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**From:** Linden Kemkaran, Leader of the Council

Ben Watts, Deputy Chief Executive

**To:** Policy and Resources Cabinet Committee – 6th May 2026

**Subject:** Crisis Resilience Fund – Policy and Implementation Decision  
Deployment of the Crisis Resilience Fund delivery plan for 2026-2029

**Decision no: 26/00016**

**Key Decision:**

- It affects more than 2 Electoral Divisions
- It involves expenditure or savings of maximum £1m – including if over several phases

**Classification:** Unrestricted

**Past Pathway of report:** N/A

**Future Pathway of report:** Cabinet Member Key Decision

**Electoral Division:** All

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**Is the decision eligible for call-in?** Yes

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**Summary:**

A new multi-year Crisis and Resilience Fund (CRF) was announced in June 2025 as part of the Government's first Spending Review. The Government grant funding will provide £1 billion per year to local authorities to support low-income households who experience a financial shock or crisis, and to enable activity that builds individual and community financial resilience. The grant funding period runs from 1 April 2026 to 31 March 2029 and includes specified funding for housing support, currently delivered by District and Borough Councils.

The Department for Work and Pensions (DWP) is introducing CRF to replace the Household Support Fund (HSF) and to incorporate Discretionary Housing Payments (DHPs). This consolidated, multi-year grant provides local authorities with greater stability and supports a more preventive approach to assisting vulnerable residents.

A total of £60.5m CRF funding was awarded to Kent County Council on 1 April 2026, with subsequent additional funding of £998,009 to support those in crisis who need additional support with rising heating oil costs.

This Key Decision is now required to enable the policy and implementation approach for the Crisis Resilience Fund over the next 3 years, including allocation of funding in the delivery plan, in accordance with the grant guidance and conditions.

This decision is for the Leader of the Council – this paper outlines the background and proposed implementation of the CRF, set out in the Key Decision for consideration by the Members of the Policy and Resources Cabinet Committee.

### **Recommendation(s):**

The Policy and Resources Cabinet Committee is asked to CONSIDER and ENDORSE, or MAKE RECOMMENDATIONS to the Leader, on the proposed decision, as detailed in the attached Proposed Record of Decision document (Appendix A).

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## **1. Introduction**

1.1 Within the Spending Review in June 2025, the Chancellor announced the introduction of the Crisis and Resilience Fund (CRF) from April 2026 to local authorities in England to support low-income households who encounter a financial shock and/or experience a crisis, and to support activity that builds individual and community financial resilience and personal responsibility.

1.2 The Department for Work and Pensions (DWP) confirmed that the CRF would provide a consolidated, multi-year revenue grant to local authorities from 2026-2029. The implementation of the fund comprises of four strands:

- Crisis Payments
- Housing Payments
- Resilience Services
- Community Co-ordination.

1.3 The funding enables local authorities to:

- Establish and deliver a fully assessed application process to apply for crisis payments for residents in times of financial shock.
- Deliver Discretionary Housing Payments through District Authorities in years 1 and 2 with funding to be given to Unitary Authorities in year 3.
- Establish local networks to strengthen resilience within communities and ensure clear referral pathways. The coordinated approach is crucial to building financial resilience, preventing the escalation of crises and to reduce the reliance on existing statutory services.
- Provide services to build resilience to encourage personal responsibility through trusted partners who can provide longer term support including:
  - Regulated debt advice
  - Household budgeting support
  - Income maximisation

1.4 DWP require local authorities to complete a delivery plan for the fund period to outline their intentions for the fund, clearly setting out their approach and demonstrating the ways in which they intend to allocate funding to achieve progress in the expected outcomes in each CRF strand (Crisis Payment,

Housing Payment, Resilience Services and Community Co-ordination). This initial delivery plan must be submitted to DWP by 1 July 2026, with an annual update informing of any changes.

- 1.5 The proposed Key Decision covers the approval of this delivery plan and the implementation of funding in line with agreed delivery plans.

## **2. Key Considerations**

- 2.1 A key consideration has been for Kent County Council to determine the right approach to implement the CRF within the Government's grant determination criteria, in a way which works best for Kent residents. As this is a new national requirement, our approach has been informed by learning from other local authorities and engaging with our partners including District and Borough Councils, Voluntary Sector Organisations and wider KCC services.
- 2.2 The DWP have specified that a cash-first approach is the preferred method of support, with local authorities retaining discretion to use vouchers or essential goods where cash is assessed as inappropriate. Kent County Council will implement this through a universal, needs-based application process supported by strong governance, evidence requirements, and fraud-prevention controls to ensure awards are safe, proportionate and consistent. Details of this approach, including how applications will be managed and when alternatives to cash will be used, are provided in Appendix C.
- 2.3 As this is a new scheme, it is important we learn and evaluate during the implementation. It is recommended that the Senior Responsible Officer (Director of Public Health), in consultation with the Leader, undertakes a regular review of the delivery requirements and how the funding can be best utilised in line with the grant conditions.

## **3. Background**

- 3.1 To enable Kent County Council to implement the CRF there have been two governance steps – accepting the grant funding in April 2026; and the subsequent implementation of the fund through this proposed Key Decision.
- 3.2 The £60.5m (total) funding was awarded to Kent County Council on 1 April 2026. To provide continuity of delivery of existing schemes under the HSF, this was covered by the existing HSF key decision (21/00107). In addition, an Officer Record of Decision (26/00005) was approved on 3 March 2026 to accept the Crisis and Resilience Fund in full for use in accordance with the DWP guidance and relevant terms and conditions, and to manage the grant money under the funding/governance framework put in place by the key decision (21/00107) via delegations to the Council's Section 151 Officer.
- 3.3 On 16 March 2026, the Government confirmed an additional £27m of funding in England would be delivered via the Crisis and Resilience Fund to areas that have higher rates of heating oil, to support people in crisis with rising energy costs. Kent County Council was allocated £998,009 as part of this package of support. An Officer Record of Decision (26/00013), taken under the delegated

authority of the Section 151 Officer by Key Decision (21/00107), was approved on 9 April to confirm acceptance and administration of this additional funding.

- 3.4 This Key Decision is now required by the Leader to approve the policy framework for implementation and delivery of the multi-year CRF allocation, including the required Delivery Plan. The expected decision date is 28 May 2026 (subject to call-in), and implementation of the grant will need to commence no later than 28 May 2026 to allow District and Borough Councils to complete local governance arrangements and to meet the required DWP delivery plan submission deadline of July 2026.
- 3.5 The proposed approach supports 'Reforming Kent' in its ambitions to help residents in crisis, whilst also delivering innovative cross-cutting projects to reduce longer-term dependency and demand, whilst improving outcomes by encouraging personal responsibility.
- 3.6 This aligns to the core values of 'Reforming Kent' in the following ways:
- Preventing problems before they escalate into high-cost statutory interventions. The CRF explicitly aims to reduce crisis escalation, homelessness, and repeat emergency demand by intervening earlier and more holistically through resilience provision.
  - Narrowing inequalities and protecting the most vulnerable. CRF is explicitly needs based, targeted at low-income households experiencing financial shocks, and designed to improve fair access to support across the county.
  - Strengthening local partnerships and community resilience. CRF supports community coordination, referral pathways, hubs, and digital tools that create a more connected local welfare landscape, rather than fragmented crisis responses.
  - Allowance for funding for smaller, more bespoke projects tailored to the diverse needs of different localities be they urban, coastal or rural, more deprived or more affluent. This includes providing sensitive budgeting support, such as helping households review and audit discretionary (non-essential) expenditure when money is tight, to ensure essential needs are prioritised without judgement.
  - The Strategic Statement prioritises best value and long-term financial sustainability. CRF is framed as supporting this by reducing reliance on high-cost interventions, embedding governance arrangements, and aligning with existing financial oversight models.

#### **4. Options considered and dismissed with associated risks**

- 4.1 When the CRF was announced, there were four options that were considered. The first option was to decline or defer acceptance of CRF – this was rejected due to loss of funding for Kent residents and inability to meet statutory and strategic objectives.
- 4.2 The second option was to limit scope to Crisis Payments only – this was rejected as it would not secure long-term resilience outcomes and would risk repeat demand, including demand on statutory services. This would also not meet all of the four objectives set out by the DWP.

- 4.3 The third option was to deliver the CRF wholly in-house without partners – this was rejected as it would constrain reach and capacity; and partnership working is strongly recommended in the guidance.
- 4.4 The fourth and agreed option was to implement the CRF in line with the Government guidance and grant conditions, ensuring the implementation approach was tailored to Kent residents and working in partnership.

**5. Financial Implications**

- 5.1 CRF funding will be managed through existing financial governance frameworks including delegated authority to the Senior Responsible Officer in consultation with the Leader of the Council, working in collaboration with the Section 151 Officer for timely spend and alignment with grant conditions.
- 5.2 The grant funding covers the period of 1 April 2026 to 31 March 2029 inclusive, with a total of £60.5m (breakdown available below). This includes an estimated £2.8m for the consolidated contribution previously distributed to District and Borough Councils for Discretionary Housing Payments (DHP) in the third and final year of delivery.
- 5.3 The distribution of Kent’s funding allocation is set out in the table below:

<b>Year 1 – 2026/27</b>	<b>£19.2m</b>
<b>Year 2 – 2027/28</b>	<b>£19.2m</b>
<b>Year 3 – 2028/29</b>	<b>£22.1m*</b>

\*within the Year 3 figure is an estimated £2.8m for the consolidated contribution previously distributed to district councils for Discretionary Housing Payments (DHP).

- 5.4 The CRF includes specified funding for housing support in the third and final year; in Years 1 and 2 authorities are expected to maintain existing levels of spending on Housing Payments, using the financial year ending March 2026 allocations for DHP as a guide, with District councils no longer receiving an allocation for the fund from Year 3.
- 5.5 The CRF guidance does not permit blanket schemes; support must be needs-based. This enables a consistent and equitable support offer across Kent, tailored to local needs.
- 5.6 Monthly payments are made to local authorities, with first payment made in April 2026, following acceptance of Officer Record of Decision (OD/26/00005).
- 5.7 Indicative delivery plan funding allocations for Year 1 are outlined in Appendix C, setting out how the Crisis and Resilience Fund will be used to strengthen local welfare provision, operate the CRF Crisis Payment scheme, provide targeted support for low-income families, develop resilience-building services, deliver energy-efficiency measures, and enhance referral pathways. Allocations are expected to remain broadly consistent across the three-year Fund Period, with provision to carry forward any underspend, and revisions may be made under the

delegated authority of the Senior Responsible Officer to ensure delivery remains responsive and aligned with Fund requirements.

## **6. Legal implications**

6.1 The Crisis and Resilience Fund is a ringfenced grant from the Department for Work and Pensions replacing the Household Support Fund and Discretionary Housing Payments.

6.2 Funding must be used strictly in accordance with the scope of the guidance set by Government, and the terms and conditions of the grant. KCC will apply appropriate legal mechanisms as part of issuing or deploying any grant monies to ensure any partners or third parties in receipt of grant funding remain compliant.

- Acceptance and deployment of CRF will be underpinned by the grant determination issued under Section 31 of the Local Government Act 2003 and associated guidance
- Contractual arrangements may require procurement activity for voucher platforms or closed loop systems. Third Party Agreements, where funds may be distributed through partners, (e.g. charities, voluntary sector) must be specific, legally binding and ensure compliance with the main DWP grant conditions.
- Implementation requires robust data sharing agreements, particularly if working with third-party partners to distribute funds, ensuring compliance with GDPR
- Robust, auditable evidence for all decisions on awards is required because KCC is accountable to the DWP.

## **7. Equalities implications**

7.1 An Equality Impact Assessment (EQIA) has been completed and is appended to this report. No significant adverse impacts have been identified.

## **8. Data Protection Implications**

8.1 A Data Protection Impact Assessment Initial Screening has been undertaken to inform the scope of the full Data Protection Impact Assessment (DPIA) which is in progress.

8.2 All programme components involving the processing of personal data, including application platforms, data flows, and any data-sharing arrangements with delivery partners will undergo DPIA consideration.

## **9. Other corporate implications**

9.1 Cross-directorate implications are expected and there has been engagement with services across KCC, including potential impacts on (and opportunities to reduce pressure within) statutory services. The Forthcoming Executive Decision (FED) notes that this decision also impacts Children, Young People and Education and that relevant Cabinet Members and Officers have been consulted as part of its development.

## **10. Governance**

- 10.1 Implementation will be supported through the proposed delegations set out in the Proposed Record of Decision, including delegated authority to the Senior Responsible Officer (in consultation with the Leader) to take necessary actions to implement the decision, to enter into contractual arrangements, to make grant awards, and to make consequential changes required to ensure compliance with CRF guidance, grant determination and reporting requirements, and spend within the funding period.
- 10.2 Governance will also include appropriate financial oversight through existing KCC frameworks, and operational governance through documented decision-making, audit trails, fraud prevention controls, and monitoring and evaluation arrangements to meet DWP management information and reporting requirements.

## **11. Conclusions**

- 11.1 The CRF is a delivery mechanism that supports the ambitions within 'Reforming Kent' by combining crisis support with prevention and demand reduction, promoting personal responsibility through a cash-first and holistic assessment approach, and strengthening joined-up community support networks.
- 11.2 The Delivery Plan is intended to provide an equitable support offer across Kent, tailored to local need, including through partnership working with District and Borough Councils and the voluntary and community sector, and through allocations that bolster community coordination and referral pathways.
- 11.3 The proposed approach combines accessible, year-round delivery with a cash-first policy (where safe and appropriate, with an alternate voucher or essential goods option available), robust controls and assurance, and partnership working to strengthen local support networks and improve outcomes for residents.
- 11.4 Approval of the CRF Delivery Plan for 2026 - 2029 will enable KCC to deploy the multi-year grant in line with DWP requirements, providing needs-based crisis support to low-income households in Kent experiencing financial shocks and crisis, while investing in resilience interventions that reduce repeat hardship and longer-term demand on services.

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### **Recommendation(s):**

The Policy and Resources Cabinet Committee is asked to CONSIDER and ENDORSE, or MAKE RECOMMENDATIONS to the Leader, on the proposed decision, as detailed in the attached Proposed Record of Decision document (Appendix A).

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## 12. Appendices

- Appendix A: Proposed Record of Decision
- Appendix B: Equality Impact Assessment (EqIA)
- Appendix C: CRF Year 1 Funding Allocation and Activity

## 13. Contact details

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