



Housing Payment Crisis Resilience Fund

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1. LEGISLATION

Section 31 of the Local Government Act 2003

2. BACKGROUND

From April 2026, Discretionary Housing Payments in England will cease to be delivered under the Discretionary Financial Assistance Regulations (2001) and the Discretionary Housing Payments (Grants) Order (2001) and this legislation will be revoked in England. Discretionary Housing Payments in England will be incorporated into the Crisis Resilience Fund, delivered through a grant under section 31 of the Local Government Act 2003.

For those who face a shortfall in meeting their housing costs, Housing Payments will be available within the Crisis Resilience Fund (CRF), which replicates former DHP provision and will be incorporated in a phased approach.

From April 2026 eligibility, policy objectives, funding amounts and Local Authority recipients for the Housing Payment remain the same as those for DHPs in the financial year ending (FYE) March 2026.

DHPs will come to an end in England on 31 March 2026. From 1 April 2026, DHPs will be replaced by the Housing Payment strand of the Crisis Resilience Fund (CRF). The Housing Payment will closely replicate existing DHP guidelines and will adopt a phased transition over the 3-year funding period.

The Housing Payment provides financial support towards housing costs and is paid by an Authority when they are satisfied that an applicant requires further financial assistance with housing costs. These payments can be made to claimants who are entitled to either:

- HB, or
- UC with housing costs towards rental liability. This includes Shared Ownership properties which carry a rental liability.

Every claimant who is entitled to the minimum amount of Housing Benefit or the Housing Element of Universal Credit and who has a shortfall is entitled to make a claim for a Housing Payment. The purpose of the scheme is to provide additional funds 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 Nuneaton and Bedworth Borough Council a broad discretion to interpret the term as they wish. In general, housing costs means rental liability, however, housing costs can be interpreted more widely to include:

- Rent in advance
- Deposits
- Lump sum costs associated with a housing need such as removal costs
- Assistance in securing alternative more appropriate accommodation

Rent deposits and rent in advance

Housing Payments may be awarded for a rent deposit or rent in advance for a property that the claimant is yet to move into if they are already entitled to Housing Benefit or the Housing Element of Universal Credit at their present home. However, we may take other circumstances into consideration when making a decision.

When awarding Housing Payments for a rent deposit or rent in advance, the authority should be satisfied that;

- The property is affordable for the tenant; and
- The tenant has a valid reason to move; and
- the deposit or rent in advance is reasonable

The authority should consider that it may not always be possible for the claimant to seek the most affordable accommodation, i.e., someone fleeing the home due to domestic violence needs to seek a place of safety such as a refuge service.

Once a Housing Payment has been made to the claimant for a deposit or rent in advance, the authority does not require the claimant to repay this back to the authority at the end of the tenancy. Any future additional applications are unlikely to be paid as the rent in advance or deposit should be used to secure any future tenancy.

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 Benefits Department to determine.
- Housing Payments are not a payment of Housing Benefit or Universal Credit. However, the minimum amount of Housing Benefit or Housing Element of Universal Credit must be in payment in the benefit week that a DHP is awarded for.

Shortfalls that Housing Payments can cover:

- Reductions due to the removal of the spare room subsidy.
- Reductions as a result of Local Housing Allowance restrictions.
- Rent Officer Restrictions such as local reference rent or shared accommodation rate. Income tapers.
- Rent shortfalls to prevent a household becoming homeless whilst the Housing Department 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.
- Non dependant deductions
- Any other policy changes that limit the amount of Housing Benefit or the Housing Element of Universal Credit that is payable.

Two Homes/Temporary Absence

The regulations permit a person to have help through a Housing Payment award for rent due on a property they have moved into when treated as temporarily absent from their home e.g. 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, a Housing Payment could be awarded in respect of both properties subject to the weekly limit on each property.

Housing Payments **cannot be used for help with:**

- Ineligible service charges.
- Increases in rent due to outstanding rent arrears.
- Shortfalls in the Second Adult Rebate (pensioner claims only).
- Shortfalls in Council Tax Support. (Separate Hardship fund available)
- Certain sanctions and reductions in benefit.
- Shortfalls caused by overpayment recovery.

Further guidance can be found in The Crisis and Resilience Fund: Guiden for Local Authorities in England (1st April 2026 to 31st March 2029)

3. BENEFITS DEPARTMENT TEAM POLICY

The purpose of this policy is to specify how Nuneaton and Bedworth Borough Council's Benefit Department will operate the scheme and to indicate some factors that will be considered when deciding if a Housing Payment can be made. Each case will be treated strictly on its merits and all customers will be treated equally and fairly when the scheme is administered in line with Public Sector Equality Duty. The Benefits 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 Housing Payment strand of the Crisis Resilience Fund .

4. STATEMENT OF OBJECTIVES

The Benefits Department will consider awarding 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; 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 being made where there are exceptional or unusual circumstances. Payments are expected to be made to meet current needs rather than past debts but each case will be decided based on individual circumstances.

The Benefits Department will see through 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 provide assistance in the managing of their finances during the transition.
- 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.

5. CLAIMING A HOUSING PAYMENT

A claim for a Housing Payment must be made on an approved form accepted by Nuneaton and Bedworth Borough Council, in exceptional circumstances a request may be accepted without the need for an application form.

On request or in appropriate circumstances, the Benefits Department will issue the claimant with an application form, informing them that the form needs to be returned within one month of its issue. The claimant will be required to return the form to the Benefits Department within one month of its issue and will be encouraged to include any relevant supporting evidence.

The Benefits Department may request any reasonable evidence in support of an application. 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 outgoings to identify where there is a shortfall.

If the claimant is unable to or does not provide the required evidence, the Benefits Department will still consider the application and will in any event take into account any other available evidence including that held on the Housing Benefit file. The department reserves the right to verify any information or evidence provided by the claimant in appropriate circumstances.

6. PERIOD OF AWARD

The Benefits Department considers that the Housing Payment should be seen as short-term support to assist financial hardship, however a long term award may be paid where appropriate. 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 Benefits Department will decide the length of time for Housing Payment will be awarded on the basis of the evidence supplied and the facts known.

The start date of an award will normally be:

- i. The Monday after the written claim form for a Housing Payment is received or initial request made to the Benefits Department; or
- ii. The date on which entitlement to Housing Benefit or Universal Credit commenced (providing the application is received within one calendar month of the claim for Housing Benefit or Universal Credit being decided), whichever is the most appropriate.

The Benefits Department cannot award a Housing Payment for any period outside an existing Housing Benefit or Universal Credit period granted under the Housing Benefit or Universal Credit statutory schemes.

- The Benefits Department will usually award a Housing Payment for 13 weeks.
- The Benefits 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.

The Benefits Department will look at each claim on its own merits when deciding whether or not to backdate a Housing Payment. Unlike Housing Benefit or Universal Credit, there are no rules on backdating, but the Benefits Department will act consistently.

7. AWARDING A HOUSING PAYMENT

All applications will be considered by the Appeals and Quality Officer in the first instance. Decisions are restricted to a small team so that the fund can be closely monitored and to ensure that there is consistency in the decision making process.

Essentially the Council will compare the household income and expenditure to see whether the customer is in need of 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 Housing Payment decision making process. Therefore, we may decide to count income for a Housing Payment calculation that might have been disregarded in the Housing Benefit or Universal Credit assessment e.g. Child Benefit, Maintenance Payments and Disability Living Allowance/Personal Independence Payments received by any member of the household. (As any additional expenditure associated with their disability will have been taken into account 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 done on an individual basis and may require some additional clarification by the Council.

In deciding whether to award a Housing Payment, the Benefits Department will consider:

- The shortfall between Housing Benefit or Universal Credit and the rental liability.
- The steps being taken by the claimant to reduce their rental liability.
- The steps being taken by the claimant to increase their income or manage their outgoings.
- The medical circumstance of the claimant; their partner and any dependants 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 as Motability schemes, provision of care etc.
- The income and expenditure of the claimant, their partner and any dependants 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 Housing Payment 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 Benefits Department.

Capital

Where the customer holds capital, the officer must use their discretion to decide whether the level of capital warrants refusing the customer's Housing Payment application. The authority does not normally award a Housing Payment if the customer has more than £1,000.00 in savings. 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.

Turning down affordable accommodation

There is an expectation that applicants will need to find ways of making up any shortfall themselves if they do not wish to move to a more affordable property. Where a customer has refused the allocation of more suitable affordable accommodation, a Housing Payment will not be paid.

Expenditure

When considering expenditure the Benefits Department will take into account '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 good reason for requiring the item. However, where an item is clearly unnecessary, we should not include the item 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.

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

The Benefits Department will decide how much to award based on all of the customer's circumstances. 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 will be required to determine how best to target the funding within priority groups, whilst ensuring that each case is considered on its own 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 caring role.
- People going through the approval process to become foster carers who may need to show that they have a spare room to be approved. If a DHP was awarded on this basis, it would be up to the claimant to inform the Benefits 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 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 where they 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 rely 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 unsocial 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.

8. CHANGES IN CIRCUMSTANCES

The Benefits Department will need to revise an award of a Housing Payment where the claimant's circumstances have materially changed.

9. METHOD OF PAYMENT

The Benefits Department will decide the most appropriate person to pay based upon 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 Benefits Department will pay an award of Housing Payment 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 is paid. Payments of Universal Credit are made monthly, and for ease of administration their Housing Payment awards will be paid weekly.

10. NOTIFICATION

The Benefits Department will inform the claimant of the outcome of their application within 14 days of receipt of all of the information being received. Where the application is unsuccessful, the Benefits Department will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Benefits Department will advise:

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

Where customers have been identified as struggling to manage their financial affairs, appropriate referrals will be made and claimants signposted to organisations offering independent advice e.g. Citizens Advice Bureau and a National Debt Helpline.

Where customers are experiencing a shortfall in their housing costs due to restrictions implemented as part of the welfare reform and associated with their accommodation, their

details will be passed the authority's Housing Advice Department. They will be able to provide further advice and possibly be able to help the customer find a more suitable place to live or assist the customer in keeping their current home.

11. REFUSED HOUSING PAYMENT

Where a request for payments has been refused, it is not expected that repeat requests will be considered unless the customer can demonstrate that their situation has worsened significantly or a substantial period of time has elapsed.

12. THE RIGHT TO SEEK A REVIEW

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

- The Benefits 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. claimant (or their appointee) who disagrees with a Housing Payment decision may dispute the decision. A request must be made in writing to the Benefits Team within one calendar month of the written decision about the Housing Payment being issued to the claimant.
- An officer, who has not been involved with the original application will then review the case and all the evidence held and will make a decision as soon as feasible.
- Where the officer makes the decision not to revise the original decision, they will notify the claimant of their decision in writing, setting out the reasons for their 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.

13. OVERPAID HOUSING PAYMENT

Housing Payments may be recovered if it was paid as a result of an error made when the claim was determined.

The Benefits Department cannot recover Housing Payments from ongoing Housing Benefit or Universal Credit 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.

14. PUBLICITY

The Benefits Department will continue to publicise the scheme and will work with all interested parties to achieve this. Housing Payments will continue to be promoted through the Council's website and benefit letters. Staff are trained and knowledgeable and will advise those who are considered to be in financial difficulty of the availability of these payments.

15. FRAUD

The Benefits 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 Benefits 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.