



Crisis and Resilience Fund (CRF) 2026/27

Report Author

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Purpose of Report

This report sets out the Council's approach to delivering the Governments Crisis Resilience Fund (CRF).

Recommendations

Cabinet is asked to:

- 1. Approve the acceptance of the grant award of £909,278 for the delivery of the Crisis and Resilience Fund (CRF) 2026/27.**
- 2. Approve the Councils proposed delivery approach for the Crisis and Resilience Fund (CRF) for 2026/27 as set out in this report.**
- 3. Approve the proposed eligibility criteria and operating principles for crisis payments.**
- 4. Approve the delegation to the Deputy Chief Executive and Section 151 Officer in consultation with the Cabinet Member for Housing of any operational decisions and associated expenditure required to deliver the CRF scheme in accordance with the approved scheme framework, government guidance and allocated budget (as detailed in paragraph 2.17)**

Decision Information

Is this a Key Decision?	Yes
Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Enabling economic opportunities Effective council
Which wards are impacted?	All Wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 Lincolnshire County Council (LCC) has confirmed the allocation of £625,086 to South Kesteven District Council for the delivery of Crisis Payment and £284,192) for Resilience Services.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Procurement

- 1.2 Where services are specified and delivered in return for payment (including any commissioned districtwide resilience service), the arrangement is likely to constitute a public services contract and must comply with the Procurement Act 2023 and the Council's Contract Procedure Rules.
- 1.3 The crisis payment scheme will be delivered through a third party organisation, which will be county-wide. Procurement is currently being led by Lincolnshire County Councils Legal Team.

Completed by: Helen Baldwin (Procurement Lead)

Legal and Governance

- 1.4 Legal and governance implications are currently under review by Lincolnshire County Council and the District Councils as part of the preparatory work being undertaken, utilising the framework and guidance from the Department for Work and Pensions. The CRF is a government funded scheme and must be administered in accordance with grant conditions and guidance with funding lawfully applied for its intended purpose.
- 1.5 Proportionate due diligence and eligibility checks, together with appropriate verification processes, audit trails, and data-sharing arrangements, should be implemented to safeguard public funds and ensure compliance with grant conditions.

- 1.6 The Council has the power to administer externally funded support schemes under its general power of competence (section 1, Localism Act 2011).
- 1.7 Implementation of the final CRF scheme must comply with the Council's financial regulations, grant conditions, constitution and relevant legal requirements, including equality and data protection obligations where applicable.
- 1.8 The delegation proposed should be limited to operational delivery and implementation matters. Any substantive changes to policy, eligibility criteria or overall budget allocation may require further member approval.
- 1.9 Appropriate records of decisions and expenditure should be maintained to ensure transparency, auditability and compliance with the Council's financial governance arrangements.
- 1.10 Officers should ensure that appropriate fraud prevention and verification measures are in place given the nature of the scheme and the distribution of public funds.

Graham Kitchen, Director of Law & Governance (Monitoring Officer)

Equalities, Diversity and Inclusion

- 1.11 The funding directly supports a range of people experiencing financial crisis and includes a resilience component as a key mechanism to prevent future hardship. It is anticipated that the scheme will have a positive impact on a range of protected characteristic groups. An Equality Impact Assessment is being undertaken by LCC, with support from District Councils as the scheme is developed and will be reviewed and updated as the delivery plan is also developed.

Completed by: Carol Drury, Community Engagement Manager

2. Background to the Report

- 2.1 Government introduced the Crisis and Resilience Fund (CRF) for the period 2026 to 2029, replacing national welfare assistance-style provision previously delivered through a combination of local arrangements. The CRF is intended to provide support to residents facing immediate financial crisis and to invest in wider services that build resilience and reduce future demand.
- 2.2 The cost of living continues to place pressure on households, with some residents experiencing acute and immediate crisis (e.g., inability to meet food, energy, housing-related costs) and others needing earlier help to prevent escalation.

- 2.3 Local welfare assistance-style provision has historically been delivered through a combination of:
- discretionary crisis payments (cashless and/or cash in exceptional cases), and
 - commissioned or partnered “resilience” services such as debt advice, income maximisation, and holistic support.
- 2.4 The CRF is intended to provide a clearer national framework, with funding distributed to upper-tier authorities with expectations around local partnership delivery, robust assurance, and measurable outcomes
- 2.5 South Kesteven District Council (SKDC) is well placed to deliver elements of the CRF locally, given existing links with communities, housing and homelessness services, and established relationships with voluntary and community sector (VCS) partners.

Outline of grant and conditions

- 2.6 For the content of this report and delivery in Year 1 (2026/27), the CRF is a ring-fenced grant to support **crisis support (£4.5m funding countywide)**: time-limited assistance for residents facing immediate hardship, typically delivered through awards for essential needs and **Resilience support (£3.2m funding countywide)**: services/interventions that strengthen financial resilience and reduce repeat crisis.
- 2.7 Key grant conditions (to be reflected in local policies, procedures and partnership agreements) are expected to include:
- **Use of funds** must align to crisis and resilience purposes and be evidenced
 - **Eligibility and prioritisation** should focus on vulnerability and financial hardship, with safeguards against repeat or inappropriate claims
 - **Cash-first where appropriate**, but with controls to prevent misuse and to ensure funds meet intended essential needs
 - **Data and reporting** requirements including outputs, outcomes, equalities considerations, and spend by category
 - **Assurance and audit** expectations, including retention of records, fraud prevention, and compliance with subsidy/control rules (where applicable)
 - **Partnership delivery** requirements, including clear governance and routes for escalation
 - **Communications** requirements to ensure residents can access support and understand how decisions are made.

2.8 The Council will operate the CRF in line with the grant determination letter and any accompanying guidance, the Council's Constitution and Financial Procedure Rules, relevant safeguarding and data protection requirements, and equalities duties and the Council's approach to vulnerable residents.

Funding allocations

2.9 The Government has made an allocation of £9.9 million available to Lincolnshire, to be utilised between 1 April 2026 and 31 March 2027. The guidance and grant determination be viewed at: <https://www.gov.uk/government/publications/crisis-and-resilience-fund-guidance-for-local-authorities-in-england-1-april-2026-to-31-march-2029>.

2.10 Following the formal decision-making process by LCC, the Lincolnshire approach to utilise the available funding in 2026/27 is as follows (any funding not spent during 206/27 can be rolled into 2027/28):

Proposed Funding Allocation	County funding amount (£)	SKDC funding amount (£)
Retained for allocation to any of the individual strands of the CRF as required throughout the year and to cover increased costs in future years. This may include additional Resilience Services being explored in liaison with Children's Services through Education, Children's Centres, Family Hubs, and the Holidays Activities and Food (HAF) programme. LCC administrative costs will also be taken from this retention.	£2.0 million (20%)	N/A
Crisis Payments District councils to provide application-based schemes individually or working in partnership with each other, in-house or through a third-party 3 organisation(s). Schemes are to be as consistent as possible across the county, with districts having local discretion where an individual's need and circumstances do not meet agreed eligibility criteria.	£4.5 million (45%)	£625,086
Resilience Services £2.0m (20%) will be made available to the	£3.2 million (32%)	£284,192

Proposed Funding Allocation	County funding amount (£)	SKDC funding amount (£)
<p>seven district councils to continue or develop local Resilience Services and crisis support under local arrangements, providing broad support across the county.</p> <p>£1.2m to be retained by LCC to deliver this strand:</p> <ul style="list-style-type: none"> • LCC to deliver or commission countywide Resilience Services and to cover Community Coordination costs and schemes. • Core Resilience Services are being developed with Citizen's Advice Lincolnshire and the Lincolnshire Wellbeing Service. • Financial advice through the CRF on an outreach and peripatetic basis is in place through Citizen's Advice branches now and is designed to scale to align with district council launches of Crisis Payment schemes. £93,000 is being directed to support care experienced young people in supported living accommodation. 		
<p>Community Coordination including £25,000 per annum to resource the Lincolnshire Financial Inclusion Partnership (LFIP). Potential for a community micro-grant scheme and a community financial resilience training package are being explored.</p>	<p>£297,660 (3%)</p>	<p>N/A</p>
<p>Total funding</p>	<p>£9,997,600</p>	<p>£909,278</p>

Lincolnshire County Council (LCC) Delivery Plan

2.11 LCC will act as the accountable body for the CRF and will receive the grant and confirm conditions. They will set a countywide framework and will oversee performance and compliance of the scheme.

Partnership Agreement – County and District Council

2.12 Delivery of the scheme at county and district level requires clear agreements that define:

- roles and responsibilities for decision-making and payments
- accountability for compliance with grant conditions
- financial controls, reconciliation and reimbursement
- information governance (data sharing agreements where needed)
- safeguarding expectations
- performance management and reporting
- dispute resolution and escalation

2.13 A formal **Partnership Agreement / Memorandum of Understanding (MoU)** is entered into between the County Council (as grant recipient) and district councils (as delivery partners). This will include allocation amount for each district, permitted spend categories and any local flexibilities, minimum documentation requirements for awards, reporting templates, frequency and deadlines, audit rights and retention periods; and Process for underspends/overspends and year-end reconciliation. The agreement will also prescribe the interface between district crisis support delivery, county and district wide commissioned resilience services and VCS partners delivering on behalf of either tier.

South Kesteven District Council delivery plan (2026/27) and management of the Crisis Payments and Resilience Services scheme

2.14 The Council has discretion on exactly how this funding is used within the scope set out in the guidance and the Grant Determination Letter (“the Grant Determination”). This is detailed further in paragraphs 2.18 to 2.32

2.15 Management of the CRF will be undertaken by the Head of Service (Revenues, Benefits and Customer Service), which will be overseen by the following:

- Rural & Communities Overview and Scrutiny Committee
- Deputy Chief Executive & s151 Officer
- Cabinet Member for Housing

2.16 A quarterly update will be presented to Rural & Communities Overview and Scrutiny Committee which will include progress against the CRF action plan (this is currently being developed, in line with the objectives of the DWP guidance and will be presented at the next committee), management information, including details of funding awarded (value and number of residents support) and activities undertaken by resilience support organisations.

- 2.17 The Deputy Chief Executive & s151 Officer, in consultation with the Cabinet Member for Housing, is seeking delegated authority for any operational and financial decisions regarding CRF scheme delivery. This is likely to include:
- finalising and entering into the required partnership agreement(s) with the County Council and other partners
 - agreeing variations required during the year to ensure compliance with the grant determination
 - implementing reporting, audit and assurance requirements.

Eligibility criteria for CRF Lincolnshire

- 2.18 The Department for Work and Pensions (DWP) FAQs and main scheme guidance leave it to councils to determine how best to distribute the funding to those most effected, however, the scheme is neither intended to be universal nor limited to those in receipt of means tested benefits.
- 2.19 The introduction of the heating oil support resulted in local criteria being developed in conjunction with Lincolnshire district councils and the LCC Overview and Scrutiny Committee during a workshop on 17 March 2026, having regard to financial criteria in other established government schemes (e.g. Warm Homes Local Grant and minimum allowable savings levels for means tested benefits).
- 2.20 The Council has been issued **£625,056 funding for Crisis Payments**. Eligibility criteria for the Lincolnshire CRF continues to be developed jointly, utilising the approach to the heating oil support. This ensures a consistent approach, while still allowing districts to use discretion where needed. The proposed eligibility is included in **Appendix 1**, and if approved by Cabinet, will be published from 1 July 2026.

Resilience Services

- 2.21 Financial resilience refers to the ability of individuals to withstand and recover from financial shocks – such as sudden income loss or unexpected expenses. The purpose of building financial resilience is to enable individuals to better manage future financial shocks and reduce the need for crisis support. with proposals to provide **grant funding to local resilience services** to help people better manage their finances.
- 2.22 As well as responding to the immediate crisis, the Council can also offer some longer-term support to help avoid similar crisis in the future by offering a variety of resilience support as well as, or instead of, a crisis payment. In some cases, the Council may ask the resident to engage with this support as a condition of making a crisis payment.

- 2.23 Integration with crisis support is vital, and as such, every crisis payment award will include a 'next steps' plan and signposting to a resilience service. Where indicators suggest higher risk or repeat crisis, a warm handover to resilience services will be offered / arranged.
- 2.24 During the period Household Support Funding was available, the Welfare & Financial Advice Team and a partnership of voluntary and community sector organisations established local community support that offered a range of services, most commonly emergency food, furniture, basic white goods and energy support. It is intended to continue to work with these partners as well as formalise grant agreements to develop the support provided.
- 2.25 These organisations are trusted by residents and can provide a level of pastoral support that public sector services are often not able to achieve. As such, they can offer early identification of issues and provide low level advice or signposting to services.
- 2.26 The Council has been issued **£284,192 funding for Resilience Service**. An officer group has been developed to identify where there are gaps in support and those community providers who may be able to help delivery resilience support to our residents – this can be in the form of:
- Being a 'trusted partner' to review application forms and process financial support (vouchers, direct ordering of goods etc)
 - Providing access to food & essentials
 - Providing access to furniture & white goods
 - Bespoke support delivered by that particular organisation
 - Outreach services across the district
- 2.27 Once the appropriate community providers have been identified, these will be mapped across the district – locality, type of support provided, and where there are existing gaps for need. Consideration will be given to ensure rural communities can be supported by resilience service providers – whether directly through CRF or signposted for other support.
- 2.28 Discussions will be undertaken with the organisation as to the aim and outcome of the support from the provide, alongside the level of support which can be provided:
- Crisis payment only – trusted partner to receive and assess applications
 - Resilience service only
 - Mix of both
- 2.29 Grant funding discussions will take place, and agreements will be produced in accordance with the aims, objectives and outcomes of the 'Resilience Strand' of the Crisis Resilience guidance as issued by the DWP.

2.30 Funding can be used to provide new services, supplement or expand existing provision, but cannot be used to deliver or maintain existing government funded activity. Given the emphasis on building financial resilience, the DWP have stated SKDC are expected to use a significant amount of their total allocation on this strand. Activity is expected to positively impact on one or more of the following:

- Increased savings
- Reduced priority debt
- Reduced need for emergency food parcels
- Reduced material deprivation (inability to afford essentials)
- Maximised income
- Fewer repeat Crisis Payment applications
- Increased access to appropriate and quality advice services

2.31 Due to the increased level of funding to be distributed and activity relating to the crisis payments and resilience services, agreement has been sought from LCC for additional resource to be recruited into Welfare & Financial Advice Team. As a result, a full time, fixed term (to 31 March 2028) role has been advertised, and successful recruitment has taken place. This post will be fully funded from the Resilience Fund.

3. Key Considerations

3.1 LCC and Districts will be required to agree a three-year delivery plan. This will be reviewed on an annual basis to ensure the correct support is being provided, as well as a review of the delivery model and funding allocations. LCC will be responsible for providing the delivery plan to DWP.

3.2 The proposed key dates for delivery are:

- 1 July 2026: Crisis Payment applications are live
- 1 July 2026: Services identified and grant agreement discussions taking place / signed
- During 2026/27 – Community co-ordination gap analysis activity will be throughout Year 1 and will shape any changes to delivery in years 2 and 3

4. Other Options Considered

4.1 Do nothing has been discounted as the funding has been provided, and the requirement of the funding is to provide residents with support during times of crisis.

5. Reasons for the Recommendations

- 5.1 The DWP expect authorities to commence delivery of the scheme from 1 April 2026 and submit a delivery plan by 1 July 2026. Joint working has been in place between Lincolnshire County Council, District Councils and Support organisations during all stages of Household Support Fund. It is recognised a joint approach to this level of support will achieve the desired outcomes as set out in the framework and guidance.

6. Background Papers

- 6.1 Crisis and Resilience Fund: Guidance for Local Authorities in England 1 April 2026 – 31 March 2029: <https://www.gov.uk/government/publications/crisis-and-resilience-fund-guidance-for-local-authorities-in-england-1-april-2026-to-31-march-2029>
- 6.2 Lincolnshire County Council Executive meeting – 3 March 2026 (item 6): [Agenda for Executive on Tuesday, 3rd March, 2026, 10.30 am](#)
- 6.3 Rural and Communities OSC – 24 March 2025 (item 62): [Agenda for Rural and Communities Overview and Scrutiny Committee on Tuesday, 24th March, 2026, 2.00 pm | South Kesteven District Council](#)
- 6.4 Rural and Communities OSC – 6 May 2026 (item 8): [Agenda for Rural and Communities Overview and Scrutiny Committee on Wednesday, 6th May, 2026, 2.00 pm | South Kesteven District Council](#)

7. Appendix

- 7.1 Appendix 1: Crisis Payments – Proposed eligibility criteria