



Social Security Contributions and Benefits Act 1992

1992 CHAPTER 4

PART VIII

THE SOCIAL FUND

138 Payments out of the social fund.

- [^{F1}(1) There may be made out of the social fund, in accordance with this Part of this Act—
- (a) payments of prescribed amounts, whether in respect of prescribed items or otherwise, to meet, in prescribed circumstances, maternity expenses and funeral expenses; [^{F2}and]
 - [^{F3}(b) payments by way of community care grant, crisis loan or budgeting loan [^{F4}to meet—
 - (i) other needs, and
 - (ii) in the case of payments by way of budgeting loan, those needs for which provision is made by paragraph (a),]in accordance with directions given or guidance issued by the Secretary of State.]]
- (2) Payments may also be made out of that fund, in accordance with this Part of this Act, of a prescribed amount or a number of prescribed amounts to prescribed descriptions of persons, in prescribed circumstances to meet expenses for heating which appear to the Secretary of State to have been or to be likely to be incurred in cold weather.
- [^{F5}(3) The power to make a payment out of the social fund such as is mentioned in subsection (1)(b) above may be exercised by making a payment to a third party with a view to the third party providing, or arranging for the provision of, goods or services for the applicant.]
- (4) In this section “prescribed” means specified in or determined in accordance with regulations.

Status: Point in time view as at 06/04/2014.

Changes to legislation: Social Security Contributions and Benefits Act 1992, Part VIII is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

[^{F6}][^{F7}(5) In this Part—

“budgeting loan” means a loan awarded in circumstances specified in directions issued by the Secretary of State for the purpose of defraying an intermittent expense;

“community care grant” means a grant awarded in circumstances so specified for the purpose of meeting a need for community care;

“crisis loan” means a loan awarded in circumstances so specified for the purpose of meeting an immediate short term need;

and any reference in this subsection to meeting a need or defraying an expense includes a reference to helping to meet the need or to defray the expense.]]

Textual Amendments

- F1** S. 138(1) substituted (5.4.1999) by [Social Security Act 1998 \(c. 14\), ss. 70\(1\), 87\(2\)](#); S.I. 1999/1055, art. 2(a) (with art. 3)
- F2** Word in s. 138(1) repealed (1.4.2013) (with savings relating to budgeting loans and relating to community care grants and crisis loans applied for before 1.4.2013) by [Welfare Reform Act 2012 \(c. 5\), s. 150\(3\), Sch. 14 Pt. 8](#); S.I. 2012/3090, art. 2(1)(d) (with art. 3)
- F3** S. 138(1)(b) repealed (1.4.2013) (with savings relating to budgeting loans and relating to community care grants and crisis loans applied for before 1.4.2013) by [Welfare Reform Act 2012 \(c. 5\), ss. 70\(1\), 150\(3\)](#); S.I. 2012/3090, art. 2(1)(a) (with art. 3)
- F4** Words in s. 138(1)(b) substituted (8.5.2012) by [Welfare Reform Act 2012 \(c. 5\), ss. 71, 150\(2\)\(c\)](#)
- F5** S. 138(3) repealed (1.4.2013) (with savings relating to budgeting loans and relating to community care grants and crisis loans applied for before 1.4.2013) by [Welfare Reform Act 2012 \(c. 5\), s. 150\(3\), Sch. 14 Pt. 8](#); S.I. 2012/3090, art. 2(1)(d) (with art. 3)
- F6** S. 138(5) inserted (5.4.1999) by [Social Security Act 1998 \(c. 14\), ss. 70\(2\), 87\(2\)](#); S.I. 1999/1055, art. 2(a) (with art. 3)
- F7** S. 138(5) repealed (1.4.2013) (with savings relating to budgeting loans and relating to community care grants and crisis loans applied for before 1.4.2013) by [Welfare Reform Act 2012 \(c. 5\), s. 150\(3\), Sch. 14 Pt. 8](#); S.I. 2012/3090, art. 2(1)(d) (with art. 3)

[^{F8}139 Awards by social fund officers.

[^{F9}(1) Whether a payment mentioned in section 138(1)(b) above is to be awarded, and how much it is to be, shall be determined by an appropriate officer, that is to say, an officer of the Secretary of State who, acting under his authority, is exercising functions of the Secretary of State in relation to payments so mentioned.]

(2) [^{F10}An appropriate officer] may determine that an award shall be payable in specified instalments at specified times.

[^{F11}(3)

(4) An award [^{F12}of a crisis loan or a budgeting loan] shall be repayable upon such terms and conditions as before the award is paid the Secretary of State notifies to the person by or on behalf of whom the application for it was made.

(5) Payment of an award shall be made to the applicant unless [^{F13}the appropriate officer] determines otherwise.]

Status: Point in time view as at 06/04/2014.

Changes to legislation: Social Security Contributions and Benefits Act 1992, Part VIII is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

- F8** S. 139 repealed (1.4.2013) (with savings relating to budgeting loans and relating to community care grants and crisis loans applied for before 1.4.2013) by [Welfare Reform Act 2012 \(c. 5\)](#), s. 150(3), [Sch. 14 Pt. 8](#); [S.I. 2012/3090](#), [art. 2\(1\)\(d\)](#) (with [art. 3](#))
- F9** S. 139(1) substituted (29.11.1999 subject to specified exceptions) by [Social Security Act 1998 \(c. 14\)](#), s. 87(2), [Sch. 7 para. 72\(1\)](#); [S.I. 1999/3178](#), [art. 2\(1\)\(a\)\(2\)](#), [Sch. 1](#) (with [Schs. 21-23](#))
- F10** Words in s. 139(2) substituted (29.11.1999 subject to specified exceptions) by [Social Security Act 1998 \(c. 14\)](#), s. 87(2), [Sch. 7 para. 72\(2\)](#); [S.I. 1999/3178](#), [art. 2\(1\)\(a\)\(2\)](#), [Sch. 1](#) (with [Schs. 21-23](#))
- F11** S. 139(3) repealed (5.4.1999) by [Social Security Act 1998 \(c. 14\)](#), s. 87(2), [Sch. 7 para. 72\(3\)](#), [Sch. 8](#); [S.I. 1999/1055](#), [art. 2\(b\)\(c\)](#) (with [art. 3](#))
- F12** Words in s. 139(4) substituted (5.4.1999) by [Social Security Act 1998 \(c. 14\)](#), s. 87(2), [Sch. 7 para. 72\(4\)](#); [S.I. 1999/1055](#), [art. 2\(b\)](#) (with [art. 3](#))
- F13** Words in s. 139(5) substituted (29.11.1999 subject to specified exceptions) by [Social Security Act 1998 \(c. 14\)](#), s. 87(2), [Sch. 7 para. 72\(5\)](#); [S.I. 1999/3178](#), [art. 2\(1\)\(a\)\(2\)](#), [Sch. 1](#) (with [Schs. 21-23](#))

[^{F14}140] Principles of determination.

- (1) In determining whether to make an award [^{F15}of a community care grant or a crisis loan] to the applicant or the amount or value to be awarded [^{F16}an appropriate officer] shall have regard, subject to subsection (2) below, to all the circumstances of the case and, in particular—
- the nature, extent and urgency of the need;
 - the existence of resources from which the need may be met;
 - the possibility that some other person or body may wholly or partly meet it;
 - where the payment is repayable, the likelihood of repayment and the time within which repayment is likely;
 - any relevant allocation under section 168(1) to (4) of the Administration Act.

[^{F17}(1A) Subject to subsection (2) below, in determining whether to make an award of a budgeting loan to the applicant, or the amount or value to be awarded, an appropriate officer shall have regard to—

- such of the applicant's personal circumstances as are of a description specified in directions issued by the Secretary of State; and
- the criteria specified in paragraphs [^{F18}(b), (d) and (e)] of subsection (1) above;

[^{F19}....]

- (2) [^{F20}An appropriate officer] shall determine any question in accordance with any general directions issued by the Secretary of State and in determining any question shall take account of any general guidance issued by him.

[^{F21}(3) Without prejudice to the generality of subsection (2), the Secretary of State may issue directions under that subsection for the purpose of securing that allocations under section 168 of the Administration Act are not exceeded.]

- (4) Without prejudice to the generality of subsection (2) above, the power to issue general directions conferred on the Secretary of State by that subsection includes power to direct—

- that in circumstances specified in the direction [^{F22}an appropriate officer] shall not determine an application and, without prejudice to the generality of this paragraph, that [^{F22}an appropriate officer] shall not determine an application

Status: Point in time view as at 06/04/2014.

Changes to legislation: Social Security Contributions and Benefits Act 1992, Part VIII is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

which is made before the end of a specified period after the making of an application by the same person for a payment such as is mentioned in section 138(1)(b) above to meet the same need and without there having been any relevant change of circumstances since the previous application;

- [^{F23}(aa) that in circumstances specified in the direction an application for an award of a community care grant may be treated as an application for an award of a crisis loan, and vice versa;]
- (b) that for a category of need specified in the direction [^{F22}an appropriate officer] shall not award less than an amount specified in the direction;
- (c) that for a category of need specified in the direction [^{F22}an appropriate officer] shall not award more than an amount so specified;
- (d) that payments to meet a category of need specified in the direction shall in all cases or in no case be made by instalments;
- [^{F24}(da) that the amount or value of a budgeting loan is not to exceed a sum specified or determined as specified in the direction;]
- ^{F25}(e)
- (f) that a payment such as is mentioned in section 138(1)(b) above shall only be awarded to a person if either—
- (i) he is in receipt of a benefit which is specified in the direction and the circumstances are such as are so specified; or
- (ii) in a case where the conditions specified in sub-paragraph (i) above are not satisfied, the circumstances are such as are specified in the direction,

and the power to issue general guidance conferred on him by that subsection includes power to give [^{F26}appropriate officers] guidance as to any matter to which directions under that subsection may relate.

[^{F27}(4ZA) A direction under subsection (4)(da) may require the sum to be determined by applying, or by a method that includes applying, a multiplier specified in the direction in circumstances specified in the direction to the most recent relevant sum published by the Secretary of State.

(4ZB) A relevant sum is a sum determined from time to time by reference to so much of any relevant allocation under section 168(1) to (4) of the Administration Act as is available for making payments.]

(5) In determining a question [^{F28}an appropriate officer] shall take account (subject to any directions or guidance issued by the Secretary of State under this section) of any guidance issued by [^{F29}the appropriate officer nominated for his area under section 36 of the Social Security Act 1998].]

Textual Amendments

- F14** S. 140 repealed (1.4.2013) (with savings relating to budgeting loans and relating to community care grants and crisis loans applied for before 1.4.2013) by [Welfare Reform Act 2012 \(c. 5\)](#), s. 150(3), [Sch. 14 Pt. 8](#); S.I. 2012/3090, art. 2(1)(d) (with art. 3)
- F15** Words in s. 140(1) inserted (5.4.1999) by [Social Security Act 1998 \(c. 14\)](#), [ss. 71\(1\)](#), 87(2); S.I. 1999/1055, art. 2(a) (with art. 3)
- F16** Words in s. 140(1) substituted (29.11.1999 subject to specified exceptions) by [Social Security Act 1998 \(c. 14\)](#), s. 87(2), [Sch. 7 para. 73\(1\)](#); S.I. 1999/3178, art. 2(1)(a)(2), [Sch. 1](#) (with [Schs. 21-23](#))
- F17** S. 140(1A) inserted (5.4.1999) by [Social Security Act 1998 \(c. 14\)](#), [ss. 71\(2\)](#), 87(2); S.I. 1999/1055, art. 2(a) (with art. 3)

Status: Point in time view as at 06/04/2014.

Changes to legislation: Social Security Contributions and Benefits Act 1992, Part VIII is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- F18** Words in s. 140(1A)(b) substituted (3.7.2007) by Welfare Reform Act 2007 (c. 5), **ss. 54(a)**, 70(1)
- F19** Words in s. 140(1A) repealed (3.7.2007) by Welfare Reform Act 2007 (c. 5), **ss. 54(b)**, 70(1), **Sch. 8**
- F20** Words in s. 140(2) substituted (29.11.1999 subject to specified exceptions) by Social Security Act 1998 (c. 14), s. 87(2), **Sch. 7 para. 73(2)**; S.I. 1999/3178, art. 2(1)(a)(2), Sch. 1 (with Schs. 21-23)
- F21** S. 140(3) substituted (3.7.2007) by Welfare Reform Act 2007 (c. 5), s. 70(1), **Sch. 7 para. 2(3)**
- F22** Words in s. 140(4) substituted (29.11.1999 subject to specified exceptions) by Social Security Act 1998 (c. 14), s. 87(2), **Sch. 7 para. 73(4)(a)**; S.I. 1999/3178, art. 2(1)(a)(2), Sch. 1 (with Schs. 21-23)
- F23** S. 140(4)(aa) inserted (5.4.1999) by Social Security Act 1998 (c. 14), **ss. 71(3)**, 87(2); S.I. 1999/1055, art. 2(a) (with art. 3)
- F24** S. 140(4)(da) inserted (8.5.2012) by Welfare Reform Act 2012 (c. 5), **ss. 72(2)**, 150(2)(c)
- F25** S. 140(4)(e) repealed (5.4.1999) by Social Security Act 1998 (c. 14), **ss. 71(3)**, 87(2), **Sch. 8**; S.I. 1999/1055, art. 2(a)(c) (with art. 3)
- F26** Words in s. 140(4) substituted (29.11.1999 subject to specified exceptions) by Social Security Act 1998 (c. 14), s. 87(2), **Sch. 7 para. 73(4)(b)**; S.I. 1999/3178, art. 2(1)(a)(2), Sch. 1 (with Schs. 21-23)
- F27** S. 140(4ZA)(4ZB) inserted (8.5.2012) by Welfare Reform Act 2012 (c. 5), **ss. 72(3)**, 150(2)(c)
- F28** Words in s. 140(5) substituted (29.11.1999 subject to specified exceptions) by Social Security Act 1998 (c. 14), s. 87(2), **Sch. 7 para. 73(5)(a)**; S.I. 1999/3178, art. 2(1)(a)(2), Sch. 1 (with Schs. 21-23)
- F29** Words in s. 140(5) substituted (29.11.1999 subject to specified exceptions) by Social Security Act 1998 (c. 14), s. 87(2), **Sch. 7 para. 73(5)(b)**; S.I. 1999/3178, art. 2(1)(a)(2), Sch. 1 (with Schs. 21-23)

Status:

Point in time view as at 06/04/2014.

Changes to legislation:

Social Security Contributions and Benefits Act 1992, Part VIII is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.