

Crisis & Resilience Fund – Housing Payment Policy April 2026

Background:

1. From 1st April 2026 the Crisis and Resilience Fund, (“CRF”), has been made available to councils in England for a 3-year period to support low-income households who encounter financial shock and to support activity that builds individual and community financial resilience.
2. The CRF is a consolidated revenue grant that was confirmed in the 2026/2027 Local Government Finance Settlement. The Ministry of Housing, Communities and Local Government is providing funding to councils under Section 31 of the Local Government Act 2003 to administer CRF. Councils have discretion on exactly how this funding is used within the scope set out in this guidance. With discretion being in issue, it is important that the Council makes decisions in a fair, reasonable and lawful manner.
3. CRF includes providing financial support via Housing Payment to those entitled to qualifying benefit who face a shortfall in meeting their housing costs. The qualifying benefits are:-
 - (a) Housing Benefit, (“HB”); and
 - (b) Universal Credit, (“UC”), with housing costs towards rental liability. This includes Shared Ownership properties which carry a rental liability.
4. Where the applicant is not already in receipt of a qualifying benefit they will need to prove to the Council’s satisfaction they will be receiving these payments, timescales, and likely payment amounts.
5. Housing Payments replace the Council’s previous Discretionary Housing Payment Schemes, (“DHP”), and associated Policies from 1st April 2026. Housing Payments will closely replicate the previous DHP and will adopt a phased transition over the 3-year funding period. The previous DHP Discretionary Financial Assistance Regulations 2001 and Discretionary Housing Payment (Grants) Order 2001, which councils worked to, are being revoked from 31st March 2026.
6. The Department for Work and Pensions, (“DWP”), Crisis and Resilience Fund Guidance confirms that councils are free to retain much of their previous DHP processes / guidance and communications, although there is a need to update and rebrand them and ensure that they align with other forms of CRF support, such as Crisis Payments.
7. Like the previous DHP, the award of Housing Payments is discretionary. There is no right to an award. The Council’s discretion is very broad. Decisions must be made in accordance with the ordinary principles of good decision making. The Council must act fairly, reasonably and consistently. It is important that the individual circumstances of an applicant are properly considered in deciding whether to make an award.
8. To ensure fairness, reasonableness and consistency in the determination of submitted claims, it is important for the Council to adopt a Policy that sets out the criteria that needs to be met for an applicant to receive a Housing Payment, but which allows for flexibility in decision making.

9. Administration of the Council's Housing Payment Scheme will be undertaken by the Executive Director of Public Health and Wellbeing in accordance with this Policy. Administrative processes will be updated when changes are needed to ensure applicants can be supported and CRF outcomes delivered from within the CRF allocation.
10. On-going claim administration and spending are also subject to internal quality assurance processes and on-going monitoring. These will provide sufficient confidence about the consistency and accuracy of decision making, as well as helping identify potential improvements and preventing Housing Payment overspend.
11. Award levels will be reviewed at least annually and recommendations for any changes made to the Executive Director of Public Health and Wellbeing for consideration and decision in consultation with the Portfolio Holder for Communities, Culture and Tourism.
12. Each application for a Housing Payment will be considered on its own merits. Decisions will be made in accordance with the provisions of this Policy, unless there are exceptional circumstances to justify a departure from the same. The DWP's Crisis and Resilience Fund Guidance will also be taken into consideration.
13. Notwithstanding the above, :-
 - (a) The Council aims to only use its Government CRF Housing Payment Allocation to fund Housing Payment awards each financial year and within a 20% plus, or minus tolerance.
 - (b) Once this funding has been allocated and paid to applicants, (and in the absence of any additional source of funding), all subsequent CRF Housing Payment applications received for the remaining part of the financial year will be unsuccessful. However, depending on their individual circumstances, they may be able to access further financial assistance through the Council's Crisis Payment Scheme, which will be signposted.
 - (c) In administering the Scheme, the Council will continue to have due regard to appropriate matters set out in the DWP's Crisis and Resilience Fund Guidance and the Discretionary Housing Payments Guidance Manual, (i.e. the Guidance Manual – May 2022). These include priority groups that may need initial and ongoing support.
 - (d) This Policy will have application as from and including 1st April 2026 for applications for a Housing Payment that are received by the Council on, or after 1st April 2026.
 - (e) Existing DHP awards that would continue after 1st April 2026 will be passported over / transition over until the end of the current award; and
 - (f) DHP applications made prior to 31st March 2026, but not determined, will be considered under this Policy.

2 Statement of Objectives – Housing Payments:

1. Housing Payments **align with wider City Plan / Healthy City Plan aspirations.** These include:
 - **Everyone having the basic things they need to stay well and secure.**
Helping people cope with money pressures, like higher living costs, and staying healthy.
 - **Families having the right support around them.**
Helping families manage difficult times and supporting children and families to live well.
2. A key action in the Healthy City Delivery Plan includes administering the councils support schemes for households who need extra support.

3. Financial wellbeing is one of the twelve priorities of the **refreshed Sunderland Healthy City Plan 2020-2035** (refreshed July 2025). The Plan recognises that when we have financial wellbeing, we are more likely to have stronger building blocks of health in place, this includes:
 - Work in decent and secure jobs
 - Live in safe and stable housing
 - Afford nutritious food
 - Experience better mental health
 - Maintain strong social relationships and participate in community life
4. Housing Payment delivery also supports and is referenced in the City's **Sunderland children and families thriving Child Poverty Strategy 2025-2028** Strategic Pillar 1: Income Maximisation and in the linked Delivery Plan Actions.
5. The Council receives a limited Housing Payment grant allocation, although the Council can top up its Housing Payment allocation using its own funding, should that be available it has chosen not to do so. Unfortunately, the Council cannot support all applicants that might approach it for support. Nor is it possible for the Council to provide support for as long as some applicants may need it.
6. A Housing Payment Award, like DHP before it, is intended to provide short-term financial support for applicants to provide them with some time that they require to deal with transitions and / or to support them make changes to their circumstances.
7. Housing Payment support is compliant with and support the Council's duties under the Equality Act 2010.

3 Housing Payments:

1. The majority of Housing Payment awards will be to support applicants with eligible rent shortfalls between their HB, or UC housing costs and their actual rent, including those shortfalls caused by the Benefit Cap, the removal of the Spare Room Subsidy, ("Bedroom Tax"), and Local Housing Allowance (LHA) restrictions.
2. Housing Payments cannot be used to cover ineligible service charges, additional rent payments due to rent arrears, due to benefit sanctions, or suspensions, or whether there is no eligible rent shortfall.
3. An award can be made as a lump sum payment, or periodic payments to either the applicant, or to their landlord. Payment frequency and the recipient of the payment are at the Council's discretion based on presenting circumstances.
4. Housing Payment funding may also be used by exception for one-off payments, including :-
 - (a) Rental deposits and rent in advance.
 - (b) Costs associated with securing housing, or downsizing, such as removal expenses, or tenancy setup; and
 - (c) Removal costs and costs in relation to moving possessions to a new property.
5. The Council applies strict qualifying criteria to applications that fall under the stated "one off" payment types. As to these:-
 - (a) If an applicant is moving into the Sunderland Council area from another Council area they must apply to their current council first in whose area they are resident for a Housing Payment, with this being done while they still receive HB, or UC. The Council would look to support residents moving to other Council areas in the same manner

and will look to liaise appropriately with other Councils in respect of these applications;
and

- (b) In addition, rent in advance and deposits would not normally be granted and paid in relation to registered social landlords, housing association properties, or larger private landlords.

4 Criteria for CRF Housing Payment Initial Awards :

1. In order to be eligible to receive a Housing Payment, an applicant must be entitled to HB, or UC with housing costs and is applying for a Housing Payment after 1st April 2026.
2. Applications are required to be submitted using the Council's application form, as advertised by the Council in its communications, including in its website information. Applications can be made via telephone, online or via telephone call to the Council's Home and Money Team
3. Information about Housing Payments will be made available via other Council, Together for Children, Sunderland Care and Support services, social landlords / other landlords and via appropriate VCS organisations including advice providers and food aid providers
4. Received applications will be subject to a full assessment. Applicants are required to provide details and appropriate evidence relating to their income, benefits, capital, savings and expenditure as may be reasonably required by the Council in order that a full assessment can be undertaken of their circumstances. These are outlined in Appendix1
5. An applicant must provide, within such time as may be specified, any further information, or evidence reasonably requested by the Council to enable a financial assessment to be undertaken.
6. The financial assessment is used to determine: -
 - (a) Whether the applicant is unable to afford their housing costs, (i.e. Their eligible rent shortfall), without further financial assistance; and
 - (b) How much financial support the Council should provide to the applicant under the Scheme based on either their HB, or UC Housing Cost entitlements, their other income sources and expenditure.
7. Although HB and UC are different benefits and calculated differently, the Councils' financial assessment process is intended to provide as far as is possible, equity between applicants with similar financial circumstances, and provide similar levels of Housing Payment support.
8. The requested Housing Payment must normally be required to help the applicant with the following, :-
 - (a) To secure and move to alternative accommodation.
 - (b) Short-term rental costs until they can secure and move to alternative accommodation.
 - (c) Short-term rental costs while they seek employment.
 - (d) On-going rental costs for a disabled person in adapted accommodation.
 - (e) Short-term rental costs while they seek to increase their hours of employment enough to become exempt from the Benefit Cap.
 - (f) Short-term rental costs for a foster carer; or
 - (g) Help with short-term rental costs for any other reason, except any reason which is ineligible under the relevant legislation.
9. When considering whether to make a Housing Payment to an applicant the Council will

have due regard to the previously issued DHP Guidance Manual. This includes how best to target funding to priority groups, whilst remembering that each application for a Housing Payment will be considered on its own merits.

6 Length of Initial CRF Housing Payment Awards:

1. Housing Payments are meant to provide short-term support to an applicant. The length of awards are at the discretion of the Council. Awards will normally be made for a single period of no more than 26 weeks, i.e. normally from the date of the submitted application. This is to allow most applicants sufficient time to make improvements to their circumstances where they can reasonably do so. Applicants that still face a financial shortfall at the end of that period will be required to apply for a further Housing Payment
2. In any case where, on the date of application, an applicant has confirmed credits on their rent account which do not exceed the Housing Payment that would be payable over 26 weeks, a Housing Payment will normally only be paid from the time when such credit is exhausted and for the balance of the 26-week award period remaining. If the amount of credit exceeds the amount of Housing Payment that would be payable, no award of Housing Payment will be made. Applicants may still be able eligible to apply to the Council's Crisis Payment Scheme.
3. Where an applicant's circumstances are expected to have improved before the end of the usual 26-week award period, or where any transition is likely to be successfully made within that time, an award may be made for less than 26 weeks.
4. Housing Payments may be paid in multiple instalments. They can be made to their landlord, the applicant, or to third parties, where appropriate. The payee is determined by the Council at its discretion.
5. Unless a one-off payment is made, the applicant will be advised of the start date and the end date of their Housing Payment award. Information will also be provided about how to re-apply for a Housing Payment should the need arise and about other CRF support.
6. DHP awards made prior to 1st April 2026 for a period of up to 26 weeks will be treated as CRF Housing Payments for the remainder of their award period. However, these may be recalculated based on updated benefit rates, as was the case for DHP.
7. Claimants are required to be advised in writing, or electronically about the outcome of their submitted application for a Housing Payment. This is to be done as soon as it is reasonably practicable, mindful of the fact that applications will generally deal with an immediate need on the part of the applicant.

7 Repeat Claims:

1. While many applicants should only require one Housing Payment award, some will re-apply for support, i.e. when their award is due to end, or at some point thereafter. The Council will regard a Repeat Claim as being any further application that is made by the same applicant, (or their partner), at any address within the City of Sunderland within:
 - (a) One year of their previous Housing Payment award ending; or
 - (b) One year of their previous DHP award ending; and
 - (c) Where their circumstances, or reasons for reapplying are considered by the Council to be the same as those that applied at the time of the previous Housing Payment award, or DHP award.

2. The Council's Housing Payment grant allocation only allows it to make a limited number of awards. Repeat awards will be granted in a limited number of circumstances and for limited periods of time. This means even in cases where an applicant would be entitled under a repeat financial assessment and are trying to make improvements to their circumstances, further awards may not always be made.
3. The following four priority groups are identified as those the Council intends to continue prioritising for ongoing support. This is due to both the extent of the issues affecting them, the potentially intractable nature of these issues and the costs that would be borne by either the applicant or other agencies should they be required to move. Other groups will also be considered on a case-by-case basis,
 - (a) People who are a victim/survivor of domestic abuse, or people who are affected by domestic abuse who remain in a property which has been adapted under a sanctuary scheme.
 - (b) Families with a disabled child not in receipt of upper or middle rate Disability Living Allowance, ("DLA"), but whose condition makes sharing a bedroom difficult.
 - (c) Disabled people who need, or have had, significant adaptations made to their property, or where they are living in a property particularly suited to their needs. This includes properties which have been adapted for other members of the household, such as disabled children, or non-dependants; and
 - (d) Where the applicant, or someone in their household has an impairment, which requires them to have a larger property than would usually be the case for the size of their household due to, for example, where a bedroom is used for storage of medical equipment, or used to support their disability, such as a sensory room.
4. In addition, the Council treats its Homelessness Prevention duties seriously and Housing Payments may be used as part of the overall support package made available to residents at risk of homelessness and / or that are homeless and being supported into new accommodations. Such applicants will normally be working with the Council's Housing Options Team, or other appropriate third parties.
5. The Council will continue to have due regard to the DHP Guidance Manual when considering making any repeat awards and whether the applicant's circumstances meet the criteria for the priority groups and / or they are undertaking actions to improve their situations. The Council will only be able to provide more limited support for repeat applicants from 1st April 2026 under this Policy.
6. Having due regard to an applicant's circumstances, the following guide will be applied when considering repeat claims:
 - (a) If a Housing Payment award is to be granted, the repeat award may be limited to approximately 50% of what would otherwise be a full value award based on the applicant's new financial assessment; and
 - (b) Number of repeat awards being made to the same applicant, i.e. normally no more than one to two awards in total, although this is subject to an applicant's individual circumstances and having due regard to what they are doing to make changes to their circumstances.

8 Length of Repeat Awards:

1. For repeat applications that fall within the four identified priority groups, repeat awards

should not exceed 52 weeks.

2. Ordinarily, all other repeat awards would be made for weeks but could be for shorter or longer periods depending on the circumstances that apply.

9 Backdating:

1. The Council has a discretion to backdate a Housing Payment. When deciding whether to backdate each case will be considered on its own merits.
2. The following points are highlighted, :-
 - (a) A Housing Payment can only be considered for a period where linked HB, or UC housing costs are payable, i.e. backdating of a Housing Payment cannot cover a period when the applicant was not in receipt of these benefits:
 - (b) The Council will consider backdating Housing Payment in limited circumstances where the applicant has shown continuous good cause and provided evidence of having applied later than they could have done:
 - (c) A Housing Payment award will only be backdated to cover the period, or from the period where the applicant has demonstrated good cause:
 - (d) Any backdating will not exceed more than a maximum of 52 weeks:
 - (e) Examples of where backdating may be granted includes where an applicant was ill, or incapacitated and it is considered that they were prevented them from making a claim, or where the applicant had only just received notification of HB, or UC where these primary claims decisions were applied retrospectively; and
 - (f) Backdating is also subject to there being sufficient budget available to enable a Housing Payment to be made.

10 Protection of Public Funds:

1. The Council is under a duty to protect public funds and resources. This includes funds and funding it administers on behalf of other agencies.

11 Overpayments and Fraud:

1. Where a Housing Payment is found to have been overpaid to an applicant, the Council will consider whether it is appropriate to recover it in full, in part, or not at all. Once determined, Housing Payment overpayments can only be written off in accordance with the Council's Corporate Debt Management Policy.
2. Depending on the circumstances, overpayments caused by official error may not be recovered.
3. In cases where a Housing Payment award was made, (either as a lump sum, or via instalments), due to misrepresentation, or failure to disclose a material fact, or change of circumstances, (either fraudulently or otherwise), recovery of these overpayments will be considered. These include cases where the initial Housing Payment award was correct, but where the applicant did not notify the Council that their Universal Credit Housing Costs award had reduced, increased, or had ended and the applicant has received one, or more subsequent instalment payments from the Council.
4. The Council is committed to reducing fraud in all forms. An applicant who tries 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. The Council reserves the right to liaise with the DWP and / or the relevant Police Force, as appropriate on such cases.

5. Where it is alleged, or the Council suspects that fraud may have been committed, the matter will be investigated. If fraud is found to have occurred, action will be taken, including the recovery of overpaid monies and, if appropriate, criminal proceedings.
6. Where an award is found to be based on a fraudulent application, an applicant could be disqualified from receiving future CRF Housing Payments and / or CRF Crisis Payments for a set period of time from the date the fraud was discovered. Any period of disqualification would be proportionate and reasonable. Information about their disqualification would be communicated to the applicant in writing. They would be able to request a review of the decision to disqualify and the period of disqualification under the review process provisions.
6. Any information submitted as part of the Housing Payment application process may be used to cross match against other information held by the Council as part of benefit application processes, including that held for other CRF and Discretionary Hardship Schemes.

12 Review Process:

1. The following review process applies, with the process for review being detailed in the correspondence issued to an applicant following determination of their application for a Housing Payment award:
 - (a) Any applicant who is dissatisfied with a decision made in respect of a claim for Housing Payment may request a review of that decision within one month of the date upon which they are notified of the decision:
 - (b) Any request for review must normally be submitted using the Council's review form, as advertised by the Council in its communications, including in its website information.
 - (c) The submitted review form must include the reasons for the request. For example, what they disagree with, or why they believe the Council's decision is wrong. If an applicant simply states they are unhappy with the decision, that will not be enough to trigger the review process:
 - (d) The review of a decision will be undertaken by an Officer of the Council no less senior to the original decision maker and who was not involved in making the original decision. The Officer undertaking the review is called "the Review Officer";
 - (e) The outcome of any review undertaken by the Review Officer will be communicated to the applicant in writing, or electronically within one calendar month, or as soon as possible thereafter.
 - (f) Where the review decision does not give rise to the outcome sought by the applicant, reasons for the decision reached will be given by the Review Officer; and
 - (g) If the applicant is still dissatisfied with the outcome of the review, they can access the Councils' Corporate Complaints Policy and processes. In cases of alleged maladministration on the part of the Council the applicant may be able to pursue their case with the Local Government and Social Care Ombudsman. There is also the option of pursuing a Judicial Review against the decisions reached by the Council.
2. The aim of the Council's review process is to ensure that there is an effective internal review procedure in place which provides applicants with a clear route to challenge errors and ensure decisions are made consistently and fairly.

Appendix 1 **Income / Benefits, Capital / Savings and Expenditure**

Income / Benefits

All income / benefits, such as Universal Credit), will be taken fully into account, (net of Tax or National Insurance for earnings/ self-employed earnings), within the financial assessment, except where detailed below.

The following income / benefits should be disregarded for the financial assessment calculation. However, the income from these may be offset against claimed expenditure for care, or mobility costs where appropriate:

- Armed Forces Independence Payments and Mobility Supplement.
- Constant Attendance Allowance and any Exceptionally Severe Disablement Allowance paid to customers receiving CAA.
- Disability Living Allowance Care and Mobility Components.
- Personal Independence Payment Daily Living, or Mobility Components; and
- Any Direct Payment / Personal Budget received by the applicant from the Council to help them meet and pay for their agreed social care needs / outcomes.

Savings / Capital

All savings / investments, (for example banks, or building society accounts, ISAs, or National Savings products), will be considered in full, unless detailed below.

The council will normally look to disallow any CRF Housing Payment application where the applicant has over £1000 in assessable savings because most CRF Housing Payment awards are short-term support and therefore the council considers that savings can be used first.

Should the applicant's savings have diminished significantly in the months leading up to their application / and or they have diminished after initially being turned down then the Council will consider the applicants' individual circumstances, and reasons for the reductions before deciding on whether to apply deprivation of capital rules. If these rules were applied, then the Council would still assess the applicant on the basis that they have these savings. The length of time that the Council would apply this for would depend on the customers' individual and financial circumstances.

Savings / Capital Disregards

- The value of the applicants' Rent Deposit / Bond may be disregarded if the applicant intends to use that money for the same purpose, i.e., to secure their new property.
- Stock and shares, less than 10% selling fees.
- Any capital which is treated as income, such as lump sum frequent annuity payments, or capital payments that are released in instalments.
- Any ex-gratia payments made to former Far Eastern prisoners of war.
- Any regular income (whether wages or benefits payable for that month - in respect of that month), and providing that the applicant's statements etc. show that this income is spent each month on meeting their normal day-to-day expenses / outgoings.
- Any payments in kind from a charity.
- Any compensation payments made to anyone suffering from Creutzfeldt-Jacob disease.

- Capital derived from an award of damages for personal injury, and which is administered by a Court.
- Credits on an applicant's Rent Account. However, the credit will be considered and may then either delay the start date of a CRF Housing Payment, or remove entitlement entirely, if the credit is worth more than the value of the 26-week CRF Housing Payment
- Payment of arrears for Social Security benefits should be disregarded for 52 weeks.
- Payments made under the Vaccine Damage Payment Scheme.
- Social Fund payment.
- Student Loans.
- Surrender value of any life insurance policy, or annuity; and
- Capital unable to be accessed from the impending sale of property.

Trust Funds would be reviewed on a case-by-case basis to assess what the beneficiary can access, and in which cases capital and any income from the trust can be considered.

Expenditure

The following expenditure will be allowed for the financial assessment calculation, subject to the maximum amounts to be prescribed by the Council from time to time. This list is intended as a guide and is not exhaustive. For many of these expenditure types a standard amount will be included in the financial assessment, (based on family size / composition), and in these cases no evidence will need to be provided. For higher amounts, or other areas of expenditure proof would need to be provided, together with evidence of the need before they could be considered within the financial assessment, which is done at the Council's discretion:

- Gas / electricity.
- Water rates.
- Council Tax.
- Food.
- Mobile telephone.
- Landline.
- Broadband.
- TV License
- Clothing.
- Car / petrol / taxis and public transport, less any offsets against disregarded benefits, i.e., DLA, or PIP Mobility.
- Contents insurance.
- Priority debt repayments.
- Non-priority debt repayments.
- Prescriptions / other medication, less any offsets against disregarded benefits, i.e., DLA, or PIP Care.
- School meals
- Non-rebate able service charges / other ineligible housing costs.
- Private domestic help / personal care, less any offsets against disregarded benefits, i.e., DLA, or PIP Care.
- After school clubs, i.e., cases where parents work no childcare during relevant working hours.
- Nappies.
- Subscriptions / membership fees required for work; and
- Life insurance.

An allowable excess will be included in each financial assessment to provide a buffer zone

and reflect the fact that minor items of expenditure and one off or irregular items cannot always be accounted for. The following maximum sums will be allowed, subject to periodic review by the Council:

- £20.00 Single Person
- £30.00 Couple
- £40.00 Family, i.e., single parent, or couple.

The following expenditure will not normally be allowed in the financial assessment calculation, with the list intended as a guide and is not exhaustive:

- Window cleaning.
- Gym membership.
- Swimming lessons.
- Newspapers / subscriptions.
- Personal Budget Contribution: the financially assessed amount that the person should already contribute, taking account of net rent / council tax payments, i.e., after HB/CTS.
- Garden maintenance / handyperson services.
- Social Allowances / cigarettes/alcohol, i.e., expenditure included within customer excess incomes above; and
- Satellite – expenditure included within customer excess incomes.