other benefits	10.7	12.8	7.2	1.6
Cash	5.7	6.8	17.1	3.8

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	107,690	18,720	64,460	190,860
Number of decisions revised at first review	52,490	2,440	27,680	82,610
Percentage	49	13	43	43

IRS Reviews	CCG	BL	CL	Total
Number of applications for SFI review	18,370	1,940	8,300	28,610
IRS Decisions	18,160	1,930	8,220	28,310
Number of reviewing officer decisions reviewed	17,110	1,770	7,770	26,650
Number of reviewing officer decisions confirmed	8,420	1,590	3,540	13,550
Percentage confirmed	49	90	46	51
Number of decisions substituted by SFI	8,690	180	4,230	13,100
Percentage substituted	51	10	54	49
Number referred for re-determination	~	~	~	~
Percentage referred for re-determination	#	#	#	#

NOTES:

1. This does not include 560 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 Social Security and Child Support Appeals Tribunal

2008/09

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	3,420	2,100	320	15
Sure Start Maternity Grants	1,600	700	70	10

2007/08

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	2,640	1,690	250	15
Sure Start Maternity Grants	1,280	630	70	10

2006/07

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	2,610	1,760	280	16
Sure Start Maternity Grants	1,120	540	60	12

SOURCE:

Figures are provided by the Social Security and Child Support Appeals Tribunal which has updated the numbers of appeals that were reported as received in 2006/07 and 2007/08.

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

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 in receipt of IS who has no partner and is responsible for a child under the age of 16
-

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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