



## **Changes to the Social Fund Could be Catastrophic for the Most Disadvantaged**

### **Family Action Chief Executive Helen Dent said:**

“Abolishing the ultimate national safety net provided by crisis loans and community care grants could be disastrous for some, leaving the poorest and most vulnerable in society at the mercy of local authorities, who will be free to use their funding to plug gaps in other budgets instead. Instead of a central point that is easy for people to access the money will go to 152 councils and will not be ringfenced. Local authorities can provide grants or use the money to plug gaps in other budgets and it will be a geographical lottery where the poorest could lose out. This could push some into the arms of doorstep lenders or loan sharks. This measure is bad news for families and local authorities will be handed a poisoned chalice with reduced resources to support those most in need when crisis hits.

Charities will be hard pressed to meet this demand. The proposals to localise the Social Fund are flawed and we call on Government to reconsider them. As a minimum, the replacement local funding should be ring-fenced to protect families living on the edge. We’re calling on Lord Freud and the Government to stand up and protect the people we represent.”

### **Ends**

For further information please contact Anthony McCaul, Senior Media and Campaigns Officer at Family Action on 0207 241 7632 or 0781 309 2040 or email [anthony.mccaul@family-action.org.uk](mailto:anthony.mccaul@family-action.org.uk).

### **Notes to Editors**

22 Charity chiefs signed a joint letter raising concerns about the abolition of the discretionary Social Fund as part of the Welfare Reform Bill. An amendment to ringfence funds provided to local authorities will be voted on this week in the House of Lords during the Welfare Reform Bill report stage debate.

### **About Family Action**

Family Action has been a leading provider and services to disadvantaged and socially isolated families since 1869. We work with over 45,000 children and families a year by providing practical, emotional and financial support through over 100 services based in communities across England. A further 150,000 people benefit from our educational grants and information service.