

*These notes refer to the Welfare Reform Act 2007
(c.5) which received Royal Assent on 3rd May 2007*

WELFARE REFORM ACT 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

PART 4: Miscellaneous

Social Fund

Section 55: Allocations from the Social Fund

263. Under section 168 of the Social Security Administration Act 1992 the Secretary of State allocates money out of which Social Fund payments may be made under section 138(1) (b) of the Social Security Contributions and Benefits Act 1992.
264. The money available is limited. There is one budget for loans and one for grants. The budgets are currently allocated to Jobcentre Plus offices for the purpose of making payments of loans and grants to the customers in their geographical area. The intention is that there should be flexibility as to how allocations are made and, in particular, it should be clear that it is open to the Secretary of State to make a single allocation from which loans may be made nationwide, or to make an allocation for loans to be paid from a regional centre or in respect of a particular type of loan or grant. The amendments to section 168 in section 55 give that clarity and flexibility. There are other minor amendments to section 168, and an associated amendment to section 140 of the Social Security Contributions and Benefits Act, in paragraphs 2 and 3 of Schedule 7 to the Act (minor and consequential amendments).