



Social Fund (Discretionary)

Policy

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this is Redcar & Cleveland

SECTIONS

1. The purpose of the Social Fund
2. Applying for (Daily Living expenses)
3. Applying for (Settlement loans)
4. Decision making
5. Payments
6. Notification
7. Exclusions
8. The Right to Seek a Review
9. Monitoring
10. Publicity
11. Fraud

APPENDICES

Appendix A – Financial Assessment and Social Factors

Social Fund Scheme (Discretionary)

Section 1 – The Purpose of the Social Fund

1.1 The purpose of this policy is to specify how Redcar and Cleveland Borough Council will operate the Discretionary Social Fund Scheme and to indicate the factors that will be considered when deciding if a Social Fund payment or loan can be awarded. Each case will be treated strictly on its merits and all customers will receive equal and fair treatment within a transparent process taking full account of the Council's responsibilities under all relevant Government Legislation, for example the Equality Act 2010. The Financial Support Team is committed to working with other Council Directorates, Voluntary and Community Sector organisations, Social Landlords and other relevant partners in the Borough to facilitate this.

1.2 The Financial Support Team will consider making a payment or loan from the Social Fund to customers who meet the qualifying criteria as specified in this policy. The operation of the scheme is at the Council's discretion and customers do not have an automatic right to a payment or loan.

1.3 There are two types of areas that will be considered when assessing applications:

1.4 Daily Living Expenses

1.5 Daily living expenses cover scenarios where, due to a crisis, there is a severe risk to the health and safety of the applicant or an immediate family member or dependent which *cannot be met from another source*. Payments or Loans could, for example, be made to cover the following risks:

- No access to essential needs (food, heating and clothing)
- Immediate eviction
- Imminent deterioration in health
- Children at risk of being taken into care
- Breakdown of the family unit

1.6 What is a crisis?

Examples of crisis are sudden and unexpected high impact circumstances such as major flooding, gas explosions or house fires causing major disruptions to households. A crisis could also be having no financial funds available, due to unexpected changes of circumstances, to meet daily living expenses.

1.7 Settlement Loans

1.8 Customers may be able to get a settlement loan if they are leaving accommodation in which they received significant and substantial care and supervision. Applications may be made up to 6 weeks in advance of them leaving their accommodation.

1.9 Examples of accommodation that would fit the criteria are:

- A hospital or other medical establishment
- A care home
- A hostel
- Staff intensive sheltered housing
- Accommodation provided as part of Local authority care
- A Prison or detention centre.

1.10 Settlement loans will enable the Council to provide support for vulnerable people in financial crisis. The Financial Support Team will treat all applications on an individual basis. When making a decision on any application, consideration will be given to the Council priorities as detailed in its corporate plan document 'Our Plan'.

1.11 Single people living with other family members will generally not be eligible for Social Fund awards, as it will be assumed that their family will be providing the assistance that they need. However, exceptional circumstances may apply.

Section 2 - Applying for Daily Living Expenses

2.1 Eligibility criteria

To be eligible for a daily living expenses award, all of the following conditions must be satisfied:

- Customers must be aged 16 or over
- Customers must be without sufficient resources to meet their immediate short-term needs or those of their family
- Customers must not be an excluded person (see 2.7)
- Customers must not be a person subject to immigration control
- The customer must satisfy the financial assessment criteria set by the Council (appendix A).
- The customer or partner should not have over £500.00 in savings.
- No more than 2 Social Fund awards have been made within a rolling 12 month period or exceed a total value of £1500.

2.2 How to apply

If you are in need of financial help due to a crisis and/or you are resettling into the community and are in need of financial help, and you think you may be eligible for Social Fund assistance, please call 01642 771276. The Financial Support Team will be able to advise you whether you may be eligible and how to claim.

A claim for daily living expenses can be made online via Redcar and Cleveland Borough Council's website:

www.redcar-cleveland.gov.uk Applications can be made by selecting the 'Social fund' link under the letter 'S' on the A-Z index.

2.3 Payment awards (Daily Living expenses)

- Daily living expense applications will be treated as a priority and the Council will aim to make a decision on these cases on the next working day of the application being received.
- Payments awarded subject to application made by 1:00pm Monday to Friday will be collectable from a designated council office before 5:00pm on the day of application.
- Payments awarded subject to application made after 1:00pm Monday to Friday will be available for collection the next working day.
- Alternatively, payments can be sent by post.

2.4 Notification of entitlement

A notification will be sent by post/email within 24 hours of a decision being made, explaining the decision and the review process (If the customer does not have a permanent address, they will be advised that they can collect their notification letter from a designated Council office. Notification messages are also sent via sms text where possible.

2.5 Applications made by a partner organisation

2.6 The Council will also consider applications submitted by partner organisations whom, on behalf of individuals, routinely provide support and guidance. These applications must be made in the presence of the customer, and with their explicit consent. The following are examples of agencies that might act on a customer's behalf.

- Credit Union
- Women's Refuges
- Homeless Hostels and Independent Living providers
- Citizens Advice Bureau
- Welfare Rights Officers
- Age UK
- Redcar and Cleveland Mind
- Social Workers
- Keyworkers
- Carers Together
- Registered Social Landlords

The list is not exhaustive and the council reserves the right to accept applications from other organisations

2.7 The Council will take into consideration any additional information provided by partner organisations in support of their customers applications.

2.8 Types of payment

Arrangements will be made for the provision of:

Description	Payment Method
Food	Pre-Payment Card
Clothing and Nappies	Pre-Payment Card
Heating (Reconnection Only)	Pre-Payment Card to be Used at Pay Point
Visiting a Close Relative in Hospital within the Tees Valley	Pre-Payment Card

A close relative is to be classed as one of the following: -

- Husband or Wife
- Child
- Parents
- Parents in law

2.9 Payment amounts and award period

A maximum payment will be dependant on the individual need of each claimant. This will take account of figures already determined for items such as heating, food and clothing. The period of an award will be dependant on a customer's individual circumstances but will not normally exceed 14 days.

Customers can only receive a maximum of two awards in any rolling 12 month period with a total financial value which does not exceed £1500. In extreme, exceptional circumstances, a further application may be considered.

2.10 Excluded Applicants

The following people are excluded from receiving daily living expenses in all circumstances:

- People in hospital and care homes (independent or Local Authority), unless their discharge is planned to take place within the next two weeks.
- Prisoners and people lawfully detained, including those released on temporary licence (but not those released on parole or on bail pending a court hearing).
- Members of a religious order who are fully maintained by the order.

Except in very limited circumstances, the following people are excluded from receiving daily living expenses:

- Full-time students not on Income Support, Income Based Job Seekers Allowance, Income Related Employment Support Allowance or Guaranteed Pension Credit (including payments on account).
- Someone who is a 'person from abroad' (i.e. who fails or would fail the habitual residence test for the purpose of Income Support, Guaranteed

Pension Credit, Income-based Job Seeker's Allowance or Income Related Employment Support Allowance).

- People subject to certain sanctions or disallowances to their Jobseekers Allowance, Employment Support Allowance, Income Support or Guaranteed Pension Credit.

In situations of severe crisis a support payment or loan may be payable. Any payments or loans made will be at the sole discretion of the Council.

Section 3 - Applying for settlement loans

3.1 Customers may receive a settlement loan if:

a) It is determined that they have insufficient finances available to fund their settlement expenses. This is subject to a financial assessment process which takes account of household income and expenditure. Social factors may also be taken into account. The process is detailed at appendix A.

b)* They are leaving accommodation in which they received significant and substantial care and supervision and will be discharged within 6 weeks and be expected to satisfy the financial assessment criteria set by the Council indicated above (examples of such accommodation are given in paragraph 1.5.2).

**Not only must the customer be leaving such an establishment, but also establishing themselves in the community. Both the time spent in the accommodation and the level of individual care and supervision provided will be taken into consideration when making a decision. A settlement loan may also be made if this will help a customer to stay in the community rather than enter accommodation to receive care. One of the factors considered is how immediate the likelihood is of going into such accommodation, and whether the type of item or service asked for would prevent this happening. An example of this circumstances is:*

- *Help to move to a more suitable place to live or to be nearer someone who will provide care and support.*

c) They need help with costs to ease exceptional pressures for a customer and their family. Some examples of situations that may give rise to exceptional pressure are:

- Someone in the family suffers from a disability or chronic sicknesses which gives rise to an exceptional need and where that need cannot be met by another support fund e.g. Disability Living Allowance.
- There is, or has been, a recent breakdown of relationships within the family, (including domestic violence).
- There is a serious problem with the accommodation, such as structural problems or extensive repair works.
- Domestic upheaval because of unforeseen circumstances such as house fire, flooding or other disaster.

d) They or their partner should not have over £500.00 in savings.

3.2 The eligibility criteria may apply to other circumstances exceptional pressures can cover a very wide range of personal circumstances. When considering applications, the Financial Support Team will look at **all** the factors causing pressures on the family and will decide:

- Whether any of them individually or collectively when looked at as a whole, constitute exceptional pressure, and:
- If so, whether the items applied for will ease that exceptional pressure.

3.3 Types of award and assistance

Awards can be made for the provision of:

- Bed and/or Bedding
- Wardrobes
- Chest of Drawers
- Utensils
- Something to sit on
- White Goods
- Visiting a Close Relative in Hospital within the Tees Valley

The value of all awards made for household goods, will be offered on a loan basis, and will be administered by a nominated Credit Union.

3.4 Award values

Award values will be at the discretion of the Council but will be based on standard prices for items required including the cost and installation.

Section 4 – Decision Making

4.1 Assessment Process

The Financial Support Team will consider all applications, and will write/email/text to both successful and unsuccessful applicants with the outcome, including reasons for the decision and details of the review process.

If the application is incomplete or further supporting evidence is required, the team will contact relevant services or the customer for the necessary information. Once all information has been collected, the Financial Support Team will aim to contact the customer with a decision by post/email within 20 working days of receipt of the required information.

If successful, awards will be provided in line with the customer's needs.

4.2 Assessment Process for applications made by partner organisations

For partner organisations, the following process will be followed:

- A customer contacts the partner organisation asking for assistance in claiming a settlement loan.
- The partner organisation identifies that the customer may be eligible for a settlement loan. They then, in the presence of the customer and with explicit consent, support them to complete an online application.

The Financial Support Team will consider all applications, and will write/email/text to both successful and unsuccessful applicants with the outcome, including reasons for the decision and details of the review process.

If the application is incomplete or further supporting evidence is required, the team will contact relevant services or the customer for the necessary information. Once all information has been collected, the Financial Support Team will aim to contact the customer with a decision by post/email within 20 working days of receipt of the required information.

4.3 The Financial Support Team may request any reasonable evidence in support of an application for a Social Fund award. Such requests will normally be made in writing, although if an urgent application is being considered (such as a customer potentially being made homeless), this will be requested by telephone. The customer will be asked to provide the evidence within 14 days of a request being made although this will be extended in appropriate circumstances.

4.4 The Financial Support Team reserves the right to verify any information or evidence provided by the customer as appropriate. Any such request will be essential to the decision making process and will be used in connection with the Social Fund application. If the customer is unable to, or does not provide the required evidence, the Financial Support Team may still consider the application and will take into account any other available information.

4.5 The Financial Support Team may refer the customer to other services, to maximise their income by checking the availability of welfare benefits and other sources of financial assistance. Customers may also be referred to the CAB to receive assistance with their financial capability.

5.0 Payments

5.1 The Financial Support Team will decide the most appropriate person to pay based upon the circumstances of each case.

5.2 Depending on individual circumstances, awards may be payable to:

- The customer;
- Their partner;
- An appointee;
- Any third party to whom it might be most appropriate to make payment i.e. directly to the supplier of goods or services.

5.3 The Financial Support Team will pay a Social Fund award usually in the form of a pre-payment card or any other method deemed most appropriate.

Cash payments will not be made unless there is an absolute and overriding requirement that payments must be made by cash.

5.4 The value of all awards made for household goods will be offered on a loan basis, via the Credit Union. Household goods will normally be ordered directly by the Council to be delivered and installed (it appropriate) at the customers address.

Section 6 – Notification

6.1 If a customer's application is unsuccessful, the Financial Support Team will set out the reasons why this decision was made and explain the right of review. Notifications will include details of where a claimant may seek further assistance (such as the Council's Welfare Rights Unit or Citizens Advice Bureau). Where the application is successful, the Financial Support Team will advise:

- The amount of payment or loan awarded;
- How, when and to whom the award will be paid;
- The right to request a review and how further assistance can be obtained;

Section 7 – Exclusions

7.1 Daily living expenses will not normally be awarded for the following:

- A need which occurs outside the United Kingdom.
- An educational or training need including clothing and tools.
- Distinctive school uniform or sports clothes for use at school or equipment to be used at school because funding is available from other sources.
- Travelling expenses to or from school because funding is available from other sources.
- School meals taken during school holidays by children who are entitled to free school meals.
- Expenses in connection with court (legal) proceedings such as legal fees, court fees, fines, costs, damages, subsistence or travelling expenses.
- Removal or storage charges if you are being re-housed following a compulsory purchase order, a redevelopment or closing order, a compulsory exchange of tenancies, or under a housing authority's statutory duty to the homeless.
- The cost of domestic assistance and respite care.
- Any repair to property owned by public sector housing bodies including housing associations, housing co-operatives and housing trusts.
- A medical, surgical, optical, or dental item or service.
- Work related expenses including fares when seeking work and the cost of work clothes.
- Debts to Government Departments or elsewhere.
- Investments.
- Purchase, installation, rental and call charges for a telephone.

- Housing costs, including general costs associated with a house move.
- Council tax, water charges.
- A customer living at home with family.
- Customers who have no recourse to public funds in the United Kingdom.
- Any expense which the Council has a statutory duty to meet.
- Maternity and funeral expenses (clothing for a pregnant woman, clothing for a growing baby are exceptions).
- Where the crisis has solely arisen due to the loss, theft or misplacing of money. This is due to difficulties in verifying these factors.
- Banking errors

This list is not exhaustive.

Section 8 - The Right to Seek a Review

Reviews

8.1 Reviews of any Social Fund decision can be requested using the procedure below:

8.2 A customer (or their appointee) who disagrees with a decision may ask for a review if they can demonstrate there has been a factual error based on the decision made or has new evidence which has come to light which was not provided with the original application. In either circumstance, the customer must provide the relevant details. Such review requests must be made in writing to the Council within one calendar month of the written decision being issued to the customer. Where a partner organisation is supporting a customer, the review request must be written in the presence of the customer and with explicit consent.

8.3 When a review is requested, the Council will conduct a review of the decision and contact the customer by post within 10 working days of the review request being received to advise whether the decision will be amended, and if so, details of the award. If the original decision is upheld, the reasons will be provided. All reviews will be considered by an officer not involved in the original decision.

8.4 The Council will be unable to review decisions in so far that they relate to refusals based on a lack of available funds. The funding of the scheme will be limited to the Social Fund grant allocation as provided by the Department for Work and Pensions.

8.5 If a customer wants to make a complaint about the Social Fund decision making process, they can do this through the Council complaints process or through the Local Government Ombudsman.

8.6 The Customer also reserves the right to seek judicial review if it considers that the Council has not administered its Social Fund legally.

Section 9 - Monitoring arrangements and managing the Discretionary Social Fund Scheme fund

9.1 The Social Fund budget will be periodically reviewed and will be subject to an annual reconciliation in relation to the number and financial amount of awards made against available funding. The purpose is to ensure the Council has sufficient funds to meet demands on the budget throughout the financial year.

8.2 The Financial Support Team will monitor cases where an application has been refused to ensure decisions are being made fairly and consistently. The Council is subject to the general equality duty. This means that steps will be taken to monitor implementation of this policy to ensure no one is subject to disproportionate adverse treatment because they had a protected characteristic. The general equality duty requires that the Council has due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Section 10 - Publicity

10.2 The Financial Support Team will publicise the Social Fund and will work with all interested parties to achieve this. The scheme will be publicised on the Council's website and the Financial Support Team will ensure the Council's Directorates and relevant Partner Organisations are made aware of the scheme, and how claims can be made.

Section 11 - Fraud

11.1 Redcar and Cleveland Borough Council is committed to the fight against fraud in all its forms. A customer who tries to fraudulently claim a Social Fund payment or loan by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Fraud Act 2006. Where it is alleged, or the authority suspects that such a fraud may have been committed, the matter will be investigated and if fraud is found to have occurred, action will be taken including if appropriate criminal proceedings and the Social Fund payment may be recovered from the customer.

11.2 The Council will also refuse, at its sole discretion, claims that it considers have been made to take advantage of the Council's scheme.

Appendix A

Financial Assessment in relation to a Social Fund Application

The Financial Support Team will assess customer's financial income and essential expenditure as part of the decision making process with regards eligibility for a Social Fund grant or loan. Below are some guidelines the Council will follow, however this fund is wholly discretionary.

Consideration will be given as to whether or not the applicant has finances available to meet their basic living requirements.

Household Income and savings

All income will be taken into account, including welfare benefits.

The Council will endeavour to refer customers for a full welfare benefits check and advice on any additional benefits that may be claimed. It is expected that persons applying to the Social Fund will claim any and all benefits to which they are entitled. Where benefits are available but not claimed, despite advice and opportunity to do so, this will be treated as a deprivation of income and the contribution will therefore be calculated as if the benefits were being claimed.

Household Expenditure

When completing a Financial Assessment, the Council will only take into account agreed expenditure relating to household expenditure for the main place of residence. This amount will be disregarded from the calculation of income that the person receives.

A customer may be required to provide proof that they are the liable person for any expenditure relating to the property that they reside at. If the person is not the owner or responsible tenant of the property, no household costs will be taken into consideration. However if the person can provide documentary evidence that they have always paid those costs, some or all of those costs may be taken into consideration.

The Council will only allow the amount of rent and Council Tax payable after any Housing Benefit or Council Tax support has been awarded. Rent paid to family members which precludes a person from claiming benefit for rent will not be considered as a valid expense. Normal Housing Benefit rules will be applied to all cases.

Disability Related Expenses

When completing a financial assessment, a person's degree of disability will be taken into consideration and certain allowances will be made to accommodate additional expenditure that the person can show that they incur as a result of their disability.

It is not possible to provide an exhaustive list of what allowances will be made, as this will be determined on a case by case basis, but set out below are some examples of basic allowances that might be considered if relevant to their disability needs. Discretionary expenses will be considered based on evidence that the claimed expense has been incurred because of the person's disability.

The person may be required to provide proof of any extra costs incurred above the standard rate.

- Domestic Support e.g. Cleaning
(Does not apply where a Direct Payment is already paid for domestic support)
- Special Fuel Payments
- Dietary Needs
- Special/Extra clothing
- Transport
(Does not apply in the following cases: Where a person is in receipt of the Disability Living Allowance or Personal Independence Payment - Mobility Component or where a person's transport needs are met through a Direct Payment or Personal Budget)

Social Factor considerations in relation to a Social Fund Application

In deciding whether social fund assistance is appropriate, the Council will also take account of the following factors:

- Proximity of essential services relied upon by the customer and their partner to their home;
- The exceptional nature of the customer and their family's circumstances;
- Any reasons which make it necessary or especially desirable for the customer to occupy the dwelling they currently reside in;
- Whether a Social Fund payment or loan keep the family together, support a vulnerable young person in the transition to adult life, or assist in the safeguarding of a vulnerable adult or child;
- The medical and social circumstances of the customer and their household, if they are relevant to the request;
- Whether other family members external to the household can help in any way towards the customer's needs;
- Whether the customer and their household could make changes to and are taking action to mitigate their crisis/need for assistance
- Whether the customer and their household are entitled to other welfare benefits but are not claiming them;
- The level of indebtedness of the customer and their household;
- Whether a Social Fund payment or loan would prevent homelessness;
- Whether a Social Fund payment or loan would help the customer being able to access or maintain employment, education or training;
- Whether a Social Fund payment or loan would prevent a move that

would have detrimental effects on the customer and their household, for example children's schooling, health, support networks or employment;

- Whether the customer is fleeing domestic abuse;
- Whether the customer is a care leaver;
- Whether the customer or other household members are subject to Social Services intervention;
- Whether the customer or other members of their household are undertaking care duties for relatives in the area;
- Whether the customer is a returning ex-offender who is having difficulty in finding suitable accommodation;
- Whether the customer is a former member of the armed forces who is having difficulty in finding suitable accommodation;
- Any other relevant factors