



Social Fund

(Discretionary)

Policy

2026-27

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SECTIONS

1. The purpose of the Social Fund
2. Applying for (Daily Living Assistance)
3. Applying for (Settlement Assistance)
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 its Discretionary Social Fund Scheme and to indicate the factors that will be considered when deciding if assistance can be provided. Each application will be assessed on its merits and the Council will observe its responsibilities in accordance with Government Legislation, for example the Equality Act 2010.

1.2 The Financial Support Team will provide assistance from the Social Fund to claimants who meet the qualifying criteria as specified in this policy. The administration of the scheme is ultimately at the Council's discretion and there is no automatic right to assistance.

1.3 The Council's Social Fund administration will be in addition to the Governments Crisis and Resilience Fund 2026-2029. Depending on a qualifying individuals circumstances and needs, assistance made be made from either or both funds.

1.4 There are two main areas that will be considered when assessing applications:

1.5 Daily Living Assistance

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

- No funds to cover essential needs (food, utilities and clothing)
- Risk of Immediate eviction
- Imminent deterioration in health
- Children at risk of being taken into care
- Breakdown of a family unit
- Fleeing domestic violence

1.6 What is a crisis?

Examples of crisis are sudden and unexpected high impact events such as major flooding, gas explosions or house fires causing major disruptions to households. A crisis could also be having no financial funds available to meet daily living expenses, due to unexpected changes of circumstances or 'financial shocks'. Social fund assistance is intended to assist with short term crisis. It is not a replacement for income which could be received from other sources such as from means tested benefits, earnings, health related benefits and benefit advances.

1.7 Settlement assistance

Claimants may be able to get a settlement assistance if they are leaving accommodation in which they received significant and substantial care and/or supervision, and where they have no income or capital to cover their settlement costs and are in financial crisis.

1.8 Examples of settlement scenarios that would fit the criteria are:

- Leaving a hospital or other medical establishment after long term admission
- Leaving a residential care home
- Leaving a homeless hostel or bed and breakfast accommodation
- Leaving (intensive) sheltered housing
- Leaving accommodation provided as part of Local authority care
- Leaving Prison or a detention centre
- Fleeing domestic violence and moving to alternative accommodation

1.9 The Financial Support Team will assess all applications for assistance individually on their merits.

1.10 Non-Householders living with other family members will generally not be eligible for Social Fund assistance, as it will be assumed that they will receive assistance within the family unit. However, each claim will be treated on its merits and in exceptional circumstances, assistance may be provided.

Section 2 - Applying for Daily Living Assistance and receiving payment

2.1 Eligibility criteria

To be eligible for a daily living assistance, all of the following conditions will generally apply:

- Claimants must be aged 16 or over
- Claimants must be without sufficient financial resources to meet their immediate short-term needs i.e. they do not have £500.00 or more in available disposable income in cash or at their bank.
- Claimants must not be an excluded person (see 2.9)
- The claimant will generally need to meet the conditions of a financial assessment criteria (appendix A)..
- A Social Fund assistance award has not previously been made within a rolling 12 month period.

2.2 How to apply

Claims can be made online on the Council's website www.redcar-cleveland.gov.uk and using the link on the 'Discretionary Social Fund' and 'cost of living support' pages.

Telephone assistance and enquiries can be made by calling 01642 771276.

2.3 Payments of Daily Living assistance

- Daily living assistance will be processed as a priority and the Council will aim to make a decision on the next working day following the application being received.
- Payments will generally be made via a payment card or a voucher which can be used in stores and online to purchase food and essentials. They will either be posted to the claimant or collectable from a designated Council office before 4:00pm on the day of award decision. Voucher payments may be emailed.
- It may not be possible to make a same day payment for applications received after 12:00PM on a working day as payments will be subject to daily banking deadlines and the Council's operational service hours.
- Working days are classed as Monday to Friday excluding bank holidays

2.4 Notification of entitlement

A notification will be generally be sent by email to the claimant within 24 hours of a decision being made, explaining the decision and the review process. If the claimant does not have an email address, their decision will be posted to them by royal mail. In the case where the claimant does not have a permanent address, they will be advised that they can collect their notification letter from a designated Council office. Notification messages may also be sent via SMS text where possible and in some cases the claimant will be advised of the outcome of their claim by telephone. In every case full details of a decision will be notified to the claimant in writing (generally by email) in addition to text and telephone notifications.

2.5 Applications made by a partner organisations or third parties

The Council will process applications submitted by partner organisations or third parties acting on behalf of claimants. The application must have been discussed and agreed with the claimant prior to submission and preferably in the presence of the claimant. The following are examples of agencies that might act on a claimant's behalf.

- Credit Union
- Domestic Refuges
- Homeless Hostels and Independent Living providers
- Citizens Advice
- 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 will accept applications where it is satisfied that the applicant is acting in the best interest of the claimant.

2.6 The Council will take into consideration all information provided by partner organisations in support of applications.

2.7 Types of payment

Payments will be made in the following ways:

Description	Payment Method
Food	Pre-Payment Card or voucher
Clothing and Nappies	Pre-Payment Card or voucher
Heating and electricity	Pre-Payment Card to be Used at Pay Point or direct payment to bank account
Visiting a Close Relative in Hospital within the Tees Valley	Pre-Payment Card
Direct provision of goods and furnishings	Through a procured provider

2.8 Payment amounts and award period

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

Where goods are provided, assistance will in most cases be limited to the provision of 2 essential household items, e.g. a cooker and a bed or a cooker and a fridge.

Claimants will generally only receive a maximum of one award in any rolling 12 month period. In extreme and exceptional circumstances further awards may be considered.

2.9 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), who do not have a date of discharge.
- People who are in prison and are not due for release within two weeks of the claim date.
- Members of a religious order who are fully maintained by the order.

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

- Full-time students not on Universal Credit, 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 Universal Credit, 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, Universal Credit, Jobseekers Allowance, Employment Support Allowance, Income Support or Guaranteed Pension Credit.

In situations of severe crisis assistance may be given to Excluded Applicants`. This will be at sole discretion of the Council and may be assistance provided alongside Crisis and Resilience Fund administration.

Section 3 - Applying for settlement Assistance

3.1 Claimants may receive settlement assistance 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/or supervision and will be discharged within 6 weeks and be expected to satisfy the financial assessment process at (Appendix A). Not only must the claimant be leaving such an establishment, but also must be establishing themselves in the community. The time spent in the accommodation and the level of individual care and supervision provided will be taken into consideration when making a decision. Settlement assistance may also be made if this will help a claimant 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 claimant 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.

3.2 Exceptional pressures can result from a wide range of personal circumstances. When considering applications, the Financial Support Team and the Crisis and Resilience Fund Team will look at all the factors causing pressures on the applicant and will decide:

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

3.3 Types of assistance

Assistance can be made for the provision of:

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

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 of installation if required. In most cases the provision of essential white goods and furnishings will generally be limited to two essential items, although the Council may decide additional support is appropriate in exceptional cases.

Section 4 – Decision Making

4.1 Assessment Process

4.2 The Financial Support Team will consider all applications, and will write/email/text claimants with the outcome, including reasons for the decision and details of the review process. The Crisis and Resilience Fund Team may also decide that a claimant is eligible for Social Fund Assistance and will refer the claimant to the Financial Support Team to administer support.

4.3 If an application is incomplete or further supporting evidence is required, the Financial Support Team will contact the applicant or third party acting on their behalf for the necessary information. Such requests will normally be made by email, although if an urgent application is being considered (such as a claimant potentially being made homeless), this will be requested by telephone. The claimant will be asked to provide the evidence within 14 days

4.4 This will not be necessary if the Crisis and Resilience Fund Team has already obtained necessary information and has made a referral to administer assistance.

4.5 Once all information has been received, the Financial Support Team will aim to contact the claimant with a decision within one working day of receipt of the required information.

4.6 The Financial Support Team and the Crisis and Resilience Fund Team will verify any information or evidence provided by the claimant as required to satisfy itself that circumstances are genuine and to ensure that public funding is being spent appropriately. If the claimant is unable to, or does not provide required evidence, and application may still be considered using information already received or available from other sources.

4.7 Applicant may be signposted to other services and agencies that can assist them.

4.8 Referrals and recommendations made by the Council's Welfare Rights Service will generally be accepted on the basis that the Welfare Rights Team has undertaken due diligence in respect of the Claimant's circumstances and that an assistance award is appropriate. There will generally be no need to undertake a further assessment process. The Welfare Rights Team must complete claim for assistance detailing the claimant's circumstances as an audit record which will be subject to audit processes.

5.0 Payments

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

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

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

5.2 The Financial Support Team will usually make daily living assistance payments via a pre-payment card although vouchers may be provided where appropriate. Cash payments will not generally be made unless there is an absolute and compelling requirement that payments should be made by cash.

5.3 Assistance for household goods will be through a procured provider (where possible), directly to the applicant. Direct purchase of items through a non-procured provider may be necessary in some circumstances.

Section 6 – Notification

6.1 If a claimant's application is unsuccessful, the Financial Support Team will set out the reasons for the decision 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).

Where the application is successful, the Financial Support Team will advise:

- The amount of assistance
- How, when and to whom the assistance will be made
- The right to request a review and how to do this.

Section 7 – Exclusions to assistance

7.1 General exclusions to assistance are listed below. However, the Council reserves the right to provide assistance in extraordinary and exceptional circumstances as it deems appropriate.

- 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 claimant living at home with family.
- Claimants 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).

- Generally in cases where the crisis has solely arisen due to the loss, theft or misplacing of money. This is due to difficulties in verifying these factors. However, all cases will be considered and if the Council is satisfied that a claim is genuine, assistance may be provided.
- Banking errors

This list is not exhaustive and all cases will be considered on their individual merits.

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 claimant (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 claimant 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 claimant and with explicit consent.

8.3 When a review is requested, the Council will conduct a review of the decision and contact the claimant by email or 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 the Council's own lack of available funds for assistance.

8.5 If a claimant 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 Claimant 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 and for future years.

9.2 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

10.1 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 assistance can be requested.

Section 11 - Fraud

11.1 Redcar and Cleveland Borough Council is committed to the fight against fraud in all its forms. A claimant who tries to fraudulently claim Social Fund assistance 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.

Financial Assessment in relation to a Social Fund Application

The Financial Support Team will assess a claimant'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 discretionary and the Council may decide in certain circumstances to apply different assessment principles.

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

Household Income and savings

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

The Council will endeavour to refer claimants 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 claimant 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, Universal Credit Housing Credits, 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. 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 claimant and their partner to their home;
- The exceptional nature of the claimant and their family's circumstances;
- Any reasons which make it necessary or especially desirable for the claimant 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 claimant 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 claimant's needs;
- Whether the claimant and their household could make changes to and are taking action to mitigate their crisis/need for assistance
- Whether the claimant and their household are entitled to other welfare benefits but are not claiming them;
- The level of indebtedness of the claimant and their household;
- Whether a Social Fund payment or loan would prevent homelessness;
- Whether a Social Fund payment or loan would help the claimant 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 claimant and their household, for example children's schooling, health, support networks or employment;
- Whether the claimant is fleeing domestic abuse;
- Whether the claimant is a care leaver;
- Whether the claimant or other household members are subject to Social Services intervention;
- Whether the claimant or other members of their household are undertaking care duties for relatives in the area;
- Whether the claimant is a returning ex-offender who is having difficulty in finding suitable accommodation;
- Whether the claimant is a former member of the armed forces who is having difficulty in finding suitable accommodation;
- Any other relevant factors