Broxtowe Borough COUNCIL

# CRISIS AND RESILIENCE FUND HOUSING PAYMENT POLICY

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# Contents

# 1.0 Scope

The Crisis and Resilience Fund (CRF) has been made available to the Council to support low-income households who encounter financial hardship and to support activities that build individual and community financial resilience. This includes specified funding for housing support, called the Housing Payment element and replaces the Discretionary Housing Payment (DHP).

Each year, the Department for Work and Pensions (DWP) allocate funding to County Councils for the Crisis and Resilience Fund (CRF) scheme, which consists of four strands and the County Council then distributes funding to Local Authorities who are responsible for the CRF Housing payment strand to enable awards to be paid.

The Housing payment will closely replicate existing DHP guidelines and will adopt a phased transition over the 3-year funding period. Broxtowe Borough Council's policy will therefore remain the same and has been rebranded to reflect the new arrangements.

Following the abolition of Council Tax Benefit from April 2013, Discretionary Housing Payments (DHPs) could no longer be made towards Council Tax Liability. A customer who is receiving Council Tax Support, with no rental liability (e.g. an owner occupier) is not eligible to apply for a Housing Payment.

A separate ‘Council Tax – Section 13a (1) (c) Council Tax Reductions Discretionary Discount Scheme’ exists, and applications can be considered for this scheme.

Every claimant who is entitled to the minimum amount of Housing Benefit or Universal Credit Housing Element and who has a shortfall is eligible to make a claim for help. There is no entitlement to a Housing Payment. Each application will be considered on its individual merits. The purpose of the scheme is to provide additional financial support to benefit recipients who are suffering from financial hardship and are unable to meet their housing costs.

Housing costs are not defined in the regulations, and this gives Broxtowe Borough Council a broad discretion to interpret the term as it wishes. In general, housing costs mean rental liability.

# 2.0 Purpose

The purpose of this policy is to specify how Broxtowe Borough Council’s Revenues, Benefits and Customer Services department will operate the scheme and to indicate some factors that will be considered when deciding if a Housing Payment award can be made.

Each case will be treated on its individual merits, and all customers will be treated equally and fairly when the scheme is administered.

The Revenues, Benefits and Customer Services department is committed to working with the local voluntary sector, social landlords and other interested parties within the district to maximise entitlement to all available state benefits and this will be reflected in the administration of the scheme.

## 3.0 Aims and Objectives

The Revenues, Benefits and Customer Services department will consider making a payment of a Housing Payment to claimants who meet the qualifying criteria. Before making an award, the authority must be satisfied that the customer is entitled to:

- Housing Benefit, or
- Universal Credit Housing Element, and
- has a rental liability; and
- requires further financial assistance with housing costs.

This policy is not intended to define the specific situations of when we will or will not make a discretionary payment; to do so would make the policy too rigid and may prevent payments from being made where there are exceptional or unusual circumstances. Payments are expected to be made to meet current needs rather than past debts.

The Revenues, Benefits and Customer Services department will oversee the operation of this policy to:

- Alleviate poverty.
- Encourage and sustain the Authorities residents in employment.
- Help those who are trying to help themselves.
- Keep families together.
- Prevent child poverty.
- Support the vulnerable in the local community.
- Help customers through a personal crisis / difficult event.
- Support households that are returning to work after a period of unemployment and aid in managing their finances during the transition from coming off benefits, receiving wages and securing UC entitlement.
- Support those who are in affordable housing but at risk of becoming homeless due to being unable to meet their full rent liability due to severe financial difficulties from the effects of the current economic climate.
- To support foster carers who have a spare room for a potential foster child
- To consider disabled people living in accommodation that has been substantially adapted for their needs.

The main objectives of Broxtowe Borough Council's Housing Payment Scheme reflect the objectives outlined in the Department for Work and Pensions (DWP) guidance for Local Authorities. The main objectives are aimed at:

- Preventing homelessness
- Keeping families together
- Supporting the vulnerable and elderly in sustaining tenancies
- Enabling people to secure new sustainable tenancies
- Providing financial respite for people in short-term difficulty
- Incentivising people into and maintaining work
- Supporting people in education

### 3.1 The main features of the scheme are:

- The scheme is purely discretionary; a claimant does not have a statutory right to a payment.
- The amount that can be paid out by an Authority in any financial year is cash-limited by the Secretary of State.
- The administration of the scheme is for the Revenues, Benefits and Customer Services department to determine.
- Housing Payments are not a payment of Housing Benefit or Universal Credit Element. However, the minimum amount of Housing Benefit or Universal Credit must be paid in the benefit week that a Housing Payment is awarded for.

### 3.2 Housing Payments can be provided for:

- Rent officer restrictions such as Local Reference Rents (LRR), Single Room Rent (SRR) size criteria or when the Local Housing Allowance (LHA) does not meet the rent.
- Reductions in Housing Benefit or Universal Credit Housing Element entitlement following changes to the LHA rates.
- Non-dependant deductions.
- Income tapers.
- Prevention of loss of tenancy due to hardship - consideration can be given to backdating of the award if the customer has demonstrated good cause. This will require evidence to be provided by the tenant, where necessary
- Help to secure a new sustainable tenancy

### 3.3 Securing new sustainable tenancies:

This category intends to provide awards (normally one-off) to enable people to secure new sustainable tenancies either in or out of the Broxtowe area. Awards would only be considered where, at present, the Housing Benefit / Universal Credit Housing Element payable does not cover the individual's liability for reasons such as under-occupancy.

The awards within this category are made up as follows:

- **Removal costs**:
  The reasonable costs of moving to a more suitable-sized accommodation can be met by a Housing Payment. Removal costs would be paid to the customer following proof of removal costs by way of receipt or invoice.
- **Deposits**:
  Deposits are paid in order to help individuals secure new sustainable tenancies. This would be a maximum of one month's rent and would only be payable if this payment enabled the tenant to move to sustainable accommodation (correct number of bedrooms for household composition).
- **Rent in advance**:
  Some tenancies require one month's rent in advance (sometimes 4 weeks rent) on top of a deposit. A maximum of one month's rent in advance could be paid by Housing Payment in order to help an individual secure a new sustainable tenancy in a smaller property (correct number of bedrooms for household composition).

Rent deposits and rent upfront will be paid as a lump sum directly to the new Landlord / Agent.

In exceptional circumstances, payment of Housing payments for rent deposits and rent in advance can be made even where it has not been possible for the tenant to move into the most affordable accommodation, for example, when someone is fleeing their home due to domestic violence and needs to seek a place of safety, such as a refuge.

### 3.4 Support on 2 homes:

The regulations permit a person to receive help through an award for the rent due on a property they have moved into when treated as temporarily absent from their home, where the claimant has moved due to domestic violence. If the customer is liable for the rent on both properties and in both cases, there is a shortfall, an award could be awarded in respect of both properties, subject to the weekly limit on each property.

- If the claimant is liable for payments on one dwelling but is having to pay rent on 2, a weekly award could be made to assist with the temporary accommodation up to the level of the weekly eligible rent on the dwelling from which they are temporarily absent.

- Rent shortfalls to prevent a household from becoming homeless whilst the Housing Section explores alternative options.
- Foster carers, including those between placements.
- Disabled people subject to under-occupancy living in accommodation that has been substantially adapted for their needs.

In addition to the above, Housing Payments can be used to provide support to customers affected by some of the key welfare reforms, including:

- Reductions in Housing Benefit or Universal Credit Housing Element where the benefit cap has been applied.
- Reductions in Housing Benefit or Universal Credit Housing Element for under-occupation in the social rented sector.
- Reductions in Housing Benefit or Universal Credit Housing Element because of LHA restrictions to the shared room rate for those customers who have not reached 35 years.

Housing Payments cannot be used for help with:

- Ineligible service charges.
- Increases in rent due to outstanding rent arrears
- Shortfalls in Council Tax Support.
- Rent, when the person is getting Council Tax support but not HB or help with housing costs in UC.
- Certain sanctions and reductions in benefits.
- Benefit suspensions

Shortfalls caused by overpayment recovery.

# 4.0 Regulatory Code and Legal Framework

This policy should be read in conjunction with the following:

- The legislation governing CRFHP is delivered under national Crisis & Resilience Fund guidance (2026–2029).
- Section 31 of the Local Government Act 2003
- National CRF guidance
- Housing Act 1996
- Homelessness Reduction Act 2017
- Equality Act 2010
- Welfare Reform Act 2012
- Housing Benefit Regulations 2006
- Universal Credit Regulations 2013
- Data Protection Act 2018 / UK GDPR
- Human Rights Act 1998

# 5.0 Policy Outline

## 5.1 Claiming a Housing Payment

In most cases, the resident who claims a Housing payment will be the person entitled to Housing Benefit or Universal Credit Housing Element. The Council may also accept claims from appointees or another person acting on the resident's behalf, such as a relative or social worker. The applicant should countersign the claim whenever this is reasonably possible.

Claims must be submitted to Broxtowe Borough Council using an application form. This form can be accessed via the Broxtowe Borough Council website or requested from the Customer Services section, who can arrange for a paper copy to be posted.

The Revenues, Benefits and Customer Services department may request any reasonable evidence in support of an application for a Housing payment. The claimant will be asked to provide the evidence within one month of such a request, although this will be extended in appropriate circumstances. Sufficient evidence will need to be obtained to enable the decision-maker to compare income against expenses to identify where there is a shortfall.

The department also reserves the right to verify any information or evidence provided by the claimant, where appropriate. If the claimant does not provide the required evidence within the specified timescale, the application will be withdrawn.

## 5.2 Awarding a Housing Payment

All applications will initially be assessed by an officer within the Revenues, Benefits and Customer Services department, typically based on the household's income and expenditure.

Essentially, the Council will compare the household income and expenditure to see whether the customer needs further financial assistance to meet their housing costs. Each decision reached is “discretionary” and is not governed by strict regulations, although the Council will ensure that all decisions made are impartial and reasonable.

Please note that the regulations regarding the treatment of income in Housing Benefit and Universal Credit claims do not apply in the decision-making process. Therefore, we may decide to count income into a calculation that might have been disregarded in the Housing Benefit or Universal Credit assessment e.g., Child Benefit, Maintenance payments and Disability Allowance received by any member of the household (as any additional expenditure associated with their disability will have been considered in their outgoings).

Similarly, we can use our discretion when determining if the expenses are reasonable. Any decisions made about a person's expenditure will be made on an individual basis and may require some additional clarification.

In deciding whether to award a Housing payment, the Revenues, Benefits and Customer Services department will consider:

- The shortfall between Housing Benefit or Universal Credit Housing Element and the rental liability.
- Any steps taken by the claimant to reduce their rental liability.
- The medical circumstances of the claimant, their partner and any dependents and any other occupants of the same household. Disability related benefits are intended to be used to help pay for the extra costs of disability, and as such, money might already be committed to other liability such a Mobility schemes, provision of care, etc.
- The income and expenditure of the claimant, their partner and any dependents or other occupants of the claimant’s home.
- Any savings or capital that might be held by the claimant or their family.
- The level of indebtedness of the claimant and their family’s circumstances.
- The amount available in the budget at the time of the application.
- The possible impact on the Council of not making such an award, e.g. pressure on priority homeless accommodation.
- Any other special circumstances brought to the attention of the Revenues, Benefits and Customer Services department.

### 5.3 Period of Award

The Crisis and Resilience Fund Housing Payment scheme should be seen as a short-term fund to assist with financial hardship. It is not and should not be considered as a way around any current or future entitlement reductions set out within legislation.

In all cases, the Revenues, Benefits and Customer Services department will decide the length of time for which a Housing payment will be awarded on the basis of the evidence supplied and the facts known. The Council reserves the right to suspend or cease awards where the available budget has been exhausted.

### 5.4 Start date of an Award

The start date of an award will normally be:

i. The Monday after the written claim form for a Housing payment is received or the initial request made to the Benefits Department; or

ii. The date on which entitlement to Housing Benefit or Universal Credit Housing Element commenced (providing the application form is received within one calendar month of the claim for Housing Benefit or Universal Credit Housing Element being decided), whichever is the most appropriate.

The Revenues, Benefits and Customer Services department cannot award a Housing payment for any period outside an existing Housing Benefit or Universal

Credit Housing Element period granted under the Housing Benefit or Universal Credit statutory schemes.

- The minimum period for which the Revenues, Benefits and Customer Services department will allow an award is one week.
- The Revenues, Benefits and Customer Services department will consider any reasonable request for backdating an award of a Housing payment, but such consideration will usually be limited to the current financial year.

### 5.5 Backdating an Award

The Revenues, Benefits and Customer Services department will look at each claim on its own merits when deciding whether or not to backdate a claim, but such consideration will usually be limited to the current financial year. Unlike Housing Benefit or Universal Credit Housing Element, there are no rules on backdating, but the Revenues, Benefits and Customer Services department will act consistently when considering requests for backdating.

### 5.6 Capital

Where the customer holds capital, the officer must use their discretion to decide whether the level of capital warrants refusing the customer's application. However, consideration should be given to the fact that the capital may be reserved for a reasonable future expense, such as a bond or rent in advance in respect of cheaper accommodation.

### 5.7 Turning down affordable accommodation

Under normal circumstances, where a customer has previously refused the allocation of more suitable, affordable accommodation, an award will not be paid.

### 5.8 Expenditure

When considering expenditure, the Revenues, Benefits and Customer Services department will consider ‘expenditure of luxury items’. These Items should be considered on an individual case basis; the customer may not be able to dispose of a luxury item quickly, or they may have a good reason for requiring the item. However, where an item is clearly unnecessary, we should not include it as part of the customer’s expenditure.

When awarding a Housing payment to assist the customer with securing a new tenancy, the authority will consider the following:

- The authority will include information about the legal obligations for landlords to protect any deposit paid in a government-approved tenancy deposit protection scheme. Compliance with this requirement will help reduce the need for future help with deposits.

- Establish if the customer is due to have a deposit in respect of their existing tenancy returned to them.
- Making payment to the landlord rather than the customer, where applicable.

The Revenues, Benefits and Customer Services department will decide how much to award based on all of the customer's circumstances. This may be an amount below the difference between the rent liability and the Housing Benefit or Universal Credit Housing Element payment. An award of a Housing payment does not guarantee that a further award will be made at a later date, even if the claimant's circumstances have not changed.

Careful consideration may be required to determine how best to target the funding to priority groups, whilst ensuring that each case will be considered on its individual merits.

- Families with children at a critical point in their education.
- Young people leaving local authority care.
- Foster carers, including those between placements: foster children are not included in the Housing Benefit assessment, but neither is the income from foster allowances, as the Government values the work done by foster carers. Whilst some carers may be able to make up the shortfall using some of their allowance, or by other means, some thought should be given to supporting foster carers who are deemed to be under-occupying their accommodation because they have rooms occupied by foster children, or being kept available for future placements.
  The Council should bear in mind that foster carers should not be financially penalised because of their foster care role.
- People going through the approval process to become foster carers may need to show that they have a spare room to be approved.
  If a Housing payment was awarded on this basis, it would be up to the claimant to inform the Revenues, Benefits and Customer Services department of a change of circumstances if, for example, they were not subsequently approved.
- Families with kinship care arrangements.
  Children who go into the care of family and friends are often extremely vulnerable and will usually benefit from the stability of remaining in a familiar area and continuing to attend their local school.
- Families with a child temporarily in care, but who is expected to return home.
- What constitutes temporary will be at the authority's discretion.
- Families with a social services intervention, for example, highly dependent adults, children at risk or involvement in a family intervention project.
- People who have had to flee domestic violence or have moved because of the threat of violence in another area.

- Where someone in the household is expecting a baby (including those currently in shared accommodation or subject to an under-occupation reduction).
- Ex-homeless people are being supported to settle in the community.
- People with health or medical problems who need access to local medical services or support that might not be available elsewhere.
- People with disabilities who need, or have had, significant adaptations made to their property, or who are living in a property particularly suited to their needs.
- Where the claimant or someone in the household has a disability which requires them to have a larger property than would usually be the case for the size of their household, due to, for example, a medical condition or where a child has a particular disability that might mean they are unable to share a bedroom.
- People with disabilities who receive informal care and support in their current neighbourhood from family and friends, which would not be available in a new area.
  In this respect, the authority may also consider families who have a child with a disability who relies heavily on local support networks.
- Households with disabled children who require an overnight carer.
- The elderly who have lived in the area for a long period of time and would find it difficult to establish support networks in a new area.
- People who need to live near their jobs because they work unsociable hours or split shifts, or where moving home may mean living in an area where public transport would be inadequate to enable them to sustain their current job.

### 5.9 Changes in circumstances

If there is a change in circumstances during the period of an award, the award may be revised or terminated. In such cases, a new application may be required to reflect the updated circumstances, and a fresh decision will be made accordingly.

### 5.10 Method of payment

The Revenues, Benefits and Customer Services department will decide the most appropriate person to pay based on the circumstances of each case. This could include paying:

- The claimant
- Their partner
- An appointee.
- Their landlord (or an agent of the landlord)

- Any third party to whom it might be most appropriate to make payment.

The Revenues, Benefits and Customer Services department will pay an award by the most appropriate means available in each case.

- By electronic transfer (e.g. BACS)
- By crediting the claimant's rent account if renting from the Council.

Payment frequency will normally be made in line with how the customer's Housing Benefit or Universal Credit Housing Element is paid to them.

Weekly payments would only apply where Universal Credit Housing Element payments are paid directly to a Council Tenant's rent account.

### 5.11 Notification

The Revenues, Benefits and Customer Services department will inform the claimant of the outcome of their application within 14 days of receipt of all of the information required being received.

Where the application is unsuccessful, the Revenues, Benefits and Customer Services department will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Revenues, Benefits and Customer Services department will advise:

- The weekly amount of Housing Payment awarded.
- The period of the award.
- How, when, and to whom the award will be paid.
- The requirement to report a change in circumstances.

Where customers are identified as experiencing difficulty in managing their financial affairs, they will be signposted to Citizens Advice for independent support and guidance.

Where customers are experiencing a shortfall in their housing costs as a result of welfare reform measures or restrictions associated with their accommodation, they will be advised to contact the Council's Housing Section for further assistance and advice.

### 5.12 Refused Housing Payment

Where a request for a Housing Payment has been refused, repeat applications will not normally be considered unless the customer can demonstrate a significant change in their circumstances or that a reasonable period of time has elapsed since the previous decision.

## 5.13 The right to seek a review

Housing payments are not payments of Housing Benefit or Universal Credit Housing Element and therefore are not subject to the statutory appeals mechanism.

The Revenues, Benefits and Customer Services department will operate the following process for dealing with a decision about a refusal to award a Housing payment, a decision to award a reduced amount of Housing payment, a decision not to backdate a Housing payment or a decision that there has been an overpayment of a Housing payment.

- A claimant (or their appointee) who disagrees with a decision may dispute the decision. A request must be made in writing to the Revenues, Benefits and Customer Services department within one calendar month of the written decision about the Housing payment being issued to the claimant.
- A Senior Officer will then review the decision and all the evidence held and revise the decision if appropriate. If the decision is not revised, then they will make a recommendation to the Assistant Director Revenues, Benefits and Customer Services and provide all appropriate information surrounding the recommendation.
- The case will be reviewed by the Assistant Director for Revenues, Benefits and Customer Services, in consultation with the Portfolio Holder for Resources and Personnel. Where the Portfolio Holder for Resources and Personnel is unavailable or has a conflict of interest, the Portfolio Holder for Housing will act as the appropriate Deputy. Where a recommendation to refuse a Housing Payment is upheld, the Senior Officer will notify the claimant in writing, clearly outlining the reasons for the decision
- This decision is final and binding and may only be challenged via the judicial review process or by complaint to the Local Government Ombudsman if there is an allegation of maladministration.
- In exceptional circumstances, the above time period may be extended.
- Complaints about the administration of the scheme can be made through the Council's corporate complaints procedure.

## 5.14 Overpaid Housing Payments

Housing payments may be recovered either fraudulently or otherwise. An award is also recoverable if it was paid as a result of an error made when the claim was determined.

The Revenues, Benefits and Customer Services department cannot recover Housing payments from ongoing Housing Benefit or Universal Credit Housing Element entitlement. Therefore, the only method of recovery if a Housing payment is overpaid is to request repayment of the debt from the customer by invoice.

### 5.15 Fraud

The Revenues, Benefits and Customer Services department is committed to the fight against fraud in all its forms.

A claimant who tried to fraudulently claim a Housing Payment by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under the Theft Act 1968.

Where the Revenues, Benefits and Customer Services department suspects that such a fraud may have occurred, the matter will be investigated as appropriate, and this may lead to criminal proceedings being instigated.

The Council also reserves the right to use any details submitted by person (s) to check against national records and databases to highlight any potentially fraudulent activity.

## 6.0 Related Policies, Procedures and Guidelines

The Crisis and Resilience Fund is a consolidated revenue grant that will be delivered through the Local Government Finance Settlement from the financial year ending March 2027. The Ministry of Housing, Communities and Local Government is providing funding to Authorities under Section 31 of the Local Government Act 2003, to administer The Fund. Authorities have discretion on exactly how this funding is used within the scope set out in this guidance and the Grant Determination Letter.

The Policy has been developed in conjunction with the related government guidance.

# 7.0 Review

The policy should be reviewed every two years.

## 8.0 Appendices

## 8.1 Policy Change Table

| Policy Section | Suggested Change | Reason for Change |
|---|---|---|
| 1.0 | Amend terminology to reflect the replacement of Discretionary Housing Payments with the Crisis and Resilience Fund | The Discretionary Housing Payment scheme has ended and been replaced by the Crisis and Resilience Fund |
| 5.13 | Outlines the officers responsible for both initial decision-making and the review of decisions relating to Crisis and Resilience Fund Housing Payments, including the Portfolio Holder for Resources and Personnel. Where the Portfolio Holder for Resources and Personnel is unavailable or has a conflict of interest, the Portfolio Holder for Housing will act as the appropriate Deputy. | To ensure an appropriate level of delegated authority within the Council's Scheme of Delegation, while enabling timely decision-making in response to the urgent nature of such applications |
| 7.0 | Reviewing the Policy every two years | Ensure that the policy is reviewed in a timely manner. |