

Factsheet 49 ● April 2010

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 2010 – March 2011. Benefit rates and other figures are expected to increase again in April 2011 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 UK organisations for information specific to where they live – see section 7 for details.

For details of how to order other factsheets and information materials mentioned inside go to section 7.

Note: Many local Age Concerns are changing their name to Age UK.

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1 Recent developments

- The **Cold Weather Payment amount** was raised to £25 from 1 November 2009. This is expected to remain the same for 2010/2011 but there may be further announcements later in the year.
- The minimum state pension age for women is rising gradually from age 60 from April 2010. The age at which both men and women become entitled to the **Winter Fuel Payment** is rising in line with this. This will mean that you will be entitled to the 2010/11 Winter Fuel Payment if you have had your 60th birthday before 6 July 2010.

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, have reached the minimum pension age for women. Cold Weather and Winter Fuel Payments are mainly paid automatically to those entitled.

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 £25.00 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.

Payments will be made automatically so you don't need to make a claim.

For more information about heating see 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 if you are over age 60 and have reached the minimum state pension age for women during the qualifying week, which is normally the week beginning with the third Monday in September. In 2010 this will apply if you have your 60th birthday before 6 July 2010. There are no income or savings limits. You must be living in Great Britain.

The following rules apply if you or your partner do **not** get Pension Credit, income-related Employment and Support Allowance or income-based Jobseeker's Allowance for winter 2010–11.

- If you are 60 or over before 6 July 2010, 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 £150, or £75 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 up to age 79, or £200 if you are aged 80 or over.

The following rules apply if you **are** getting Pension Credit, income related Employment and Support Allowance or income-based Jobseeker's Allowance for winter 2010–11.

- 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, income-related Employment and Support Allowance 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 Pension Credit, income-related Employment and Support Allowance or income-based Jobseeker's Allowance or who have been in hospital for more than 52 weeks will not get a payment.

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 under age 65, you will need to make a claim before 31 March 2011. 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.

3.3 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 in some circumstances. It is not usually given if there are closer relatives or other equally close relatives not on the above benefits because it will be assumed that they can afford to pay for the funeral.

A claim must be made within three months of the date of the funeral.

3.3.1 Savings and assets

There are no savings/capital limits for Social Fund Funeral Payments. The Payment 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 some of the costs of a simple, respectful, low-cost funeral including the following:

- buying a new burial plot, or cremation (including doctors costs for relevant certificates and/or pace maker removal);
- 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;
- the cost of any documentation necessary for the release of the deceased's assets;
- some of the costs of transporting the deceased, and coffin and mourners to the funeral but only if over 50 miles.

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.

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. Some funeral directors have access to forms as well.

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.

Some people need to make new claims for benefits after a death. If an application for a Funeral Payment has been refused because a relevant benefit was not in payment while you were waiting for the claim to be processed, you can ask for the Funeral Payment decision to be changed once you receive notice that the benefit is now in payment.

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 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. Budgeting and crisis loans 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 Jobseeker's Allowance.

These grants don't have to be repaid. Savings over £1,000 (£500 for people under 60 or who have not reached the minimum state pension age for women) 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 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 Jobseeker's Allowance;

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 or who have not yet reached women's pension age) 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 You may be able to apply for a Crisis Loan by telephone but in some cases you will be asked to attend an interview at the local Jobcentre Plus office.

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 small weekly amounts for 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.

Regular charitable payments will not usually be taken into account as income for other benefits. One off charitable payments may only affect your benefits if they take your capital over certain levels.

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 from Age UK

Visit the Age UK website, www.ageuk.org.uk, or call Age UK Advice free on 0800 169 65 65 if you would like:

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

Books from Age UK

We publish 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 2010–2011

All you need to know about the full range of benefits for the over 60s.
£5.99

To order this book visit www.ageuk.org.uk/bookshop or to request a free books catalogue please call our book order line 0870 44 22 120 (lo-call rate).

Age UK

Age UK is the new force combining Age Concern and Help the Aged. We provide advice and information for people in later life through our publications, online or by calling Age UK Advice.

Age UK Advice: 0800 169 65 65

Website: www.ageuk.org.uk

In Wales, contact:

Age Cymru: 0800 169 65 65

Website: www.agecymru.org.uk

In Scotland, contact:

Age Scotland: 0845 125 9732

Website: www.agescotland.org.uk

In Northern Ireland, contact:

Age NI: 0808 808 7575

Website: www.ageni.org.uk

Support our work

Age UK 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 calls to Age UK Advice on 0800 169 65 65.

If you would like to support our work by making a donation please call Supporter Services on 0800 169 80 80 (8.30 am–5.30 pm) or visit www.ageuk.org.uk/donate

Legal statement

Age UK is a registered charity (number 1128267) and company limited by guarantee (number 6825798). The registered address is 207–221 Pentonville Road, London, N1 9UZ. VAT number: 564559800. Age Concern England (charity number 261794) and Help the Aged (charity number 272786) and their trading and other associated companies merged on 1 April 2009.

Together they have formed Age UK, a single charity dedicated to improving the lives of people in later life. 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.

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