Crisis Resilience Fund

Housing Payment

2026

The Crisis Resilience Fund – Housing Payments scheme is administered in line with the *Discretionary Finance Assistance Regulations 2001 and The Crisis Resilience Fund Guidance Manual March 2026*

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1. Introduction

1.1 Intentions of the Crisis Resilience Fund – Housing payment

Each Local Authority receives an annual fund from Central Government in order to have finance available to assist residents, who meet set criteria, with housing costs relating to rented properties that cannot be met by Universal Credit (UC) housing costs or Housing Benefit (HB)

Each year the allocation is calculated based on the welfare reforms that have been introduced by Central Government in order for the Local Authorities to help tenants who are unable to sustain their tenancies following these changes.

Any grant that remains unspent each year is returned to central Government.

This policy is intended to provide clarification on how Shropshire Council will administer the funds to ensure:

- Consistency in decision making
- It meets the aims of the scheme set by Central Government
- It monitors the fund to allow it to be used equitably throughout the fund year
- Maximise expenditure of the grant within the limit set by central Government

1.2 Aims of the policy

Whilst Central Government have set the intended aims of the scheme, we have our own aims designed to best support Shropshire Council's most vulnerable residents, these include

- Prevention of homelessness
- Reduction of homelessness subsidy
- Assisting in the process of resettlement following homelessness
- Alleviating poverty
- Tenancy sustainment
- Safeguarding residents in their own home
- Providing temporary support during a period of crisis or transition
- Keeping families together
- Keeping residents within their area of support networks
- Supporting vulnerable people and/or victims of violence to move to a safer environment
- Assist people to move to housing appropriate to their needs
- Providing stability for children
- Supporting young people establishing independence
- Helping disabled people remain in suitably adapted properties

2. <u>What can Crisis Resilience Fund – Housing payment (CRF-HP) be used for?</u>

2.1 Shortfall awards

Where there is a difference between the maximum eligible HB or UC housing costs and the rental liability, CRF-HP can be used to assist the customer in making up the shortfall in full or part. This shortfall can be due to a number of things, for example:

- Reduction due to non-dependant deductions
- The benefit cap
- Reduction due to the size criteria
- Local Housing allowance restrictions
- In terms of UC, if the payments are not going direct to the landlord, where the overall payment has been reduced and it is not clear which element the deductions may have been taken from.
- If the UC is being paid directly to the landlord, then it is only the shortfall in relation to the housing costs that can be considered.

However, there are also circumstances under which CRF-HP cannot be used. These include where the shortfall has been caused by:

- Recovery of HB overpayments
- Ineligible service charges
- Increased rent due to rent arrears
- Certain sanctions and reductions in benefits

2.2 Shortfall arrears

In order to either prevent eviction or facilitate a move to a more sustainable accommodation.

Where a claimant has accrued arrears of rent a payment of CRF-HP can be considered to help clear the arrears in either part or full for any period where HB and/or UC housing costs have been in payment and the arrears have accrued in due to the shortfall criteria outlined in section 2.1 above.

2.3 Rent in advance and deposits

Where a person is looking to move into a new property, they can often be faced with having to initially pay large sums to cover rent in advance and/or a deposit in order to secure a tenancy.

Since the introduction of UC this has become more commonplace for Landlords to require a payment upfront to secure a tenancy, this includes properties from the social housing sector.

CRF-HP's can assist by paying part or all of this lump sum payment to help secure the new tenancy.

These moves can include either move into or out of the Shropshire area so long as there is genuine reason for the move and the new property is affordable.

In order for an award of CRF-HP to be made there has to be an appropriate reason for the move, for example, moving to a more affordable property or moving closer to a support network.

A tenant wishing to move for reasons not pursuant to the aims of the scheme, will not be given access to the fund, for instance where a move is motivated out of personal preference alone.

Likewise in order for an application to be successful the applicant must demonstrate that the move has some urgency and that they would not be able to budget for the move themselves given time, for instance an applicant wishing to move out of the familiar home and become independent, would need to demonstrate why they were not able to remain in their current home and put money aside for rent in advance and/or a deposit.

In order for an application to be successful the proposed tenancy must be appropriate to the customer's needs and must be financially sustainable without further recourse to the CRF-HP fund.

2.4 Removal costs

As with rent in advance and deposits, removal costs can be a considerable sum of money. This is again something that the CRF-HP fund can help with. The move has to be taking place due to an appropriate reason in line with the overall CRF-HP policy. This move could, again, be either into or out of the County of Shropshire.

2.5 Two homes

A CRF-HP can be awarded in respect of two homes if a customer is temporarily unable to stay in their main home, for instance 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 liable for rent on both properties, it is possible to award a CRF-HP in respect of one or both properties

If the claimant is only treated as liable for HB or UC on one home, but is having to pay rent on two, a CRF-HP could be made to cover the costs of the second home.

In either case the amount of the award is limited to the weekly or monthly eligible rent of the customers main home, for example if the eligible rent on the customers main home is £100 per week, this is the maximum combined HB or UC HC and CRF-HP they can be paid in respect of each property.

2.6 Other housing costs

As there is no actual definition of housing costs within the regulations, this allows for Local Authorities to utilise the CRF-HP fund to assist with other housing costs they may deem eligible.

However, the CRF-HP fund is limited so only costs deemed adherent to the principles of the scheme could be awarded.

3. How can an application be made?

Although the regulations state that an application must be made for an award for CRF-HP they allow local authorities to decide what format this can be in.

Often the reason for a CRF-HP application is time sensitive, in the best interests of the customer we aim to make it as quick and easy as possible to apply, therefore we will accept an application via the following methods:

- Written form (available for download on our website)

- Over the telephone
- Via email
- Online application (when available)
- Where we already hold information relating to income and expenditure via a section 13A request or an overpayment recovery request and we identify a possible CRF-HP we can obtain verbal or written authority from the customer to treat this is as an application for CRF-HP

Where an application for an extension of an award or a reapplication is made within 3 months of the termination of an earlier award, the decision maker may at their discretion not require the customer to complete a full application.

4. Qualifying conditions

In order to qualify for an award from the CRF-HP the claimant (or partner in the case of joint claims), throughout the currency of any award must be in receipt of either:

- Housing Benefit
- Universal Credit Housing Costs

It is not necessary for entitlement to exist at the time of application.

In the case of a Universal Credit award where payment is reduced to nil, where there are deductions other than income, entitlement can still be established if payment would be due but for said deductions.

Provisional Awards

In the case of a claim for costs to facilitate a change of address there must be an expectation that the customer and/or their partner will be entitled to a qualifying benefit at the new property.

In cases where there is no qualifying benefit entitlement prior to the change of address a provisional award can be made, this requires the potential Landlord to accept a promise of payment to be made once the qualifying benefit is awarded.

In cases where subsequent to the change of address a qualifying benefit is not awarded, the CRF-HP is not paid and the matter of any sum owed to the Landlord becomes a matter of dispute between the Landlord and tenant.

5. Length of award

There is no limit to the length of an award of CRF-HP however:

- An award may not be backdated to include a period prior to 02 July 2001
- An award which spans 2 or more fund years will be split into periods corresponding to the fund year.

The expectation is that most CR-HC awards will be for short periods structured to enable customers to change their circumstances in order to be able to meet their housing costs without further support from the fund, however an award may be extended under repeat application if deemed appropriate.

Where it is accepted that a customer is in a property appropriate to their needs, and is not able to pursue a change to their circumstances an award maybe be granted for a longer period.

6. Capital, Income and Expenditure

An award from the CRF-HP fund should only be made if all other reasonable sources of help have been exhausted.

Evidence of Capital, Income and/or Expenditure may be requested as reasonable.

Where evidence is requested a deadline of 1 month from the date of request for the provision of the evidence must be notified to the customer and must state that failure to provide the required evidence within time limits will result in their claim being refused.

Where evidence is not provided within 1 month of the request (or longer where reasonable) the claim will be refused.

Capital

Any capital that the customer and/or partner can reasonably access should be exhausted before an award of CRF-HP is considered.

In regard of applications for assistance with moving property an appropriate amount of capital may be ignored to facilitate the move and associated costs of resettlement.

Income

Income belonging to the customer and/or partner will be accounted for in full when assessing financial capacity to meet their expenditure, except in the case of:

- Attendance Allowance

- Disability Living Allowance
- Personal Independence Payments

Income belonging to other household members for example non-dependants may be taken into account in so much that a financial contribution to the household may be assumed and/or expenditure attributable to the non-dependant may be disregarded.

Expenditure

Where expenditure appears excessive the decision maker may at their discretion assume a figure they deem to be more reasonable, or may ask the customer to provide evidence of said expenditure before the application can proceed.

If a reduced expenditure figure is assumed, the notification of the decision must contain a statement explaining why a reduced figure has been assumed and invite the customer to provide evidence of the expenditure within 1 month should they disagree.

Where expenditure appears to be non-essential the decision maker may at their discretion exclude said expenditure from the assessment.

If expenditure is excluded from the assessment, the notification of the decision must contain a statement explaining why it has been excluded.

Where expenditure appears too low the decision maker may at their discretion assume a figure they deem to be more reasonable, for instance an application listing food as £10 per week because more cannot be afforded can be increased to allow a more reasonable amount for the purposes of assessment.

Where an expenditure has been omitted from an application and the decision maker either knows or can reasonably assume that the expenditure should exist, a reasonable figure may be assumed for said expenditure.

In the case where an application for an extension of an award is made, or in the case where an further application is made within 3 months of the end date of an earlier award, the expenditure figures previously provided may be used where they have been deemed reasonable and where a condition has not been based on the award to take steps to reduce expenditure and/or engage with budgeting support.

7. Conditions on award

The decision maker at their discretion may place conditions on the award which require that the customer undertake specific actions in order to enable the customer to be able to meet their housing costs without recourse to the CRF-HP scheme.

These conditions may include but are not limited to:

- Actively seek more affordable appropriate accommodation
- That payments of HB/UC HC are paid direct to the Landlord
- Approach their Landlord to request that the rent is reduced
- Reduce excessive and/or non-essential expenditure
- Engage with budgeting support
- Obtain more affordable deals for out of contract items for instance mobile phones
- Increase their income through employment

In the case where an application for an extension of an award is made, or in the case where a further application is made following a cessation of an award, the customer is required to provide evidence that they have complied with the conditions placed on the earlier award.

Where the customer has not complied with the conditions of an award or fails to provide evidence to show they have complied with the conditions of an award, the application for extension or reapplication may be refused.

The decision maker should have regard to any factors which may have prevented the customer from complying with the conditions placed on them.

8. Notification of an award

Notification of a decision must be made in writing to the customer (or their appointed representative).

An extension to an award may be notified verbally providing that there are no alterations to, or further conditions placed on the award.

9. Payments

Payments will be made to whomever the decision maker deems appropriate in a given case.

The default position for payments are:

- Rent in advance and/or deposits – payments will be made directly to the prospective Landlord. These payments will be released after the claimant has moved into the property.
- Removal costs – Payments will be made directly to the customer or representative. These payments will be released after the claimant has moved into the property.
- Shortfall - Payments will be made to the same party as the payments of HB or UC HC

However, the decision maker may decide to pay a different party if it is in the best interest of safeguarding the tenancy.

10. Revisions

Where the qualifying benefit is reassessed or where of any other change of circumstances occurs during the currency of an award of CRF-HP, the CRF-HP must be reassessed and the customer must be notified of any changes made to the award.

During the currency of an award the customer may request that award be revised, in this case a reassessment must be undertaken, the decision maker may at this point request any further evidence and/or information they require to make the reassessment and may suspend payment of the award pending the completion of the reassessment.

11. Recovery of overpayments

In the case of a payment of rent in advance, deposit or removal costs which have been made, where it occurs that the move did not (and will not take place), the amount of the payment is recoverable from the person to whom the payment was made.

In the case of a payment of a shortfall where it occurs that a payment was made in error, either by fault of the local authority, or the DWP, recovery will not ordinarily be sought.

In the case of a payment of a shortfall where is occurs that a payment was made in error, as a consequence of misrepresentation by or failure to disclose relevant information by the customer or representative recovery may be sought at the discretion of the decision maker from the person to whom the payment was made.

Where there is an overpayment which occurs during the currency of an award, or where an overpayment of an earlier award has occurred, the overpayment should not be recovered from ongoing payments, this would be contrary to the purpose of

making the award, (if there was capacity to cope with a reduced level of CRF-HP award, there would be no justification to award the CRF-HP at that level other than to recover the overpayment).

12. Reconsiderations

A customer or their appointed representative may request a review of a decision at any time following the decision or at any point during the currency of an award.

Requests for review where the customer disagrees with our decision are to be undertaken by a decision maker other than the originating decision maker.

Where a further review is requested or in complex or contentious cases a senior member of staff will undertake a review of the case.

There is no recourse to review of a CRF-HP decision by an independent body.

13. Monitoring

The Local Authority will actively record the outcomes of CRF-HP applications throughout the fund year in order to ensure that the budget is managed correctly and to identify the issues facing the vulnerable residents of Shropshire.

We also commit within this policy to maximise expenditure of the CR-HC grant and spend at least 90% of the CRF-HP grant annually (and minimise any grant repaid to central government).