

Policy Committee

15 June 2026



Reading
Borough Council
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Title	Support for Low-Income Households
Purpose of the report	To make a decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Louise Duffield, Executive Director of Resources Melissa Wise, Executive Director, Communities &, Adult Social Care
Report author	Mark Redfearn, Social Inclusion & VCS Partnerships Manager
Lead Councillor	Liz Terry, Leader of the Council
Council priority	Promote more equal communities in Reading
Recommendations	<ol style="list-style-type: none">1. That the Committee agree the utilisation of the DWP Crisis & Resilience Fund as detailed in Para 4.41 for 2026/27 to support low-income households in Reading.2. That the Committee delegates authority to the Executive Director of Resources and Executive Director of Communities and Adult Social Care, in consultation with the Leader of the Council, to confirm and make changes to the Crisis and Resilience Fund scheme for Reading Borough whilst maintaining compliance with the funding allocation requirements from DWP, as detailed in para 4.45.3. That the Committee notes the decision taken under officer delegation by the Director of Policy, Change and Customer Service to utilise an element of the funding for staff resource and initial Crisis Payments and Housing Payments as detailed in para 3.5.

1. Executive Summary

- 1.1 The new Crisis and Resilience Fund (CRF) was allocated to the Council to deliver support to low-income households from 1 April 2026. The CRF allocation to Reading has been confirmed as £2,335,307 each year from 2026/27 to 2028/29. This funding from the Department of Works and Pensions (DWP) replaced the funding received by the Council for the Household Support Fund (HSF) and Discretionary Housing Payments (DHP) schemes but is a new scheme with different requirements.
- 1.2 By comparison, the Council received £367,440 for Discretionary Housing Payments and £1,992,735 for the Household Support Fund in 2025/26, totalling £2,360,175. HSF was allocated for 6–12-month periods, making longer term planning challenging.
- 1.3 The aim of the CRF is to provide support for those on low incomes who encounter a financial shock, whilst also investing in local financial resilience to enable communities to better deal with crises in the long-term, reducing dependence and repeat need. Within Reading, the Council wants the CRF to bring positive and sustained change to the financial health of residents, many of which face ongoing financial challenges because of their specific circumstances. As well as providing the immediate crisis support residents

need, the Council will proactively provide access to ongoing support and consistently direct residents to take up these opportunities to avoid falling into crisis in the future.

- 1.4 Reading has an effective voluntary and community sector within the borough which provides a substantial amount of support to low-income residents, and the Council will work in partnership with these and other statutory organisations to achieve its CRF ambitions.
- 1.5 There is an expectation from Government that the current DHP arrangements will continue (as the Housing Payments element) for at least the first two-years of the CRF.
- 1.6 This report provides an overview of all elements of Crisis & Resilience Fund support being proposed to support low-income households within the borough. These elements include:
 - Enabling residents facing a financial crisis to apply for support throughout the year.
 - Increasing the flexibility of financial support available to each household to be able to offer more support to those with the highest need.
 - Specifically supporting residents on means-tested benefits with their housing costs.
 - Applications for support considered by trained staff who can identify and refer to wider support options available to residents.
 - Funding an enhanced range of local services which support residents' long-term financial resilience.
 - Pro-actively identifying residents who may be at risk of falling into financial crisis.
 - Improving the co-ordination and collective joint working of organisations within the borough who provide cost-of-living support to low-income households.
- 1.7 The Council is required to submit a CRF delivery plan to DWP by 1 July 2026 and will be required to provide monitoring reports every six months on spend and outcomes in accordance with DWP guidance. The delivery plan is required to be approved by the Lead Councillor and Section 151 Officer before submission.
- 1.8 As mandated within the statutory CRF guidance issued by DWP, the Council has been administering applications for Crisis Payments and Housing Payments since 1 April 2026. By launching Crisis Payment and Housing Payment application schemes, the Council has met a key requirement of ensuring that immediate financial support is available to residents in a way that can continue throughout the year.
- 1.9 Whilst the CRF replaces the funding received via the HSF and has broadly similar objectives relating to supporting residents who are struggling financially, there are substantial differences in the expected scheme elements and approaches for doing this. This means that it shouldn't be expected that all the support offered via the HSF in recent years will be able to continue to be delivered by the Council.

2. Policy Context

- 2.1 In providing support to tackle the immediate and longer-term financial needs of residents, the Crisis and Resilience Fund contribute to the Council Plan objectives of promoting more equal communities within Reading, and safeguard and support the health and wellbeing of Reading's adults and children.
- 2.2 The introduction of the CRF presents the Council with an opportunity to plan over the medium term (three years) for the delivery of services that support residents who are struggling to meet the cost of living. Whilst the Council is required to develop and submit plans to utilise all the CRF funding provided each year, the Council can carry any unused funding into the next financial year for years 2026/7 and 2027/8. All the CRF funding must be spent by 31st March 2029. The approach proposed throughout this paper is based on developing an understanding, particularly in the current financial climate, of the demand on the crisis and housing elements of the CRF, whilst developing sustainable and impactful resilience services.

- 2.3 The HSF, by contrast, was funded on a 6–12-month basis through various rounds (the funding for 2025/26 represented the seventh round of funding). This created significant challenges for planning and delivering the scheme.
- 2.4 The recent Indices of Deprivation 2025 contain specific information about the scale of income deprivation within the borough, including specific data on income deprivation for households with children and those with older people. These are being used to develop the Resilience elements of the scheme.

3. CRF Requirements

- 3.1 The CRF requires local authorities to focus on the following four core elements:
- **Crisis Payments:** Providing support to those in crisis.
 - **Housing Payments:** Providing financial support towards housing needs, to those who face a shortfall in meeting their housing costs.
 - **Resilience Services:** Funding for services delivered by Authorities or external providers to improve financial resilience.
 - **Community Coordination:** Investment in activities that connect and enhance the local support landscape.
- 3.2 Further information on the requirements of the CRF are presented in Appendix 1.
- 3.3 Within the CRF guidance the key delivery principles detailed are:
- **Person-centred:** Ensure that people's preferences, needs and values stay central to professional decisions, providing support that is respectful to them.
 - **Needs-based:** Recognise the varied circumstances that individuals may experience, seeking to meet the underlying needs, not just the crisis symptoms.
 - **Holistic:** Provide integrated support that helps the individual and their households, with local authorities considering the wide range of services and actions they have access to.
 - **Encompass a no wrong door approach:** Connect individuals to the right service and support through warm referrals, regardless of their initial point of contact.
 - **Cash First:** Prioritising digital or physical cash payments when providing Crisis Payments (including bank transfers, cash-out vouchers such as through PayPoint, Post Office and ATMs).
 - **Warm Referrals:** Where someone is referred by one organisation or service to another with a focus on ensuring a smooth transition. Sufficient and accurate information is also provided, with informed consent, as part of the referral to prevent people from having to explain their circumstances and needs on multiple occasions
 - **Trauma Informed Approach:** The Trauma Informed Approach recognises the extensive and continuing impacts that trauma may have on an individual's life. The impacts of trauma, some of which may not be obvious or disclosed, can make interacting with services a difficult and potentially retraumatising experience. The Trauma Informed Approach aims to avoid and mitigate this risk whilst creating a safe and empowering environment for all colleagues and customers. The six principles of trauma-informed practice: Safety; Trust; Choice; Collaboration; Empowerment; Cultural consideration.

Administration

- 3.4 The following are some key points from the guidance relating the administration of the CRF:
- Payments made monthly to the Council from DWP.
 - The use of the Fund to deliver and maintain activity for which the Authority is already receiving funding from HM Government **is not** permitted.
 - Authorities should assess how CRF funding aligns with their existing funding sources and determine how to use the CRF to complement current services without creating duplicate provisions. The Authority can choose to supplement or expand through the Fund existing provision delivered by, or on behalf of, the Authority where it aligns with CRF policy intent.
 - Local Welfare Assistance (LWA) provision: Authorities should consider how CRF can complement their existing LWA schemes. The Government does not expect local authorities to use CRF to replace existing LWA funded provision. It is important that Authorities' existing LWA schemes continue to be funded as they have been previously so that the CRF funding can be used to build or expand upon existing services.
 - DWP will contact local authorities for initial compliance and where further clarification is needed.
- 3.5 On the 8 April 2026, an Officer Delegation Notice was completed by the Director of Policy, Change & Customer Services, to enable £225,000 of the £2,335,307 budget for the Crisis and Resilience Fund allocation to Reading from the Department for Work & Pensions be utilised to enable the provision of Crisis Payments from 1 April 2026, to ensure continuity of support during this transition phase.

4. Delivering a Reading CRF

CRF Development

- 4.1 The development of the various elements of the CRF involved input from officers from across the Council and has also included input from key voluntary and community organisations within the borough to ensure a full understanding of existing provision feeds into the development of new proposals.
- 4.2 This development has included reviewing the statutory guidance as it has been issued over recent months, an analysis of the latest available Indices of Deprivation and other data to identify local priorities, mapping the existing provision of cost-of-living services within the borough, engaging with DWP events, and piloting a more flexible application process for providing support to low-income households during the final months of the HSF scheme.
- 4.3 This work has enabled the Council to develop a new CRF scheme which meets its ambition to bring positive and sustained change to the financial health of residents. This includes offering immediate support to residents in financial crisis, working with them to identify the circumstances that have caused the crisis, and doing as much as possible to help residents to take-up the further resilience support that will enable them to have a more self-sustaining financial future.
- 4.4 The Council has been administering applications for Crisis Payments and Housing Payments since 1 April 2026, which was enabled by a delegated officer decision. By launching the Crisis Payment and Housing Payment application schemes, the Council

has met a key requirement of ensuring that immediate financial support is available to residents in a way that can continue throughout the year.

Crisis Payments

- 4.5 The administration of the Crisis Payments applications continues to be based within the Money Advice Team. Applications for Crisis Payments can be made online, by telephone, or in person within the Civic Offices.
- 4.6 The Council also accept applications made on behalf of residents from local VCS organisations and has provided briefings and guidance to support these organisations.
- 4.7 Every resident who receives a crisis payment will also have their current financial situation assessed to identify what further support is needed to improve their ongoing financial resilience. Residents receiving crisis support will be strongly encouraged to take-up this further support and where possible a direct referral will be made.
- 4.8 The eligibility criteria to apply for a Crisis Payment (which an applicant must meet in full) has been developed locally (in line with the statutory guidance) and is split into three elements and can be summarised as:

Residency requirements:

- Live in the Reading Borough Council area, have been placed in temporary accommodation by Reading Borough Council, or are sofa surfing/sleeping rough in the borough and supported by local services.
- Have recourse to public funds or can access support through alternative statutory powers.
- Not be a dependant, unless they are a young person without parental support.

Financial requirements:

- Be on a low income, for example passported benefit, or not receiving benefits but the household income is lower than essential household costs based on benchmark figures.
- Have savings or other capital below £1,000.
- Not have the money, resources or access to safe and affordable credit needed to deal with the immediate crisis and not go without essentials, taking on unmanageable debt or worsening your financial situation.
- Not be able to get support from anyone else in your household

Need requirements:

- Not receiving a Crisis Payment will put them or their household at risk.
- The crisis cannot be avoided before they receive further income.
- Not receiving support will worsen their financial situation.
- They have not received a Crisis Payment for the same need in the last 3 months unless there has been a material change in circumstances or a new crisis has arisen.

- 4.9 Applicants will be required to provide some evidence of their need for crisis support, such as their financial details or a crime reference number. The processes for confirming a crisis will be reviewed against best practice as CRF delivery becomes more established across the country.

Crisis Payments will be offered to residents for the following types of support:

- Food – per week / Other shopping – per week / Clothing / Utilities / Household item (single) / Household item (multiple) / Transport / Broadband / Phone Bill / Other Support

- 4.10 As Crisis Payments applications are a new element of service being delivered by the Council, forecasting demand throughout the year is challenging. The take-up and reasons

for applying will be closely monitored to identify opportunities for improving the effectiveness and operational efficiency of the Crisis Payment application scheme, including whether any amendments to the eligibility criteria are needed, whilst also balancing the volume of applications throughout the year with the available budget. As an initial budgetary control mechanism, any request for a Crisis Payment above £500 will need to be authorised by a manager.

- 4.11 Whilst the Government expects for Crisis Payments to mostly be delivered through an application-based scheme, there is also an expectation that councils use other methods to deliver CRF outcomes which may fall outside of application-based support. The other elements of crisis support would not necessarily need to have the same eligibility criteria as the Crisis Payments application scheme.
- 4.12 This includes targeting vulnerable individuals, families, or communities to directly provide Crisis Payments or to make them aware of other crisis support and Resilience Services available. In this context we could also look at providing crisis support to residents who are currently unable to receive specific types of support due to nationally prescribed eligibility criteria.
- 4.13 DWP provides data and information to the Council to support the identification of those in need within the borough, which along with other local data sources may be used by the Council to proactively provide financial support to residents who may be in financial crisis.
- 4.14 Deciding whether to issue crisis payments in this way will be dependent on the volume of Crisis Payment applications and the amount of budget available to do so.
- 4.15 The proposed CRF budget allocation for Crisis Payments is **£900,000**. Currently the average value of Crisis Payments is £290 per household, which means that the Council would have the capacity to issue approximately 3,100 Crisis Payments to low-income households throughout the year.

Housing Payments

- 4.16 Applications for Housing Payments can be made using the same form and processes for making a Crisis Payment application.
- 4.17 Every resident receiving a Housing Payment will also have their current financial situation assessed to identify what further support is needed to improve their ongoing financial resilience.
- 4.18 The Housing Payment provides financial support towards housing costs and is paid by the Council when we are satisfied that an applicant requires further financial assistance with housing costs. These payments can be made to claimants who are entitled to either:
- Housing Benefit, or
 - Universal Credit with housing costs towards rental liability. This includes Shared Ownership properties which carry a rental liability.
- 4.19 Residents who are not eligible for a Housing Payment, may be able to access further financial assistance through the Crisis Payment scheme.
- 4.20 Housing costs are not specifically defined, but in general refer to rental liability, as well as:
- Rent in advance.
 - Rental deposits.
 - Other lump sum costs associated with a housing need, such as removal costs.
- 4.21 Unlike Crisis Payments, the Housing Payment may be paid in multiple instalments. The duration of the Housing Payment is determined by the Council. The award period and any

end date will be clearly communicated to the applicant for ongoing awards. For one-off costs (such as, deposit or rent in advance) specifying a period is not required.

- 4.22 A Housing Payment can be awarded in respect of two homes when someone is treated as temporarily absent from their main home. This includes those who have fled their main home because they are a victim of domestic abuse. In such cases of temporary absence, if the claimant is treated as liable for rent on both properties and, in both cases, there is a shortfall, it is possible to award a Housing Payment in respect of both properties subject to the maximum eligible rent on each property.
- 4.23 Applicants must notify the Council of any changes which may be relevant to the Housing Payment application or award.
- 4.24 The proposed CRF budget allocation of **£370,000** for Housing Payments is based on maintaining the same amount of resource available for housing support that was available under the previous Discretionary Housing Payment scheme.

Resilience Support and Community Co-ordination within Reading

- 4.25 Government recognises that the Resilience Support and Community Co-ordination elements of the CRF are long-term and therefore will develop and evolve over the 3 years funding period.
- 4.26 The Council already directly provides a substantial amount of local welfare provision via services like the Money Advice Team, community-based services provided by Children's Services and the Sustainable Communities Team, and services for Council Tenants.
- 4.27 In addition to these, the Council also contributes to local welfare provision through its financial support of the local VCS to help low-income households at greater risk of financial shocks. A significant amount of this is included with the Closing the Gap commissions, which provide £1.4M p.a. in funding to the VCS for the next three to five years, and includes £274,000 of funding p.a. for Cost-of-Living and Debt Advice services. Closing the Gap also includes commissioning services to support older residents, carers, women's wellbeing, ethnically diverse communities, and other services that support residents physical and mental wellbeing.
- 4.28 These commissions are complemented by other funding opportunities for the VCS, such as the Better Care Fund and the Small Grants Fund.
- 4.29 To help ensure that Reading continues to have a vibrant and effective local voluntary and community sector, the Council has committed £130,000 p.a. to the commissioning and contracting of VCS infrastructure support services.
- 4.30 We also know that the range of VCS services available to low-income residents is far wider than just those supported by the Council. Key established organisations such as Citizens Advice Reading, ReadFood, Communicare, Launchpad, and Age UK, continue to play a crucial role in providing support to residents, alongside a network of local community and faith organisations who provide grassroots support to communities across the borough.
- 4.31 This means that there is already a strong baseline of coordinated resilience support available within the borough to residents experiencing a financial crisis.

Resilience Services

- 4.32 The statutory CRF guidance states that the Council should spend a *significant proportion* of its CRF allocation on the provision of resilience services, and it is expected that the Council will work closely with voluntary and community sector organisations in the delivery of resilience services. Every resident receiving a Crisis Payment or a Housing Payment

will also have their current financial situation assessed to identify what further support is needed to improve their ongoing financial resilience. Residents receiving this support will be encouraged to take-up this further support and where possible a direct referral will be made.

4.33 CRF funded Resilience Services must positively impact one or more of the following outcomes:

1. Reduced experiences of material deprivation,
2. Reduced need for emergency food parcels,
3. Increased access to appropriate and quality advice services,
4. Increased savings,
5. Reduction in priority debt,
6. Maximisation of individuals' incomes,
7. Decreased need for Crisis Payments and Housing Payments.

4.34 To identify the need and potential options for Resilience Support within the borough which will improve the long-term financial self-sustainability for low-income households, the Council has reviewed the existing data relating to residents' deprivation, income, and welfare benefits, along with collating the existing local welfare provision within the borough, to determine any service delivery gaps or services which require an enhanced level of provision.

4.35 From this analysis, the following has been identified:

- When comparing the Indices of Deprivation data for 2025 with the previous results for 2019, there are still some areas of the borough who are continuing to experience relatively significant levels of general deprivation.
- From the Indices of Deprivation data for 2025, there are nine wards within the borough where income deprived older residents could be priority targets for resilience support.
- Data shows that within the borough there are approximately 11,400 households in receipt of universal credit support, including 2810 households with children with income below the free school meal threshold.
- Food Pantry services are not available to residents in all areas of the borough.
- Reviewing the current support available to residents within the borough against the seven resilience outcomes within the CRF identified an opportunity to enhance the provision of services to increase savings and reduce priority debt for low-income households.
- There remain key life events/circumstances that present a significant risk to the immediate and ongoing financial health of a household, including becoming a victim of crime / domestic abuse.

4.36 It is therefore proposed that the initial development of resilience services focus on supporting:

- enabling residents to access cost-of-living support within their neighbourhoods,
- low-income families with children,
- pensioners experiencing income deprivation,
- creating more opportunities to save and reduce debt,
- expanding the food pantry offer within the borough,
- protecting residents from the financial harm of unwanted life events.

4.37 The proposed budget allocation of **£760,126** for commissioning resilience services represents over 30% of the total CRF funding to the borough, in addition to the substantial amount of funding that the Council already commits to the provision of local welfare services each year.

Community Coordination

4.38 The Council is required to use part of its CRF allocation to create a more connected local welfare landscape, with strong partnerships and referral pathways that make both immediate crisis responses and longer-term resilience building possible.

4.39 The effective co-ordination of statutory services, voluntary and community sector organisations, grassroots projects and place-based initiatives delivers benefits to both individuals needing support and the professionals involved, creating more financially resilient communities.

4.40 The proposed budget allocation of **£30,000** for Community Co-ordination is to provide additional capacity for these types of activities, alongside the Council's existing £130,000 p.a. commission for VCS Infrastructure Support.

Allocation of Crisis & Resilience Funding

4.41 The table below summarises the proposed allocation of the CRF grant to the four core elements of delivery required by the statutory guidance (Crisis Payments, Housing Payments, Resilience Support, Community Co-ordination).

Support	Budget
Crisis Payments (including any necessary targeted support)	£900,000
Housing Payments	£370,000
Resilience Support – including: <ul style="list-style-type: none"> • Neighbourhood-Based Services • Low-income Families with Children • Food Pantry Support • Community Banking • Priority Debt Reduction • Low-Income Pensioner Support • Victims of Domestic Abuse Support 	£760,162
Community Co-ordination	£30,000
Administration	£175,145
Contingency	£100,000
TOTAL	£2,335,307

4.42 The budget proposal of **£175,145** for the administration of the CRF is based on the costs of delivering the previous HSF and DHP schemes within the borough, and include the costs associated with:

- staffing,
- digital or I.T. costs,
- local promotion of the CRF,
- data and analytics for targeting support,
- webpage design,
- reporting costs.

4.43 The budget proposal of **£100,000** for providing contingency within the CRF is slightly less than 5% of the total budget allocation for the borough. It is felt to be prudent to retain this amount of contingency to allow for any additional unfunded expectations from

Government on the use of the CRF, and to provide additional capacity to respond to unforeseen cost-of-living pressures within the year.

- 4.44 If the cost-of-living challenges faced by residents change within the year, the amount and type of CRF support made available may also change so that the Council can respond appropriately to emerging needs.
- 4.45 To enable changes to be made promptly, it is proposed that authority for this, including the submission of the initial and any subsequent delivery plans, be delegated to the Executive Director of Resources and Executive Director, Communities & Adult Social Care, in consultation with the Leader of the Council, whilst maintaining compliance with the funding allocation requirements from DWP.

Oil Heating Support

- 4.46 The Government has announced £27 million in targeted support for low-income households in England who rely on heating oil and who are being impacted by the spike in costs. This funding is being delivered via a top up to the Crisis and Resilience Fund for priority local authorities which have been identified by Government as areas that have higher rates of heating oil.
- 4.47 Within Berkshire, Wokingham, West Berkshire, and Windsor & Maidenhead councils have been identified as priority local authorities to receive additional funding support. It is also up to each local authority to determine what specific eligibility criteria to use for the provision of heating oil support in their area.
- 4.48 Reading Borough did not receive any additional funding for heating oil support but is expected to meet any demand for support from its existing Crisis and Resilience Fund allocation. Within Reading borough, the latest Census data (which is how Government are identifying eligible authorities) shows that there are just 90 households within the borough who are solely reliant on oil heating for their homes.
- 4.49 These households, where they need support, will be directed to the Crisis Payments application process (which already includes fuel costs as a category for support), along with referrals to any appropriate Resilience Support.

5. Contribution to Strategic Aims

- 5.1 Within the Council Plan priority to Promote more equal communities in Reading, there is a specific objective to tackle social and economic inequalities in partnership with the voluntary and community sector, and a project to provide advice and guidance to residents regarding the cost of living and direct financial support through the Household Support Fund (HSF).
- 5.2 The creation of the CRF to replace the HSF means that this work is directly contributing to this Council Plan priority.

6. Environmental and Climate Implications

- 6.1 None which are applicable to this report.

7. Community Engagement

- 7.1 The establishment and delivery of the CRF will require engagement and collaboration with the local voluntary and community sector organisations within the borough who support residents to manage their cost of living.

8. Equality Implications

- 8.1 Some cost-of-living support provided within the CRF will focus on the risks or experiences of residents with specific protected characteristics within the Equality Act 2010.

9. Other Relevant Considerations

- 9.1 There are wider Public Health benefits because of the support provided by the CRF. In providing services which support residents immediate and longer-term financial wellbeing, the CRF will also be contributing to improving residents physical and mental wellbeing.

10. Legal Implications

- 10.1 None which are relevant to this report.

11. Financial Implications

- 11.1 The CRF replaces the funding the Council has been receiving for the Household Support Fund and Discretionary Housing Payments. The CRF allocation to Reading Borough Council for 2026/7 is £2,335,307.
- 11.2 The Council received £367,440 p.a. for Discretionary Housing Payments and received funding of £1,992,735 for the Household Support Fund for 2025/26.
- 11.3 The CRF has been provided as a ring-fenced grant within the local government finance settlement. Local authorities have received a three-year settlement for locally delivered crisis support which gives greater certainty when delivering the new scheme.
- 11.4 Whilst the Council is required to develop and submit plans to utilise all the CRF funding provided each year, the Council can carry any unused funding into the next financial year for years 2026/7 and 2027/8. All the CRF funding must be spent by 31st March 2029.

12. Timetable for Implementation

- 12.1 CRF delivery commenced on 1 April 2026. However, there will be an acceptance from Government that some elements of the new CRF provision will not be implemented immediately and will become available to residents later within 2026/7.
- 12.2 A delivery plan is required to be submitted to DWP by 1 July 2026.

13. Background Papers

- 13.1 There are none.

Appendices

1. Crisis & Resilience Fund Summary

Appendix 1 – Crisis & Resilience Fund Summary

1. Crisis Payments

The Council is required to offer Crisis Payments throughout the year to support those on low income who experience a financial shock. Features of this include:

- Broad eligibility which maintains local discretion.
- Person-centred and needs-based approach in assessment and award of payments.
- Cash first, with vouchers and goods in-kind available as alternatives.
- No routine use of FSM vouchers – there will not be special provision for food needs during the holidays, as this should be treated the same as other crises.
- Wraparound support – local authorities must use crisis support as a gateway for people to access resilience services, where appropriate.
- Accessible support – range of application methods must be offered (minimum of 2) and local support offer should be easy to find and up to date.
- Expectation that crisis payments will be made within 48 hours.
- The cause or preventability of the crisis is not considered a relevant factor when determining an application for support.
- Applications for support can be made by representatives.

2. Housing Payments

The Housing Payment will replicate Discretionary Housing Payments (DHPs) to provide financial support to those in receipt of a qualifying benefit to help with rent or moving costs. The integration of housing support will take place in a phased approach over the first two years of the CRF.

The Council must operate a Crisis Payment and Housing Payment scheme that accepts applications continuously throughout the year.

3. Resilience Services

The Council is required to use a significant part of its funding on services and programmes that increase local financial resilience to enable communities to better deal with crises in the long-term.

CRF-funded Resilience Services must positively impact one or more of the following outcomes:

Outcome	Description
Reduced experiences of material deprivation	Material deprivation captures inability to afford essentials (heating, adequate clothing, basic household goods and food). By tackling the underlying conditions that prevent households from affording essentials, Authorities can support their citizens to build protection to avoid hardship.
Reduced need for emergency food parcels	Insufficient food is a crisis need negatively effecting health and wellbeing if not addressed. More resilient households are less likely to experience financial crises that lead to emergency food need.

Increased access to appropriate and quality advice services	Access to high quality, free-at-the-point-of-use advice is a proven lever for income gains, arrears resolution and improved social wellbeing. Advice should lead to improved understanding of rights/entitlements for individuals, ideally provide individuals with an intention to act on the advice and for the issue to be progressed or resolved. Where appropriate, advice should support early problem resolution. Advice may focus on areas such as debt, welfare, housing and other wider support.
Increased savings	Encouraging individuals to build buffers that prevent small shocks becoming crises when an unexpected bill or income dip hits.
Reduction in priority debt	Rent, council tax and utilities arrears are the debts most likely to tip households into crisis, trigger legal action and increase health and homelessness risks. By supporting citizens to manage or reduce these debts, Authorities create more resilient households.
Maximisation of individuals' incomes	Authorities can support individuals to increase their household income through a combination of raising income and reducing expenditure. This could include helping individuals identify and claim financial support they are entitled to, identifying savings and building skills to help with employment and in-work progression.
Decreased need for Crisis Payments and Housing Payments	By building the financial resilience of individuals and enabling effective pathways between crisis support and Resilience Services, Authorities should see reduced crisis need over time.

The Council can choose to use the Fund to supplement or expand existing provision where it aligns with the CRF policy intent.

The Council will need to be able to demonstrate a clear rationale for how the CRF investment in their chosen Resilience Services will meet medium and long-term CRF outcomes. Services that only meet short-term outcomes are more aligned with crisis support, rather than increasing financial resilience.

Resilience services will not be restricted to those who receive crisis payments or the housing element. However, there should be a strong two-way referral pathway between services and grant support, with a no wrong door approach being adopted.

The Council needs to consider the number of resilience outcomes they can meet, and the impact of the service on the outcome(s).

Examples of resilience services that the Council could fund are:

- Budget maximisation, such as by funding community supermarkets or advice services (debt, energy, housing). Advice services could be in-house or external.
- Income maximisation, such as through benefit application support, CV building services, or closer connection with the Jobs and Careers Service.
- Income smoothing, such as enabling access to affordable credit or supporting saving behaviours.
- Financial capability, such as supporting future planning services and financial education.

It is expected the Council will work closely with the VCS in delivery of resilience services.

There is an expectation from Government that the Council should also work closely with local Job Centres and DWP Services and actively seek to integrate the delivery of their CRF schemes with other local and national frameworks aligned to building financial resilience. This includes initiatives such as National Strategies on Financial Inclusion, Child Poverty and

Homelessness and Rough Sleeping and placed-based initiatives including, but not limited to, Local Get Britain Working Plans, Get Britain Working Trailblazers, Connect to Work and WorkWell.

4. **Community Co-ordination**

The Council is required to use part of their funding to create a more connected local welfare landscape.

The activities that the Council undertakes through CRF's Community Coordination strand will build partnerships and referral pathways that make both immediate crisis responses and longer-term resilience building possible. The effective co-ordination of statutory services, voluntary and community sector organisations, grassroots projects and place-based initiatives delivers benefits to both individuals needing support and the professionals involved, creating more financially resilient communities.