



CABINET – 28 APRIL 2026

CRISIS AND RESILIENCE FUND 2026-2029

REPORT OF THE DIRECTOR OF PUBLIC HEALTH, LAW AND GOVERNANCE

PART A

Purpose of the Report

1. The purpose of this report is to inform the Cabinet about a new government grant, the Crisis and Resilience Fund (CRF), and to set out how it will be used to support residents in Leicestershire from April 2026. The Cabinet is asked to note the delivery plan outlined in this report.
2. The CRF will run from April 2026 to March 2029. Previous schemes such as the Household Support Fund and Discretionary Housing Payments ended in March 2026. The CRF introduces a three-year programme with an emphasis on long-term financial resilience.

Recommendations

3. It is recommended that -
 - a) The delivery plan and funding allocations outlined in Part B of this report for the Crisis and Resilience Fund (CRF) in Leicestershire is noted;
 - b) The Director of Public Health, Law and Governance, following consultation with the Director of Corporate Resources, be authorised
 - i. to approve receipt of any future funding from the government for this grant;
 - ii. to approve the CRF delivery plans, funding allocations, and monitoring and evaluation returns for submission to the Department for Work and Pensions throughout the term of the CRF.

Reasons for Recommendation

4. The delivery plan will enable Leicestershire residents to receive financial support when in crisis and to receive ongoing financial resilience support from key partners. This meets the government guidance for the Fund.
5. The delegations to the Director will enable future funding to be received promptly leading to maximum impact with residents and for the delivery plans and monitoring and evaluation returns to be submitted in accordance with the DWP's prescribed deadlines.

Timetable for Decisions (including Scrutiny)

6. Reports and presentations will be given to key partners such as the Health and Wellbeing Board. The delivery plan will be presented to the Board's Staying Healthy Partnership on 10 September 2026.
7. The DWP has mandated that the CRF must commence in April 2026. Leicestershire's service went live on 13 April 2026.

Policy Framework and Previous Decisions

8. The CRF aligns with the national framework for discretionary welfare support, which gives local authorities flexibility to provide short term assistance to residents facing immediate financial hardship due to a crisis situation. The framework emphasises locally designed schemes that help to prevent crisis, support household resilience, and complement the wider welfare system.
9. The CRF directly supports the priorities set out in Leicestershire County Council's Strategic Plan (2022–2026) by helping residents to remain safe, well, and financially stable. By providing early, targeted support to people experiencing financial hardship, the CRF will help prevent avoidable crisis, promote independence, and reduce demand on statutory services. The Fund contributes to the Council's commitment to supporting vulnerable people, improving health and wellbeing, and enabling residents to live independently within their communities, while ensuring public resources are used effectively and responsibly.

Resource Implications

10. The County Council will receive £16.9m over three years, fully funded by the Government and ringfenced for this purpose. A further allocation of £222,102 for one year was announced on Monday 16 March 2026 to support households who are off-grid and using oil heating systems.
11. The introduction of the CRF sees the closure of the Government's Household Support Fund. Due to new grant conditions and a lower annual allocation the interventions have had to be designed from first principles and as such this should not be seen as a successor scheme.

12. Implementation of the delivery plan will require recruiting a front door team to sit within Public Health to administer the crisis application process. The financial resilience element will involve contracting with external organisations. Therefore, there are initial resource implications on existing central teams, for example the Commissioning Support Unit, whilst implementing contracts and putting new systems into place.
13. Expenditure, including administrative support, is expected to be managed within the grant funding provided, so there are no implications for the Council's Medium Term Financial Strategy.
14. The Director of Corporate Resources has been consulted on this report.

Circulation under the Local Issues Alert Procedure

15. This report will be circulated to all members.

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PART B

Background

16. The CRF is a new Government grant running from April 2026 to March 2029.
17. Previous support for vulnerable households was provided by the Government via the Household Support Fund and Discretionary Housing Payments scheme which ended on 31 March 2026. The CRF is a single, longer-term scheme being introduced from April 2026.
18. The Fund supports residents facing financial crisis; while also helping them become more financially resilient so they are less likely to need repeat crisis support.
19. The Government set out guidance for local authorities to adhere to when delivering the CRF scheme. This includes the scheme being person-centred with needs based assessments rather than providing universal fixed amount support for specific cohorts of residents as has previously occurred. The approach must be Trauma Informed (a practice to reduce the negative impact of trauma experiences and supporting mental and physical health outcomes) and timely at the point of crisis. It must prioritise cash first payments and be accessible to all. The Fund must be available to residents all year.
20. From April 2026, the Council will deliver the Fund across four required areas:
 - a) Crisis Payments**

Fast, short-term support for residents facing immediate financial crisis (e.g. food, fuel, emergency living costs). Support will be cash first wherever possible, with vouchers used where more appropriate.
 - b) Housing Payments**

Targeted help for residents who need support with housing-related costs, replacing the existing Discretionary Housing Payment system. The government has specified that this will be delivered by district councils in Years 1 and 2 and by the new unitary authority (arising from the planned local government reorganisation) in Year 3.
 - c) Resilience Support**

Practical help to prevent future crises, including debt advice, benefit maximisation, budgeting support and help with reducing essential living costs.
 - d) Community Coordination**

Investment in joined-up local support so residents experience a clear, simple route to help and do not have to repeat their story.

Delivery Plan

21. A single front door service was introduced from 13 April 2026, providing a clear and consistent route for residents to access crisis support. The service will be available both online and by telephone, ensuring accessibility for residents with different levels of digital confidence. The design reflects the Council's intention to offer timely assistance at the point of crisis, while maintaining appropriate checks and governance.
22. Residents seeking support will complete an application either independently online or over the telephone with the support of Council staff, which will be assessed on the basis of household circumstances and evidence of a qualifying financial crisis. Applications will then be considered individually by trained Crisis and Resilience Advisors, who will undertake a supportive conversation with the resident to understand their situation, assess eligibility, and identify immediate needs. Referral by a professional will not be required, ensuring that everyone is able to access the scheme independently.
23. Where criteria are met, households may receive a crisis payment to help meet essential living costs such as food, energy, water, hygiene products, digital connectivity, or other essential items. Awards will be discretionary, evidence based, and proportionate, with maximum award levels set to ensure support is targeted and sustainable over the life of the Fund. Payments may be made through bank transfer or vouchers, depending on the nature of the need and individual circumstances.
24. The scheme is designed not only to address immediate hardship due to crisis but also to prevent escalation and repeat crisis. As part of the assessment process, residents will be supported to access appropriate longer-term advice and support, including financial resilience services and wider local provision. This balanced approach ensures that crisis support is delivered alongside early intervention and prevention.
25. Initially the scheme will use the Public Health First Contact Plus service to refer individuals to the help and support they require. This will be for financial resilience but also their health and wellbeing.
26. Following a competitive procurement exercise, the Financial Resilience Service will be delivered by contracted community based organisation(s). The Fund is designed to enhance existing community provision, rather than replace it. This approach is essential given the Fund's three-year timeframe and ensures sustainability is embedded within the service design, supporting longer term resilience beyond the life of the Fund.
27. The financial resilience outcome will provide Leicestershire-based organisations additional funding to strengthen their offer to residents. This gives residents greater opportunity to access support for services such as income or benefit maximisation, income smoothing, debt management or access to tools like affordable credit.

Funding Allocations

28. Leicestershire County Council will receive £16.9m over three years for the Crisis and Resilience scheme. Additionally, for Year 1, the Government has made a further allocation of £222,102 to support residents who use heating oil.
29. In Years 1 and 2 the district councils will hold responsibility for Housing Payments. In Year 3 the housing responsibility will move to the new unitary authority, due to the local government reorganisation.

Year	LCC Allocation	LCC additional allocations	District housing payments
Year 1 – 2026/27	£5,396,226	£222,102	£590,143
Year 2 – 2027/28	£5,393,240	TBC	£590,143
Year 3 – 2028/29	£6,124,920	TBC	N/A

30. The Council's objective over the three-year period is to educate and build financial resilience in order that council spending is not continually overwhelmed by crisis. Initially, a larger proportion of funds will be channelled into crisis support. The profile of expenditure will change over the period of the Fund with the balance shifting more towards resilience in the second and third year.
30. Over the three-year period, the scheme will be subject to continuous improvement informed by evidence, data and engagement, ensuring it remains responsive to the needs of Leicestershire's most vulnerable residents. The Government requires a delivery plan to be submitted by 1 July 2026, followed by six-monthly monitoring reports, and formal monitoring arrangements will be in place to meet these requirements. In addition, ongoing and proactive monitoring will be undertaken throughout the year to assess access, eligibility and outcomes, providing assurance that the scheme is operating fairly and that support is reaching residents most in need.
31. Subject to this monitoring, expenditure levels will be kept under close and regular review to ensure the Fund remains sustainable throughout the year and over the lifetime of the programme. Where necessary, the level or structure of individual awards may be adjusted in response to demand and spend profiles, ensuring the scheme remains open, equitable and within the allocated budget, while continuing to prioritise support for those residents most in need.

Potential Risks

32. The CRF will be administered in line with the Council's existing counter fraud, prevention and assurance arrangements to ensure the Fund is used

appropriately. Proportionate eligibility and verification checks will be applied, reflecting both the level of risk and the urgency of need.

33. Any suspected fraud will be referred through established investigation routes, and where fraud is confirmed, recovery action will be taken where appropriate. As with other discretionary schemes, the Council would be liable for any losses arising from fraud within the scheme.
34. The Chief Legal Officer and Monitoring Officer and the Council's internal audit team have been consulted and will work with the CRF team to mitigate this risk.

Implications/Impact Assessments

35. The implications/impact assessments for this Fund are:
 - Legal Implications - the CRF will be delivered under the Council's relevant powers to provide discretionary support to residents and in accordance with the terms and conditions of the Government grant. Compliance with grant conditions (including eligibility rules, monitoring/returns, audit requirements and ringfencing) will be maintained to mitigate the risk of repayment/clawback. Any commissioning/procurement required to deliver the financial resilience element will be undertaken in accordance with the Council's Contract Procedure Rules and the applicable public procurement legislation and associated transparency requirements. Where funding is provided to external organisations, the Council will consider the application of the UK subsidy control regime and will ensure that any financial assistance is structured and documented in a way that is compliant with the Subsidy Control Act 2022 and relevant statutory guidance, as applicable.
 - Human Rights Implications - the proposals have been considered in the context of the Human Rights Act 1998 and relevant Convention rights. The CRF is intended to support residents' dignity and wellbeing by providing proportionate, short-term assistance to address immediate hardship and reduce the risk of crisis.
 - Health Implications - the CRF is expected to have a positive impact on health and wellbeing by addressing some of the social and economic factors that contribute to poor health outcomes, including financial stress and insecure access to essential goods and services. By supporting residents at an early stage, the CRF can help reduce the likelihood of adverse impacts on mental and physical health and mitigate pressures on health and care services.
 - Crime and Disorder Implications - the provision of timely financial support through the CRF may contribute to reducing the risk of crime and disorder by helping to prevent crisis situations that can lead to increased vulnerability, exploitation, or antisocial behaviour. No

adverse crime and disorder implications have been identified as a result of the proposals.

- Environmental Implications - no significant negative environmental impacts have been identified.
- Partnership Working and Associated Issues - delivery of the Crisis and Resilience Fund will involve partnership working with voluntary, community, and other local organisations that support residents experiencing hardship. Partnerships play a key role in referral pathways and delivery support; however, delivery of the CRF remains the County Council's responsibility.
- Risk Assessment - Key risks associated with the CRF include demand exceeding available resources, inconsistent decision making, and the potential for misuse of funds. These risks are mitigated through clear eligibility criteria, governance arrangements, monitoring, and audit controls. The scheme has been designed to operate within an agreed budget and policy framework, supporting delivery of the Council's strategic objectives while managing risk appropriately.

Equality Implications

36. The CRF has been designed to support residents experiencing financial hardship, including those who may be disproportionately affected due to one or more protected characteristics. Due regard has been given to the potential impact on all nine protected characteristics, with the scheme operating on the basis of need, fairness, and accessibility.
37. A draft Equality Impact Assessment has been completed and, due to the time frame of this fund going live, is awaiting consideration by the Department's Equality Committee.

Human Rights Implications

38. The proposals have no adverse human rights implications. The Fund is intended to provide targeted support to residents experiencing financial hardship and includes safeguards, transparency and an appeals process to ensure fair and proportionate decision making.

Background Papers

Leicestershire County Council Strategic Plan

<https://www.leicestershire.gov.uk/sites/default/files/2025-01/LCC-Strategic-Plan.pdf>

CRF webpage URL and policy document <https://www.leicestershire.gov.uk/leisure-and-community/find-help-with-cost-of-living/crisis-and-resilience-fund>