

Factsheet 49 June 2009

The Social Fund

About this factsheet

The Social Fund is a scheme to help people with expenses that are difficult to meet from a low income. There are two parts to the Social Fund: regulated and discretionary.

The regulated Social Fund covers Funeral Payments, Cold Weather Payments and Winter Fuel Payments.

The discretionary Social Fund provides three types of payments: community care grants, budgeting loans and crisis loans.

The information in this factsheet is correct for the period April 2009 – March 2010. Benefit rates and other figures are expected to increase again in April 2010 but rules and figures sometimes change during the year.

The information given in this factsheet is applicable in England and Wales. Different rules may apply in Northern Ireland and Scotland. Readers in these nations should contact their respective national Age Concern organisations for information specific to where they live – see page 13 for details.

For details of how to order other Age Concern factsheets and information materials mentioned inside go to page 12.

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1 Recent developments

- The **2009/10 Cold Weather Payment amount** is £8.50 (no extra payment will be given as it was in 2008/09 – unless there are announcements later in the year).
- The **2009/10 Winter Fuel Payment amounts:** eligible people aged 60–79 can get up to £250 and eligible people aged 80 or over up to £400 (these figures include additional payments for this tax year only as announced in the Budget in April 2009).

2 What is the Social Fund?

The Social Fund is a scheme to help people with expenses that are difficult to meet from a low income. There are two parts to the Social Fund: regulated and discretionary.

- The regulated Social Fund covers Funeral Payments, Cold Weather Payments and Winter Fuel Payments.
- The discretionary Social Fund provides three types of payments: community care grants, budgeting loans and crisis loans.

3 Regulated Social Fund

The regulated Social Fund is paid to people who satisfy conditions of entitlement such as receiving certain benefits or, in the case of the Winter Fuel Payment, are 60 years old and over. Cold Weather and Winter Fuel Payments are mainly paid automatically.

3.1 Cold Weather Payments

If you receive Pension Credit (PC), income-related Employment and Support Allowance (ESA), Income Support or income-based Jobseeker's Allowance (JSA), which includes a pensioner or disability premium, you will receive a Cold Weather Payment of £8.50 for each week of very cold weather.

Payments are made when the average temperature in your area has been, or is expected to be, 0° Celsius or below for seven consecutive days. Cold Weather Payments do not affect other benefits you may be receiving.

There are no savings limits and payments will be made automatically so you don't need to make a claim.

For more information about heating see Age Concern's Factsheet 1, *Help with heating costs*.

3.2 Winter Fuel Payments

Winter Fuel Payments are paid to pensioner households to help with the cost of fuel. They are paid to most people aged 60 or over living in Great Britain and there are no income or savings limits. The payments are based on someone's age and other circumstances during the qualifying week, which is normally the week beginning with the third Monday in September.

The following rules apply if you or your partner do **not** get Pension Credit or income-based Jobseeker's Allowance for winter 2009–10.

- If you are 60 or over, you should get £250 if you are the only person in the household entitled to a payment, or £125 if you share a household with one or more people entitled to a payment; for example, a married couple or civil partners living together will receive £125 each. Two friends living together will also receive £125 each.
- If you are the only person in the household aged 80 or over you will get an extra £100, or £50 each if there are more people aged 80 or over entitled to a payment. In other words, someone aged 80 or over living alone will receive £400 in total, while two people living together aged 80 or over will receive £200 each.
- If you have been living in a care home for 13 weeks or more at the end of the qualifying week and are not getting income-related ESA, income-based JSA or PC, you are entitled to £125 if you are aged 60–79, or £200 if you are aged 80 or over.

The following rules apply if you **are** getting Pension Credit or income-based Jobseeker's Allowance for winter 2009–10.

- If you are a single person you should get £250 (£400 if you are 80 or over) regardless of who else lives in your household.

- If you are one of a couple and the Pension Credit or income-based Jobseeker's Allowance claim is in your name, you will receive the £250 (£400 if you or your partner are 80 or over). If your partner is the claimant s/he will receive the payment. This is regardless of who else lives in your household.

Some people are not eligible for payments. For example, people who live permanently in a care home and receive certain benefits or who have been in hospital for more than 52 weeks will not get a payment. If you live in a care home and do not get Pension Credit or income-based Jobseeker's Allowance, you should get £125 if you are 60 to 79 years old; if you are 80 years old or more, you will get £200.

3.2.1 When and how to claim

If you are receiving Pension Credit, a State Pension or certain other benefits, or if you received a payment last winter, you should not need to claim, as payments are normally made automatically before Christmas. In other circumstances, for example if you are a man aged 60, you will need to make a claim before 30 March 2010. If you are making a backdated claim for Winter Fuel Payment for the years 1997/8, 1998/9, 1999/2000, there is no time limit. The Pension Service website has a form you can download to claim this.

Action

Ring the Winter Fuel Payment helpline on 08459 15 15 15 to make a claim or ask questions.

Although payments are normally only made to people living in Britain, some people who qualify for a Winter Fuel Payment in Britain and then move to another European Economic Area country may be able to continue to receive payments.

Action

For more information on this specific eligibility issue ring the Winter Fuel Payment Centre in Cardiff on 029 2042 8635.

3.2.2 Additional payments for 2009/10

For winter 2009–10 only the Government has announced an extra one-off payment of £50 for households where people are 60 or over and an extra £100 where someone is 80 or over. These amounts have been added to the figures above.

3.3 Funeral Payments

You may be able to get a payment towards funeral costs if you have good reason for taking responsibility for the expenses and you or your partner are receiving any of the benefits below:

- Pension Credit;
- Income Support;
- income-based Jobseeker's Allowance;
- income-related Employment and Support Allowance;
- Housing Benefit;
- Council Tax Benefit;
- Working Tax Credit (which includes the disability or severe disability element);
- Child Tax Credit (paid at a rate that exceeds the family element).

Good reason for taking responsibility for the funeral expenses usually means that you are the partner (including same-sex partners) of the deceased person.

If the deceased person had no partner, a close relative or a close friend can be considered for a Funeral Payment. It is not usually given if another close relative is not on benefit because it will be assumed that they can afford to pay for the funeral.

3.3.1 Savings and assets

There are no savings/capital limits for Social Fund Funeral Payments. A claim must be made within three months of the date of the funeral. Help from the Social Fund may be reduced in certain other circumstances; for example, to take into account:

- any assets of the deceased's which are or will be available without a grant of probate or letters of administration (the assets which existed at the time of death can count even if they have been used for other purposes);
- payments from an insurance policy, occupational pension scheme, pre-paid funeral plan or similar source on the death of the deceased;
- contributions for the funeral from a charity or relative (of either the person; making the arrangements or the deceased);
- any funeral grant where the deceased was a war pensioner.

If a grant of probate is made and there is money or other assets in the estate of the person who has died, this will have to be used to pay the money back to the Social Fund. The estate is any money, property and other items the deceased owned

3.3.2 What will a Funeral Payment cover?

A Funeral Payment from the Social Fund will cover the costs of a simple, respectful, low-cost funeral including the following:

- buying a new burial plot, or cremation;
- transporting the body to a funeral director's premises or place of rest;
- transporting the coffin and bearers by hearse and another car from the funeral director's premises or place of rest to the funeral;
- reasonable costs of one return journey within the UK for the responsible person to arrange and attend the funeral;
- up to £700 extra funeral expenses to cover other items such as a coffin, religious costs, flowers, other transport costs. This could be £120 if there is a pre-paid funeral plan that does not cover these expenses.

If you get a Funeral Payment it will have to be paid back from the deceased person's estate (if they left any money) but a house or personal items left to a widow, widower or surviving civil partner are not counted as part of the estate.

3.3.3 When and how to claim

You can claim a Funeral Payment from the date of death and up to three months after the date of the funeral. These payments are usually made by cheque in the funeral director's name.

To claim, you need form SF200, which you can get from your local Jobcentre Plus office. Look in the phone book to find your nearest office.

3.3.4 If you are refused a Funeral Payment

If your application for a Funeral Payment is refused you can ask for the decision to be revised or you can appeal. There is a time limit – normally one calendar month – although this can be extended in certain circumstances.

When you receive a letter refusing a Funeral Payment you will also be given full details about the revision and appeals procedure. It may be a good idea to get some help from an independent advice service.

For further information see Age Concern Factsheet 27, *Planning for a funeral*.

4 Discretionary Social Fund

Payments from this fund are different from most social security payments because there is a limited yearly budget that restricts the amount that can be awarded. There is a legal framework and Social Fund decision-makers have to follow directions and take account of official guidance when making decisions. For community care grants and crisis loans they must consider all the individual circumstances of the people who apply and decide which applications can be met from the budget. Budgeting loans are more ‘fact-based’, as explained below, rather than being wholly discretionary, but they must still be made from a fixed budget.

Community care grants don’t have to be repaid but budgeting and crisis loans do. They must be repaid within 104 weeks to the Department for Work and Pensions. The decision-maker will give you three different options for repaying your loan. The crisis and budgeting loans can be recovered by weekly deductions from most benefits.

4.1 Community care fund

Community care grants are available to people getting

- Pension Credit; or
- Income Support; or

- income-related Employment and Support Allowance; or
- income-based JSA.

These grants don't have to be repaid. Savings over £1,000 (£500 for people under 60) will be deducted from any grant.

The person dealing with your application should take into account your circumstances and needs. Grants may help you if you:

- plan to leave institutional or residential accommodation (eg hospital, care home, prison or a hostel) and need help, for example to buy a bed, bedding, cooker or to pay fuel connection and removal charges;
- need help to stay at home rather than go into a care home (eg for minor house repairs, bedding and essential furniture);
- need help to ease exceptional pressures on families caused by disability, chronic sickness or major family changes;
- need help with travel expenses in urgent situations (eg visiting someone who is ill or attending a relative's funeral).

For further information see Age Concern Factsheet 13, *Funding repairs, improvements and adaptations*.

Note

If you are not sure whether you will get help, claim anyway – you have nothing to lose. It is important to include all the relevant information (see section 4.4 'How to apply' below).

4.2 Budgeting loan

Budgeting loans are available for people who have been on:

- Pension Credit; or
- Income Support; or
- income-related Employment and Support Allowance; or
- income-based JSA ;

for at least 26 weeks and who need things that they can't afford at the time they need them.

The loans range from £100 to £1,500 depending on your need and your ability to repay the loan. Savings you have over £2,000 (£1,000 for people under 60) will be deducted from the loan. The applications for budgeting loans and community care grants are separate so it may be better to try for a non-repayable grant before you consider a loan. Budgeting loans and community care grants can be given for items such as furniture, household equipment, clothing and footwear, removal costs or home improvements, maintenance and home security measures.

In deciding whether you can be awarded a loan, the Social Fund decision-maker will look at the time you have been on benefit, whether you can afford to make the repayments, the people in your household and any loans you have already had from the Social Fund.

4.3 **Crisis loan**

Crisis loans are available to anyone; you don't have to be getting any benefits. You may get a loan if you have emergency needs or are involved in a disaster (eg fire or flood) and the loan is necessary to prevent serious damage or risk to your health and safety. The Social Fund decision-maker will take into consideration any income or savings you have and whether help is available from other sources. Crisis loans are interest free.

4.4 **How to apply to the discretionary Social Fund**

To apply for a community care grant you need application form SF300 and for a budgeting loan you need form SF500 from the local Jobcentre Plus office. If you need a crisis loan, ask at the office for application form SF401 (or you may be able to apply by telephone).

When you apply for a community care grant or a crisis loan it is important to give as much information as possible about your circumstances and why you need help, such as details of any health problems. If there is not enough room on the form, you can add a separate sheet.

Note

It is often helpful to include a letter of support from your GP or a social worker. A Citizens Advice Bureau or welfare rights agency may be able to help with the application.

4.5 You disagree with a decision on your Social Fund claim

If you disagree with a decision you can ask for a review at your local Jobcentre Plus office where you will be able to put your case personally to a Social Fund reviewing officer. This is usually done over the telephone rather than in person. Afterwards, if you are still dissatisfied, you can ask for your case to be looked at by the Independent Review Service (IRS). Your papers will be passed to the IRS and an inspector will conduct a review independently of the Jobcentre Plus office. The process is quick and simple. You don't have to attend the hearing and inspectors aim to clear cases within 12 days of receipt.

5 Help from charities and benevolent funds

If you have checked that you are getting all the benefits you are entitled to and you are not able to get any help (or enough help) from the Social Fund' you could approach charities and benevolent funds.

Grants from charities can range from £10 food vouchers to large amounts for buying domestic goods like washing machines, cookers and fridges. Others may provide small amounts towards, for example, wheelchairs, housing adaptations and holidays. Some occupational trust funds can provide a small weekly or monthly allowance.

Most charities won't be able to provide large amounts so it is important to apply to as many as possible.

If you are 60 or over and receiving Pension Credit, Housing Benefit and/or Council Tax Benefit charitable payments will be ignored ie, not taken into account as income or capital.

People under 60 who receive benefits may have charitable payments taken into account as either income or capital so should seek advice before applying.

There are many different charities and trusts in the UK ranging from those who will consider helping anyone in need to those targeting particular groups. Occupational charities may assist someone who worked in a particular trade or profession and will often help their widows, widowers and dependant children. Other charities target illnesses and disabilities; people who have served in the forces and particular religions.

The organisations below can help you to find charities to apply to. Before contacting them it is useful to make a note of as much of the following information as you can:

- where you live
- place of birth
- age
- marital status
- family responsibilities
- health problems
- income
- career and work history
- service in armed forces
- membership (past or present) of a trade union
- religion

A guide to grants for individuals in need is published by the Directory of Social Change and should be available at your local library. It provides information about over 2,000 charities and many advice services. It also has a chapter explaining how to make an application to a charity.

6 Useful organisations

- **Association of Charity Officers (The)**
Helpline: 01707 651777
Website: www.aco.uk.net

- **Charity Search**

Tel: 0117 982 4060

Website: www.charitysearch.org.uk

- **Citizens Advice Bureau**

National network of free advice centres. Depending on available resources may offer benefits check and help filling forms.

Tel: 020 7833 2181 (for local contact details only – not telephone advice)

Website: www.adviceguide.org.uk

- **Direct Gov**

The official Government website for information for citizens.

Website: www.direct.gov.uk/en/index.htm

- **Disability and Carers Service**

Responsible for administration of Carers Allowance, Attendance Allowance and Disability Living Allowance

Tel: 0845 7 12 34 56

Website: www.dwp.gov.uk/lifeevent/benefits/dcs/

- **Funder Finder**

Tel: 0113 243 3008

Website: www.funderfinder.org.uk

- **Jobcentre Plus**

Provides help and advice on jobs and training for people who can work and financial help for those who cannot. The Social Fund is administered by Jobcentre Plus.

Tel: 0800 055 6688 (free call)

Textphone: 0800 023 4888

- **Pension Service (The)**

The Pension Service provides impartial UK government information on state and private pensions. It is part of the Department for Work and Pensions.

Tel: 0845 6060265

Website: www.thepensionservice.gov.uk

● **Winter Fuel Payment Helpline**

Tel: 08459 151 515

Textphone 0845 601 5613

7 **Further information about Age Concern**

Visit the Age Concern website, www.ageconcern.org.uk, or call our national Information Line on 0800 00 99 66 (free call) if you would like:

- to order copies of any of the Age Concern information materials mentioned in this factsheet;
- to request information in large print;
- further information about our full range of information products;
- contact details for your nearest local Age Concern.

Books from Age Concern

Age Concern publishes a wide range of books for older people and those who care for and work with them. The following title may be of particular interest:

Your rights to money benefits 2009/10. All you need to know about the full range of benefits for the over 60s. £5.99 (available June 2009)

To order this book, or to view our full range of books, please visit our website www.ageconcern.org.uk/bookshop or call our book order line 0870 44 22 120.

Age Concern and Help the Aged

Age Concern England and Help the Aged have joined together to form Age UK, a single charity dedicated to improving the lives of older people.

Age Concern and Help the Aged across the UK

To find out more about Age Concern and Help the Aged's work in Northern Ireland, Scotland and Wales, contact:

Age Concern Northern Ireland

Tel: 028 9032 5055

Website: www.ageconcernni.org

Scottish Helpline for Older People (Age Concern Scotland)

Tel: 0845 125 9732

Websites: www.olderpeoplescotland.org.uk

www.ageconcernscotland.org.uk

Age Concern Cymru

Tel: 029 2043 1555

Website: www.accymru.org.uk

Support our work

Age Concern is the largest provider of services to older people in the UK after the NHS. We make a difference to the lives of thousands of older people through local resources such as our befriending schemes, day centres and lunch clubs; by distributing free information materials; and through our national freephone helpline – the Age Concern Information Line 0800 00 99 66.

If you would like to support our work by making a donation please call Supporter Services on 020 8765 7527 (Monday to Friday 9.15am–5pm) or visit www.ageconcern.org.uk

Legal statement

Age Concern England (charity number 261794) has merged with Help the Aged (charity number 272786) to form Age UK, a charitable company limited by guarantee and registered in England: registered office address 207-221 Pentonville Road, London, N1 9UZ, company number 6825798, registered charity number 1128267.

Age Concern and Help the Aged are brands of Age UK. The three national Age Concerns in Scotland, Northern Ireland and Wales have also merged with Help the Aged in these nations to form three registered charities: Age Scotland, Age Northern Ireland, Age Cymru.

Disclaimer and copyright information

This guide is not a comprehensive statement of the law in this subject and Age Concern and Help the Aged cannot give individual legal or financial advice. Some rules may have changed since the publication of this guide. If you have any queries that this guide does not answer, seek further advice from one of the organisations suggested.

Please note that the inclusion of named agencies, companies, products, services or publications in this factsheet does not constitute a recommendation or endorsement by Age Concern and Help the Aged. While every effort is made to ensure accuracy, Age Concern and Help the Aged cannot be held responsible for errors or omissions.

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