



Welfare Reform Act 2012

2012 CHAPTER 5

PART 3

OTHER BENEFIT CHANGES

Social fund

70 Ending of discretionary payments

- (1) Section 138(1)(b) of the Social Security Contributions and Benefits Act 1992 (discretionary payments out of social fund) is repealed.
- (2) In consequence of the provision made by subsection (1), the office of the social fund Commissioner is abolished.
- (3) Payments are to be made out of the social fund into the Consolidated Fund in respect of—
 - (a) amounts allocated under section 168 of the Social Security Administration Act 1992 to the making of such payments as are mentioned in section 138(1)(b) but which are not so applied in consequence of subsection (1);
 - (b) sums relating to such payments as are mentioned in section 138(1)(b) that are paid into the social fund under section 164 of the Social Security Administration Act 1992.
- (4) The payments are to be such as the Secretary of State determines in accordance with any directions of the Treasury to be appropriate.
- (5) Subsection (3) is not to prevent the Secretary of State from re-allocating amounts allocated under section 168(1) of the Social Security Administration Act 1992.
- (6) The Secretary of State may by order provide for the transfer of property, rights and liabilities from the social fund Commissioner.
- (7) An order under this section may—

Status: This is the original version (as it was originally enacted).

- (a) provide for the transfer of property, rights and liabilities whether or not they would otherwise be capable of being transferred;
 - (b) make such supplementary, incidental, consequential or transitional provision as the Secretary of State considers appropriate.
- (8) An order under this section is to be made by statutory instrument.
- (9) A statutory instrument containing an order under this section is subject to annulment in pursuance of a resolution of either House of Parliament.
- (10) Schedule 8 contains consequential amendments.

71 Purposes of discretionary payments

In section 138 of the Social Security Contributions and Benefits Act 1992 (payments out of the social fund), in subsection (1)(b), for “to meet other needs” there is substituted “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).”

72 Determination of amount or value of budgeting loan

- (1) Section 140 of the Social Security Contributions and Benefits Act 1992 (principles of determination) is amended as follows.
- (2) In subsection (4), after paragraph (d) there is inserted—
- “(da) that the amount or value of a budgeting loan is not to exceed a sum specified or determined as specified in the direction;”.
- (3) After subsection (4) there is inserted—
- “(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.”

73 External provider social loans and community care grants

Sections 16 to 21 of the Welfare Reform Act 2009 (provisions relating to external provider social loans and community care grants), which have not been brought into force, are repealed.