



**Committee: Thriving Council**

**Date: 25th June 2026**

**Subject: The Crisis & Resilience Fund plan 2026-27**

**Report by:**

Director of Corporate Services (S151 Officer)

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### **Executive Summary:**

This document outlines west Lindsey District Council's approach to the implementation of the Government's Crisis and Resilience Fund (CRF), a new three-year, Government-funded DWP programme. It replaces the Household Support Fund (HSF) and aims to provide crisis support for low-income households and build financial resilience across the district.

Lincolnshire County Council (LCC) have been awarded £9.9m per year for 3 years and have invited the seven district councils to be involved in the delivery of the fund.

West Lindsey has been allocated an amount for 2026-27 and this report outlines the Department for Work and Pensions (DWP) guidance for the spend and asks the members to approve the recommendation for the local delivery plan.

### **RECOMMENDATION(S):**

- (a) That the recommended delivery method for the West Lindsey financial allocation be approved**
- (b) That members approve the use of the named provider by way of procurement exception, as detailed in Appendix 1**
- (c) That authority be delegated to the Director of Corporate Services, following consultation with the Chairman of Thriving Council Committee, to make minor changes to the scheme resulting from decisions and / or requirements determined by the governing body or the scheme administrator**

## 1. Introduction

1.1 The new CRF replaces the Household Support Fund (HSF), funded via the DWP, it is a three-year funded programme, operating 2026/27 to 2028/29, in Lincolnshire the fund equates to £9.9m per year. Through implementation planning meetings with representatives from LCC, West Lindsey District Council has been offered £844k for 2026-27 to deliver resilience services and distribute payments to households suffering an unexpected short-term crisis or financial shock.

1.2 The CRF is split over five strands:

**Crisis payments:** providing support to those suffering a crisis

**Resilience Services:** funding a programme to improve financial resilience

**Community Funding:** investments in activities to improve the local welfare landscape

**Housing Payments:** replacing the Discretionary Housing Payment (DHP) scheme to provide support with housing costs - this fund is administered by the Benefits Team in each of the 7 District Councils in Lincolnshire

**Oil Heating Support** – a late addition of £1.8m to support Lincolnshire households relying on oil fired heating for warmth and hot water. This fund is fully administered for the County by LCC

1.3 LCC have allocated £844k to West Lindsey for 2026-27 to be split between the Crisis Payment strand (£580k) and the Resilience Services strand (£264k) All Lincolnshire districts have been discussing the options for delivery in line with the guidance set by DWP and this report sets out the proposed West Lindsey delivery method.

## 2 CRF – the guidance

2.1 The DWP have issued guidance on how they would like the CRF funding to be used but gave some discretion to the Local Authorities administering the scheme. The 7 district Councils and LCC have been working together for several weeks to examine the guidance and set the Lincolnshire criteria for the fund eligibility and use.

2.2 The DWP guidance advises that the CRF is to both provide a safety net for those on low incomes who encounter a financial shock and to invest in building local financial resilience to enable individuals and communities to better deal with crises in the long-term, reducing crisis need.

2.3 The guidance also states that when administering the fund, Authorities should adopt principles to deliver CRF schemes that are:

- person-centred to ensure that people's preferences, needs and values stay central to professional decisions, providing support that is respectful to them
- needs-based to recognise the varied circumstances that individuals may experience, seeking to meet the underlying needs, not just the crisis symptoms
- holistic to provide integrated support that helps the individual and their households, considering the wide range of services and actions they have access to
- encompassing a no wrong door approach to connect individuals to the right service and support through warm referrals, regardless of their initial point of contact

### **3. Crisis Payments**

- 3.1 The LCC and district working group, with reference to the DWP guidance, have agreed what could constitute a crisis and this includes a bereavement, illness, loss of employment, damage to property, domestic abuse, failure of an essential household item and an unexpected temporary financial loss or increase in expenditure. However, each district has the discretion to widen these criteria if a household is suffering financial crisis due to another reason.
- 3.2 In conjunction with LCC and the other six Lincolnshire Districts, criteria for awarding a crisis payment has been agreed as follows:
- Maximum household income of £36k per annum
  - Maximum household savings of £6k
  - Evidence may be required including 2 months bank statements

### **4 Resilience Services**

- 4.1 LCC have allocated part of the county CRF funding to Citizens Advice to set up a new bespoke support service to deliver resilience advice for any household being referred to them by LCC, the district councils or third parties working with the local authority. LCC have also allocated funds to each district council to use to deliver resilience support – either directly to the residents or via third party organisations.
- 4.2 The DWP require feedback on the outcome of a resident taking up resilience support and the outcomes they have suggested are:
- reduced need for emergency food parcels
  - increased access to appropriate and quality services
  - increased savings
  - reduction in priority debt
  - maximisation of individuals' incomes
  - decreased need for Crisis Payments

## **5 Delivery**

- 5.1 West Lindsey District Council has been successful in delivering financial aid schemes under the Covid Test & Trace Scheme, the Winter Grants Scheme and the 7 rounds of the Household Support Scheme. Since 2020 we have formed and developed successful working relationships with many partners who together with West Lindsey have distributed over £2.5m worth of goods, cash or vouchers to the most vulnerable households in the district.
- 5.2 Building on the experience of the last six years, the delivery of CRF will require existing and additional partner organisation help, in particular to deliver the new financial resilience services.
- 5.3 CRF will be managed by the Benefits Team at West Lindsey and a small proportion of the funding can be used to cover administration costs. The Benefits Team are already making payments under the 'Housing Payment' strand of CRF as this is covered by separate guidance and funding to replace the historic Discretionary Housing Payment scheme.
- 5.4 Delivery of CRF will continue to be discussed and monitored by LCC and the districts in order to avoid a Lincolnshire 'postcode lottery', some third-party organisations span district boundaries and joint working arrangements are encouraged.

## **6 Recommendation**

- 6.1 The County has allocated set amounts under the Crisis Payment and the Resilience Services strands of the scheme. It is recommended that the Crisis Payment allocation is split between an in-house payment mechanism which can be used by West Lindsey employees and partner organisations to issue direct financial support via an 'open application' scheme for any resident to apply to as has been used previously. In recommending that WLDC continue to work with a trusted partner, officers have provided a procurement exception report (appendix 1) which would enable the continuation of the successful partnership, given the expertise already demonstrated, it is recommended that committee approve the procurement exception.
- 6.2 It is also recommended that the Resilience Services strand allocation is used to fund partner organisations who already have the expertise to locate and support households towards financial resilience, allowing them to expand their offering to encompass the remit of CRF.
- 6.3 The decision on minor alterations or funding changes in this scheme be delegated to the Director of Corporate Services (Sect 151 Officer) in consultation with the Committee Chair.

## 7. Alternative Options

	<b>Option</b>	<b>Rational for not recommending</b>
1	Do nothing - reject the CRF funding and leave distribution to Lincolnshire County Council	Since 2021 West Lindsey DC has distributed Government funding totalling over £2m under the Household Support fund – helping some of the most vulnerable households in the district. We have the opportunity to continue this for 3 more years and to reject the County offer would not be in the best interests of the residents of the district.
2	To outsource the whole West Lindsey allocation to an organisation who could possibly deliver the outcomes required	If we were to outsource the whole funding distribution process we would lose our experience and good working relationships with many small organisations in the district and [potentially a higher percentage of the funding would be spent on administration rather than benefitting the residents

## **ASSOCIATED IMPLICATIONS**

**Legal: none**

**Financial:** FIN/43/27/TC/SL

All funding and administration costs will be claimed from Lincolnshire County Council

**Staffing:**

West Lindsey administration and monitoring of the scheme will be carried out by senior officers of the Benefits Team currently employed on a part-time contract. Additional hours worked will be claimed from the CRF allocation for these existing staff members.

**LGR implications:**

The CRF scheme is a three-year scheme running to 31 March 2029 – LGR will possibly affect the scheme depending on the Lincolnshire LGR result – this is already being discussed at CRF meetings.

**Equality and Diversity including Human Rights:**

An LCC & Districts Equalities Impact Assessment is being produced.

**Data Protection Implications:**

None – the County and the 7 districts have a data sharing agreement

Any organisation who we work with will have to agree to a data sharing agreement

**Climate Related Risks and Opportunities: None**

**Section 17 Crime and Disorder Considerations: None**

**Health Implications: This funding will potentially improve the health of some residents of the district**

**Risk Assessment:**

**Title and Location of any Background Papers used in the preparation of this report:**

CRF Guidance - [Crisis and Resilience Fund \(1 April 2026 to 31 March 2029\) - GOV.UK](#)

**Call in and Urgency:**

**Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?**

Yes

No

**Key Decision:**

Yes

No