

Annual Report

by the Secretary of State for
Work and Pensions on the
Social Fund 2007/2008



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**Presented to Parliament by the Secretary of State
for Work and Pensions by Command of Her Majesty
October 2008**

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PREFACE

I am pleased to present my report on the Social Fund for 2007/08.

In 2007/08, an estimated £2.1 billion was spent on Winter Fuel Payments which contributed towards the heating costs of 12 million pensioners. Additionally, around 243,000 families were awarded a £500 grant to help with the costs of a new baby and the Social Fund scheme made over 3 million other awards.

Over 1,800 Social Fund payments, worth over £800,000, were made to people affected by widespread flooding which occurred in Yorkshire and Humberside, the South East and the South West during the summer of 2007.

We continue to review key aspects of Social Fund delivery, especially in the light of the huge modernisation of service delivery within Jobcentre Plus. For Social Fund, this means processing all work from just 20 large Benefit Delivery Centres across the country. In 2007/08, the last 10 of these Centres went fully live.

The Social Fund will continue to have an important role to play in helping vulnerable people on low incomes cope with expenses they cannot meet from regular income. However, the Government also wants to expand people's ability to manage their money and to plan ahead. We are particularly interested in the scope for the Budgeting Loan element of the Social Fund to make a more effective contribution to overcoming financial exclusion and supporting the transition from benefits into work. The Government is considering the findings of a study into the practical and financial issues involved in working with the private and third sector in delivering a reformed and wider ranging Social Fund Budgeting Loans scheme.

A handwritten signature in black ink, appearing to read 'J Purnell', written over a large, faint, circular watermark or background mark.

JAMES PURNELL
Secretary of State for Work and Pensions

Social Fund

1. INTRODUCTION

- 1.1 This is the twentieth 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.
- 1.3 Receipts and payments are shown in detail in the annual account of the Social Fund which is produced using the latest available data on encashed payments and after reconciliation of loan balances between accounting records. Once prepared, the annual account is subject to scrutiny by the Comptroller and Auditor General who lays the account, together with his report on it, before Parliament. However, the figures in this report are taken from the Department's Policy, Budget and Management Information System and from scans of the Social Fund Computer System and are based on decisions to make a payment.

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-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.

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 The full list of qualifying benefits and tax credits is: Income Support, 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 Changes were made to the Social Fund Computer System, forms, leaflets and guidance from November 2007 to allow Funeral Payments to be paid directly into the bank account of the funeral director where the bill has not already been settled. This change was requested by the All Party Parliamentary Funerals and Bereavement Group and has been welcomed by them.
- 2.7 Funeral Payment statistics are in Annexes 1, 2 and 12.

Cold Weather Payments

- 2.8 The annual review of the Cold Weather Payments scheme took place in the summer of 2007. The review included: an assessment of the continuing availability of the weather stations used to provide temperature data for the scheme; a review by the Meteorological Office of the linkages for all weather stations and their recommendation of changes where there would be significantly improved representation; 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.
- 2.9 As a result of the review, four weather stations used previously in the scheme were no longer used as primary stations and six new weather stations were introduced. There are currently 76 weather stations covering Great Britain.
- 2.10 Representations from Members of Parliament about the suitability of individual weather stations or their links with postcode districts, were also carefully considered. This resulted in changing 39 postcode to weather station linkages.
- 2.11 Cold Weather Payments are available to people on Pension Credit, and vulnerable groups in receipt of Income Support or income-based Jobseeker's Allowance. Every residential postcode in the country is linked to one of 76 weather stations used in the scheme. A payment of £8.50 was made when the average temperature was recorded as, or was forecast to be, 0°C or below over seven consecutive days at the weather station linked to the eligible customer's postcode.
- 2.12 Eligible customers are those awarded Pension Credit, or those awarded Income Support or income-based Jobseeker's Allowance who have a pensioner or disability premium or have a child who is disabled or under the age of five.
- 2.13 A summary of Cold Weather Payments is included in Annex 1.

Winter Fuel Payments

- 2.14 Winter Fuel Payments are a non contributory benefit to enable people aged 60 or over to meet heating expenses. They are tax free and do not affect entitlement to other social security benefits. Forecasts indicate that 12.0 million people in around 8.8 million households benefited from a Winter Fuel Payment in 2007/08. The amounts varied according to circumstances but were basically £200 for a person aged 60-79 years living alone in their own home (£100 if they shared a home with another eligible person). For people aged 80 or over the standard rate was £300 (£150 if they shared a home with another eligible person). The total spend for 2007/08 on Winter Fuel Payments is estimated to be £2.1 billion.

- 2.15 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 EEA country or Switzerland and if they have previously qualified for a payment in the UK. The qualifying week for winter 2007/08 payments was the week beginning 17 September 2007. The majority of payments were made automatically. 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.
- 2.16 All successful claims received by 21 September 2007 were paid by Christmas.

3. THE DISCRETIONARY SOCIAL FUND

Policy changes pending

- 3.1 The Welfare Reform Act 2007 has amended Section 168 of the Social Security Administration Act with regard to allocations that can be made by the Secretary of State for Community Care Grants and loans.
- 3.2 The amended powers mean that there is flexibility as to how allocations are made, and in particular, make it clear that it is open to the Secretary of State to make a single allocation from which loans may be made nationwide.
- 3.3 A single national loans budget, managed centrally, guarantees all loan applicants in the same circumstances the same treatment under the budget. This ensures geographical consistency of outcome for Budgeting Loan applicants will be maintained.
- 3.4 We intend to operate a single national loans budget from 1st April 2009.

Loans scheme 2007/08

- 3.5 Geographical consistency for all Budgeting Loan applicants has continued in 2007/08, with people in similar personal circumstances applying for Budgeting Loans 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 four in year re-allocations to local budgets in support of consistency of outcome nationally. (See paragraph 5.5 about loans budget re-allocations.)
- 3.6 The changes introduced by the Welfare Reform Act will improve and simplify future budget planning and management by removing the need for such local adjustments. (See paragraphs 3.1 to 3.4.)
- 3.7 The new telephony delivery channel for Crisis Loans which allows applications to be taken over the phone has now been rolled out. In providing this new service we have improved access to Crisis Loans leading to an unprecedented increase in demand. This has resulted in Jobcentre Plus deploying an additional 700 staff based in contact centres to help meet that demand.
- 3.8 Full Budgeting Loan statistics are at Annexes 1, 3, 6, 7, 10 and 11. Full Crisis Loan statistics are provided at Annexes 1, 3, 8, 9, 10 and 11.

Community Care Grants 2007/08

- 3.9 The national grants budget was maintained at £141 million in 2007/08.
- 3.10 Local budgets for 2007/08 were the same as for 2006/07, after taking account of boundary changes.
- 3.11 A re-designed Community Care Grant application form was introduced from April 2007. Feedback has been evaluated throughout 2007/08 and appropriate modifications and improvements made from April 2008.
- 3.12 Full Community Care Grant statistics are provided at Annexes 1, 3, 4, 5 and 11.

Reviews

- 3.13 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.
- 3.14 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 2007/08, Social Fund Inspectors reviewed almost 18,000 reviewing officer decisions.
- 3.15 The time taken to clear the local review is a formal clearance standard within Jobcentre Plus. The standard is 10 working days, on average, to clear a local review. In 2007/08, the national standard achieved was 15.3 working days on average. (See paragraphs 4.5 and 4.6.)
- 3.16 The Social Fund Commissioner has reported separately on the standard of reviews carried out by Social Fund Inspectors. His report has been published.
- 3.17 A summary of Social Fund review applications is set out in Annex 11.

4. GENERAL ADMINISTRATION

Centralisation of benefit delivery

- 4.1 Jobcentre Plus have now successfully centralised all benefit delivery, creating 77 benefit delivery sites, 20 of which deliver Social Fund work.

Pensioners and the Social Fund

- 4.2 During the year the pilot project carried out in the Gateshead area into the best ways of raising awareness amongst pensioners and the people who support them, and encouraging take up of Community Care Grants was completed. The findings and recommendations of the Pilot Evaluators were presented in a comprehensive report. We are now considering how to make sustainable improvements in our service provision.

- 4.3 Local Service provides face to face contact for vulnerable customers of The Pension, Disability and Carers Service who are unable to access The Pension, Disability and Carers Service via the normal channels such as by telephone. Local Service staff who come into contact with pensioners have a good awareness of the Social Fund. All Local Service staff have attended workshops delivered by the Independent Review Service.
- 4.4 Local Service provides a holistic service for customers during all face-to-face contacts. It supports take-up across a range of benefits, including Social Fund where appropriate, and access to complementary services.

Performance management and improvement

- 4.5 Budget area and national performance is monitored against the comprehensive set of Social Fund clearance and accuracy standards below. The set includes the review standard (see paragraph 3.15 above) and comprises:

Average Actual Clearance Times:	
Community Care Grants	9 days
Budgeting Loans	6 days
Crisis Loans	2 days
Local review	10 days
Funeral Payments	16 days
Sure Start Maternity Grants	5 days
Accuracy	
Social Fund accuracy	80%

All the above must be met to meet the overall standard.

- 4.6 The achievement against the standard in 2007/08 was:

Average Actual Clearance Times (days)	Standard	Achieved
Community Care Grants	9	11.6
Budgeting Loans	6	4.9
Crisis Loans	2	1.7
Local review of above grants and loans	10	15.3
Funeral Payments	16	14.6
Sure Start Maternity Grants	5	5.3
Accuracy	Standard	Achieved
Social Fund accuracy	80%	94.2%

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. The standard for Social Fund accuracy was met.

- 4.7 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 is another valuable source of feedback to inform performance improvement plans, not only with regard to standards of decision making, but in more general operational performance. Departmental officials continue to work closely with the Independent Review Service to resolve issues, and to improve Social Fund administration.
- 4.8 During 2007/08, Jobcentre Plus has developed a new quality assurance framework for Social Fund. The new framework has been piloted and will be rolled out nationally during 2008/09.

Improvements to IT

- 4.9 In November 2007 a change was implemented to the Social Fund Computer System so that Funeral Payments from the Social Fund can be made directly into the bank account of the funeral director where the bill is outstanding. In those cases where the bill has been paid then the facility will also be available to make payments into the customer's bank account. The facility to make a payment by cheque either in the name of the funeral director or the customer remains in place.

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. For the discretionary Social Fund, cash limited budgets are allocated to individual Jobcentre Plus budget areas.

The 2007/08 discretionary Social Fund budget

- 5.2 In April 2007 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 £50 million net funding for 2007/08 specifically for changes to the loans scheme from April 2006. The £178.2 million + £50 million, together with the forecast for 2007/08 loan recoveries of £523.8 million, allowed a total gross discretionary budget of £752 million to be set at the start of the 2007/08 allocations year.

- 5.3 The total Social Fund gross discretionary budgets for Great Britain at 1 April 2007 were:

Community Care Grants	£141 million
Loans	£610 million
Contingency reserve	£1 million

The recovery forecast for the year was £523.8 million.

In-year allocation to the loans budget

- 5.4 An in-year allocation of £32m was made in February 2008. As a consequence the gross budget for the year became £784m, and the gross loans budget for the year increased to £642m.

Re-allocation of the loans budget

- 5.5 During the year there were several minor re-allocations of loans budget funding between Jobcentre Plus budget areas. These amounted to £13.9m in August 2007, £5.8m in November 2007, £7.3m in February 2008 and £0.5m in March 2008. 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

- 5.6 The basis for both the initial 2007/08 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

- 5.7 During the year there were 5 applications for additional funding from the contingency reserve. Allocations were as follows:

Yorkshire and Humberside – Sheffield	£208,882
Berkshire, Oxfordshire, Buckinghamshire and Surrey	£100,000
Hampshire, Isle of Wight, Kent and Sussex	£120,000
South East Midlands	£50,000
Tees Valley	£25,000
TOTAL	£503,882

Recoveries

- 5.8 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. In 2007/08, more than 573,000 off benefit cases were referred to Debt Management, more than twice the number of referrals in 2006/07.
- 5.9 £530.1 million was recovered through the repayment of loans during 2007/08, £6.3 million over the target set at the start of the year.
- 5.10 Funeral Payments are recoverable from the estate of the deceased. In 2007/08, £0.7 million was recovered.
- 5.11 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 £944 million. In addition, estimates indicate that Winter Fuel Payments of £2.1 billion have been made to 8.8 million households that include someone aged 60 or over.
- 6.2 Compared to 2006/07, the figures for 2007/08 show:
- Overall there were 4,200,000 applications to the discretionary Social Fund, 404,000 more than in 2006/07.
 - Applications for Community Care Grants decreased by 9.2% from 598,000 to 543,000.
 - The proportion of grant decisions resulting in an initial award increased from 45.5% to 46.1%.
 - Applications for Crisis Loans increased by 45.4% from 1,448,000 to 2,105,000.

- The proportion of Crisis Loan decisions resulting in an initial award decreased from 74.4% to 68.5%.
 - Applications for Budgeting Loans decreased by 11.3% from 1,750,000 to 1,552,000.
 - The proportion of Budgeting Loan decisions resulting in an initial award increased from 74.4% to 75.1%.
- 6.3** Gross expenditure on Budgeting Loans was £511.0 million, and gross expenditure on Crisis Loans was £121.2 million. Expenditure on Community Care Grants was £138.9 million.
- 6.4** Loan recoveries during the year were £530.1 million against a recovery target of £523.8 million. Recoveries provided 84% of the funds needed to meet gross loans expenditure.
- 6.5** Overall during 2007/08, the discretionary Social Fund provided help in the form of over 2.8 million awards.

The discretionary Social Fund budget for 2008/09 and its allocation

- 6.6** In 2008/09 the standing net discretionary Social Fund budget of £178.2 million is increased by an injection of net funding of £40 million. The £40 million is for the net loans budget only. The gross discretionary Social Fund budget for 2007/08 is £682 million.
- 6.7** An amount of £540 million has been allocated for loans of which £463.8 million will be provided through the repayment of loans. Budgeting Loan applicants will continue to benefit from the same treatment of their circumstances wherever they live. In year allocations and re-allocations of loans budgets will be made with the aim of consistency of outcome for all applicants regardless of where they live.
- 6.8** An amount of £141 million has been allocated to the national grants budget. Its allocation to Jobcentre Plus budget areas is the same as for 2007/08 after taking budget area boundary changes into account.
- 6.9** £1 million has been retained centrally to provide a contingency reserve to support any Jobcentre Plus Social Fund budget area that comes under pressure from unforeseen expenditure.
- 6.10** The 2008/09 discretionary Social Fund budget was allocated on 1st April 2008 to 23 Jobcentre Plus Social Fund budget areas.

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NATIONAL SOCIAL FUND SUMMARY STATISTICS

	REGULATED SOCIAL FUND			DISCRETIONARY SOCIAL FUND		
	SSMG	CWP	FP	CCG	BL	CL
Applications received (000)	338	N/A	65	543	1,552	2,105
Initial decisions (000)	338	N/A	65	535	1,556	2,088
Awards (000)	243	472	40	247	1,168	1,431
Awards as % of initial decisions	71.9	N/A	60.8	46.1	75.1	68.5
Initial refusals (000)	105	N/A	28	288	352	596
Gross expenditure £m	123.1	4.0	46.0	138.9	511.0	121.2
Recoveries £m	N/A	N/A	0.7	N/A	463.6	66.5
Net expenditure £m	123.1	4.0	45.3	138.9	47.4	54.7
Average award £	506	N/A	1,162	458	433	82

KEY

SSMG = SURE START MATERNITY GRANT

CWP = COLD WEATHER PAYMENT

FP = FUNERAL PAYMENT

N/A = not applicable

CCG = COMMUNITY CARE GRANT

BL = BUDGETING LOAN

CL = CRISIS LOAN

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 for Cold Weather Payments include payments triggered in March 2008, but not actually made until April 2008.
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	0.4	0.2	19.0	48.0
Unemployed	14.7	6.1	1.9	4.9
Disabled	12.2	5.0	4.7	12.0
Lone parents	59.9	24.6	2.7	6.8
Employed	50.9	20.9	1.2	3.1
Others	105.0	43.2	10.0	25.2

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, Jobseekers Allowance (income based) and Pension Credit	119.1	49.0	29.7	75.2
Child Tax Credit (at a rate higher than the family element)/Working Tax Credit (which includes a disability or a severe disability element)	124.0	51.0	3.3	8.3
Housing Benefit & Council Tax Benefit	N/A	N/A	6.5	16.5
Total	243.1	100	39.5	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	13.8	9.9	32.3	6.3	1.7	1.4
Unemployed	15.3	11.0	42.2	8.3	48.4	39.9
Disabled	47.8	34.4	146.5	28.7	26.7	22.0
Lone Parents	47.5	34.2	258.4	50.6	25.1	20.7
Others	14.6	10.5	31.6	6.2	19.4	16.0

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 Expenditure
Direction 4(a)(i) People moving out of institutional or residential care	9.2	6.6
Direction 4(a)(ii) Helping people stay in the community	41.8	30.1
Direction 4(a)(iii) Families under exceptional pressure	76.0	54.7
Direction 4(a)(iv) Prisoner or young offender on release on temporary licence	0.2	0.1
Direction 4(a)(v) People setting up home as a planned programme of resettlement	10.1	7.3
Direction 4(b) Travelling expenses	1.6	1.2

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

ANNEX 5

Counts

Reason for Refusal	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
Savings sufficient to meet cost	300	~	100	~	~	400
Not in receipt of IS/JSA(IB)/PC & unlikely to be	1,100	7,700	10,400	1,800	23,800	44,900
Excluded items	900	1,600	2,400	2,700	900	8,400
Amount less than £30, not travelling expenses	~	~	~	~	~	100
Direction 4 not satisfied	9,400	50,000	41,400	57,000	23,400	181,200
Previous application and decision	600	2,500	3,800	3,100	1,600	11,600
Insufficient priority	3,700	3,100	16,100	10,000	4,500	37,400
Other	500	200	1,400	800	400	3,300
Total	16,500	65,200	75,700	75,400	54,600	287,400

Percentages

Reason for Refusal	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
Savings sufficient to meet costs	2%	#	#	#	#	#
Not in receipt of IS/JSA(IB)/PC & unlikely to be	7%	12%	14%	2%	44%	16%
Excluded items	5%	2%	3%	4%	2%	3%
Amount less than £30, not travelling expenses	#	#	#	#	#	#
Direction 4 not satisfied	57%	77%	55%	76%	43%	63%
Previous application and decision	4%	4%	5%	4%	3%	4%
Insufficient priority	23%	5%	2.1%	13%	8%	13%
Other	3%	#	2%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%

KEY

IS = INCOME SUPPORT

JSA(IB) = INCOME-BASED JOBSEEKERS ALLOWANCE

PC = PENSION CREDIT

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.

BUDGETING LOANS AWARDS BY FAMILY COMPOSITION
(INCLUDING COMPARISON WITH 2006/07)

	Number of Awards (000s)	Gross Expenditure £m	Average Award £	% of Total Number of Awards		% of Total Gross Expenditure	
				2006/07	2007/08	2006/07	2007/08
Single person, no children	428	127.1	297	37.0	36.9	24.7	25.3
Couple, no children	63	24.1	384	5.2	5.4	4.4	4.8
Single person or couple with children	670	351.8	525	57.9	57.7	70.8	69.9

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	6,500	50,000	46,900	35,200	23,000	161,500
Not on IS/JSA(IB)/PC	700	4,700	1,500	17,500	45,500	69,900
Not in receipt of qualifying benefit for 26 weeks	1,300	9,000	26,600	53,900	21,900	112,700
Other	400	1,600	2,200	1,900	1,400	7,600
Total	8,900	65,300	77,200	108,500	91,700	351,700

Percentages

	Pensioners	Disabled	Lone Parents	Unemployed	Others	Total
Outstanding debt	73	77	61	32	25	46
Not on IS/JSA(IB)/PC	8	7	2	16	50	20
Not in receipt of qualifying benefit for 26 weeks	15	14	34	50	24	32
Other	4	3	3	2	2	2
Total	100	100	100	100	100	100

KEY

IS = INCOME SUPPORT

JSA(IB) = INCOME-BASED JOBSEEKERS ALLOWANCE

PC = PENSION CREDIT

NOTES:

1. Numbers are rounded to the nearest 100.
2. 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	39.5	32.8
Rent in advance	3.9	3.3
Living expenses (general)	32.5	27.1
Living expenses (alignment) ⁽²⁾	44.3	36.8

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

ANNEX 9

REASONS FOR INITIAL REFUSAL BY APPLICANT GROUP

Counts

	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
No serious risk to health & safety	3,400	230,100	91,800	70,200	76,200	471,800
Help available from another source	100	400	500	500	400	2,000
Excluded items	500	9,100	4,700	4,900	5,500	24,800
Inability to repay	~	8,500	2,200	1,600	2,900	15,200
Suitable alternative	~	~	100	100	~	200
Enough money to pay for crisis	~	~	~	~	~	~
Previous application & SFO decision	400	33,200	11,200	6,300	8,500	59,600
Insufficient priority	~	100	100	100	100	300
JSA sanction/disallowance	~	9,600	~	~	400	10,000
Other	100	3,900	2,600	1,200	2,000	9,800
Total	4,500	294,900	113,300	85,000	95,900	593,700

Percentages

	Pensioners	Unemployed	Disabled	Lone Parents	Others	Total
No serious risk to health & safety	76%	78%	81%	83%	79%	79%
Help available from another source	2%	#	#	1%	#	#
Excluded items	11%	3%	4%	6%	6%	4%
Inability to repay	#	3%	2%	2%	3%	3%
Suitable alternative	#	#	#	#	#	#
Enough money to pay for crisis	#	#	#	#	#	#
Previous application & SFO decision	8%	11%	10%	7%	9%	10%
Insufficient priority	#	#	#	#	#	#
JSA sanction/disallowance	#	3%	#	#	#	2%
Other	1%	1%	2%	1%	2%	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

		May 2007	August 2007	November 2007	February 2008
Average deduction	IS	£10.95	£10.94	N/A	£11.04
	JSA	£7.03	£6.96	N/A	£7.03
	PC	£10.35	£10.85	N/A	£11.03
Number of deductions	IS	752,000	733,000	N/A	726,000
	JSA	109,000	101,000	N/A	85,000
	PC	65,000	68,000	N/A	63,000

NOTE:

1. *Data from Income Support, Jobseekers Allowance and Pension Credit Quarterly Statistical Enquiries.*
2. *N/A = not available.*
3. *The numbers of deductions are rounded to the nearest 1,000.*

REPAYMENT SOURCE 2007/08

	Crisis Loans		Budgeting Loans	
	Amount £m	% of Total Amount	Amount £m	% of Total Amount
Income Support & Pension Credit	37.7	56.7	416.9	89.9
Jobseekers Allowance	14.9	22.4	28.0	6.0
Other benefits	10.3	15.5	7.5	1.6
Cash	3.6	5.4	11.5	2.5

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	87,400	17,060	41,370	145,830
Number of decisions revised at first review	46,020	2,610	18,110	66,730
Percentage	53	15	44	46

IRS Reviews	CCG	BL	CL	Total
Number of applications for SFI review	12,120	1,590	5,030	18,740
IRS Decisions	12,210	1,570	5,010	18,800
Number of reviewing officer decisions reviewed	11,640	1,450	4,790	17,880
Number of reviewing officer decisions confirmed	5,540	1,190	2,060	8,780
Percentage confirmed	48	82	43	49
Number of decisions substituted by SFI	6,100	260	2,730	9,100
Percentage substituted	52	18	57	51
Number referred for re-determination	~	~	~	~
Percentage referred for re-determination	#	#	#	#

NOTES:

1. This does not include 420 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

Figures are available for Social Fund Appeals dealt with at the Social Security and Child Support Appeals Tribunal

2006/2007

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	1,920	1,760	280	16
Sure Start Maternity Grants	570	540	60	12

2007/2008

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	1,860	1,690	250	15
Sure Start Maternity Grants	690	630	70	10

NOTES:

1. *The number of appeals is the number received by the Social Security and Child Support Appeals Tribunal and not, as in previous years, the number received at the First Tier Agency.*
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:

- 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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