

Notice of KEY Executive Decision containing exempt information

Subject Heading:	Crisis Resilience Fund, grant receipt and spending
Decision Maker:	Barbara Nichols, Strategic Director of People
Cabinet Member:	Ray Morgon, Leader of the Council
ELT Lead:	Barbara Nichols, Strategic Director of People
Report Author and contact details:	James Hunt – james.hunt@havering.gov.uk
Policy context:	This forms part of the Council's Poverty Reduction Strategy
Financial summary:	Grant funding of £3,100,000 from the Crisis Resilience Fund (CRF)
Reason decision is Key	Indicate grounds for decision being Key: (a) Expenditure or saving (including anticipated income) of £500,000 or more (c) Significant effect on two or more Wards
Date notice given of intended decision:	24 February 2026
Relevant Overview & Scrutiny Committee:	People Overview and Scrutiny Sub-Committee
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

Key Executive Decision – Part Exempt Report

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well X

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council X

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

- | | |
|-----|--|
| 1.1 | To use the Crisis Resilience Fund (CRF) to build upon the infrastructure built under the Household Support Fund (HSF) for preventative poverty reduction measures, overseen by the Poverty Reduction Board. It emphasises the benefits of proactive support to address potential issues early, improving well-being, reducing intensive interventions, and promoting resilience. The Poverty Reduction Strategy focuses on increasing income and providing targeted debt advice to enhance outcomes for individuals and the public sector. |
| 1.2 | To agree that the CRF is used to develop and quantify prevention by linking CRF related activities to Council cost centres |
| 1.3 | Agreement to accept money and recommended that the spend plan 26/27 |

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3.3 of the Constitution, Functions Delegated to Officers (paragraph 5.1) grants authority to Strategic Directors to apply for, accept and thereafter spend / allocate any grant funding connected with their directorate provided that any match funding or residual liabilities can be met from the existing budget of the directorate.

STATEMENT OF THE REASONS FOR THE DECISION

- | | |
|-----|---|
| 2.1 | The CRF is a three-year settlement which now forms part of the Section 31 of the Local Government Act 2003. At the time of writing the settlement is as follows: <ul style="list-style-type: none">• 2026/27 - £3.1 million• 2027/28 - £3.1 million• 2028/29 - £3.3 million |
| 2.2 | The CRF incorporates the HSF and Discretionary Housing Payment (DHP) grant. From 1 April 2026 both will cease to exist. |
| 2.3 | The CRF provides short-term, targeted financial support to households experiencing acute financial pressure, with the aim of preventing |

Key Executive Decision – Part Exempt Report

- homelessness, safeguarding housing stability, and reducing escalation to statutory crisis services.
- 2.4 The crisis element refers to an immediate and identifiable risk to a household's housing position or financial stability (e.g. rent shortfall, benefit change, income shock), where without intervention the household is likely to experience hardship or housing loss.
- 2.5 The resilience element focuses on stabilising households beyond the immediate crisis, enabling them to sustain their housing and manage future shocks, rather than providing ongoing or indefinite subsidy.
- 2.6 The Housing Payment is a **discretionary, time limited financial award** intended to address a specific housing related cost or shortfall, supporting households to remain in their current accommodation or secure alternative suitable housing. Housing Payments replace the DHP grant.
- 2.7 The CRF replaces the local role previously fulfilled by Discretionary Housing Payments, following the end of DHP funding. The new fund retains discretion and targeting but broadens flexibility, allowing support to be aligned more closely to local priorities and prevention objectives.
- 2.8 The CRF will be issued to councils as a specific grant under Section 31 of the Local Government Act 2003, through a formal grant determination. Funding will be time limited, subject to conditions set out in the determination, and paid via existing local government payment mechanisms.
- 2.9 The CRF requires Councils to offer a 'one-door' applications for crisis help by, or before, the end of the three year settlement.

2.10 Responding to a Crisis

- 2.11 Our last response to the Household Support Fund (HSF) was already designed to be more preventative, rather than just a crisis response. This means our current model of crisis response and prevention/resilience already meets the criteria for the CRF. The last HSF had more money assigned to residents and more money assigned to prevention than the previous iterations.

Spend Type	Amount	Percentage
Crisis	£2,100,000	72%
Prevention	£680,817	23%
Administration	£124,000	4%

Table 1. Breakdown of the Household Support Fund (HSF) for 2025/26. Prevention as a percentage increased by 7% points, administration was reduced by 1% point.

Money goes to	Amount	Percentage
Residents	£1,984,000	68%
Council	£579,000	20%
Voluntary, Charitable Sector	£316,400	11%
Other	£25,417	1%

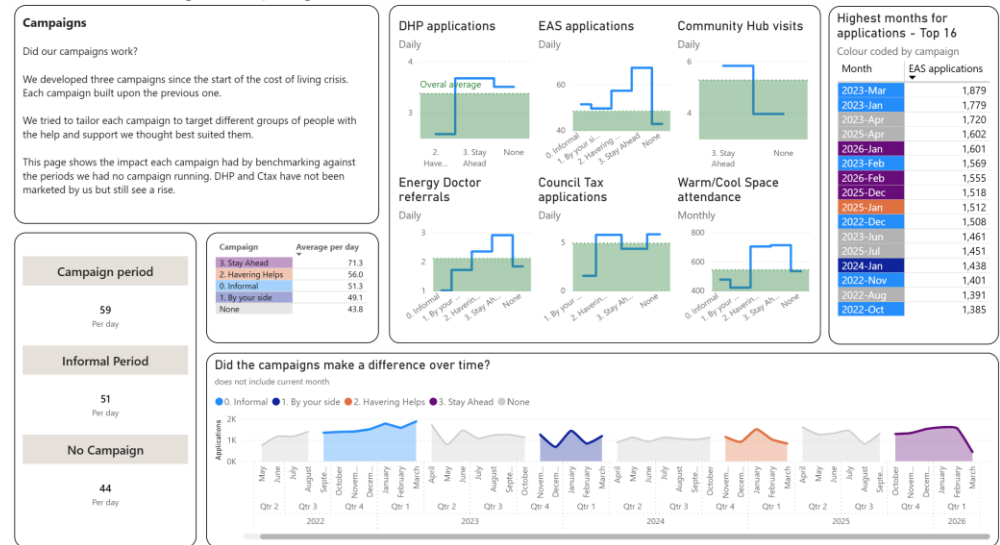
Table 2. Shows who the recipient of HSF monies. Money to residents and the VCS increased by 1% and 3% points, respectively. Money to the council covered officers directly working under the HSF and was reduced by 5% points compared to last year.

- 2.12 We know from the work already undertaken under the previous iterations of the HSF that we have a sophisticated, targeted crisis response. We can identify groups of people who are more likely to apply for help, why people apply for help and turn that into a marketing campaign to target similar

Key Executive Decision – Part Exempt Report

sociodemographic groups of our local population with offers of help and support.

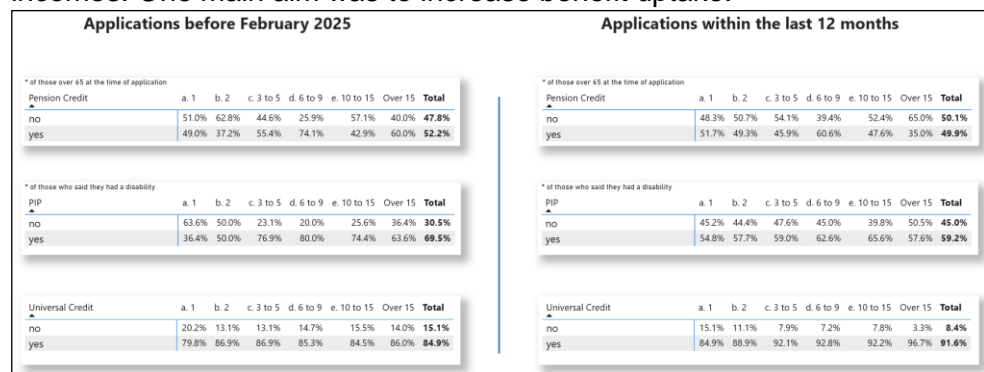
Our marketing campaigns are effective.



Dashboard 1. An overview of success of our three formal campaigns, our original response to the cost of living crisis vs periods outside our campaigns. Our latest campaign has increased applications of help by 63% **per day**.

2.13

We can also monitor the impact our work has had on increasing people's incomes. One main aim was to increase benefit uptake.



Dashboard 2. The percentage of people who applied to the EAS by the three main benefits. We can see the number of people applying in the last 12 months with Universal Credit (UC) has increased by nearly 7 percentage points.

2.14

We have also started to identify people in different data sources and bring them together so we can see the extent of help someone gets

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9,517

Number of people

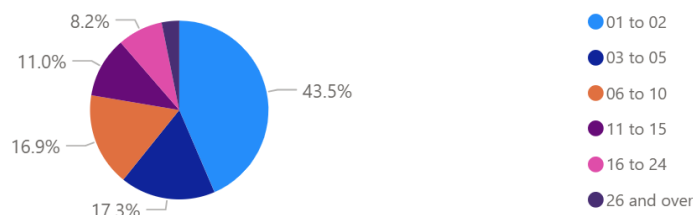
106,439

Times accessed help

11.18

Help per person

How many times did people access help overall?



Dashboard 3. The total number of people from 7 different help and support projects, the total times help and support were accessed and the average number of times accessed per person.

2.15 The EAS has been the only consistent support offered through the CoL crisis. As the EAS is a source of emergency funds when households run out of money, it also acts as a good barometer to how well or badly households are faring financially. Using the EAS, therefore, we can compare different time periods and gauge how households are doing financially.

2.16 The CoL crisis can be broken down into 5 stages based upon key factors in each:

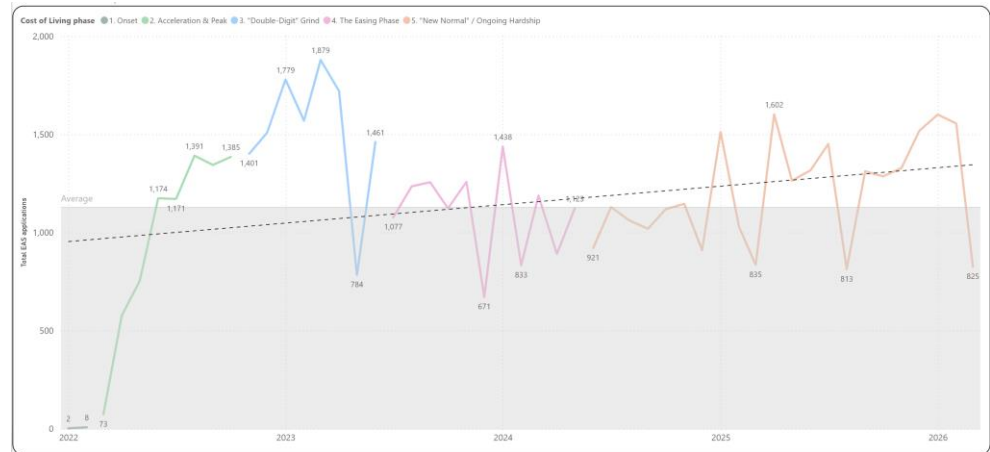
Stage	Description	Key Indicator
1. Onset	Prices began rising faster than incomes due to post-pandemic supply chain issues and global semiconductor shortages	Inflation rose steadily from under 1% in early 2021 to reach significantly higher levels by year-end
2. Acceleration & Peak	Triggered by the Russian invasion of Ukraine, which sent energy and food prices soaring	Inflation reached its 41-year high of 11.1% in October 2022
3. "Double-Digit" Grind	Inflation remained above 10% for nearly seven months. Real wages continued to fall as inflation outpaced pay growth	In May 2023, regular pay finally began to outpace headline inflation for the first time since the crisis started
4. The Easing Phase	Inflation began to fall more rapidly as energy price caps were lowered and global supply chain pressures eased.	Inflation hit the Bank of England's 2.0% target in May 2024 for the first time since July 2021
5. "New Normal" / Ongoing Hardship	While the rate of increase has slowed, the "crisis" is considered persistent because price levels remain permanently elevated, roughly 20-23% higher than in 2021.	As of January 2026, 62% of households still report an increase in their monthly cost of living. Real household incomes are not projected to return to 2021 levels until at least 2027

Table 3. The 5 stages of the cost of living crisis. The stages have been developed within the team and are, therefore, not official.

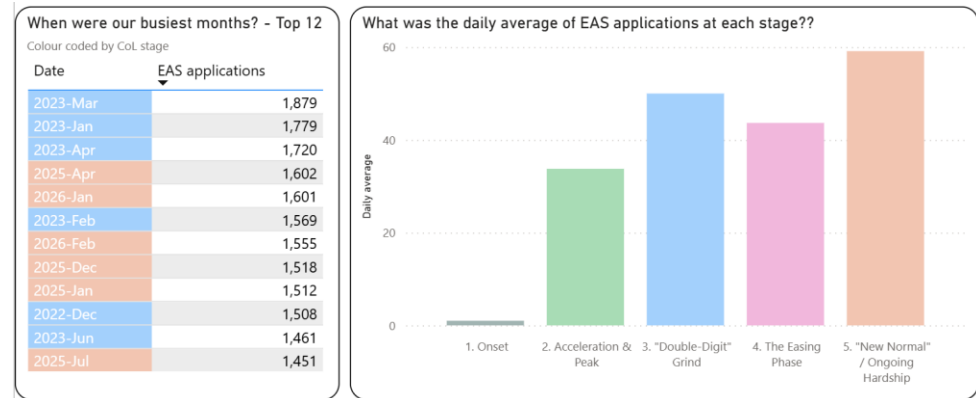
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2.17

The graph below shows the number of EAS application by the 5 different stages of the CoL crisis.



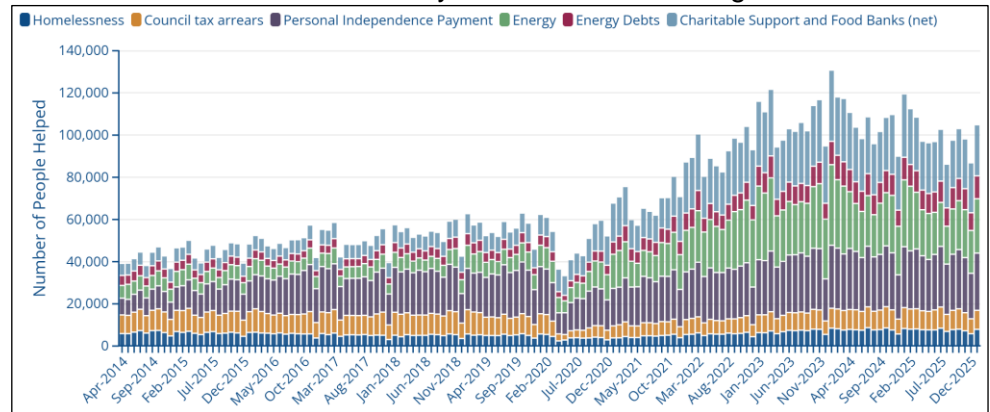
Graph 1. EAS applications by CoL stage. Notice the high levels of application within the last few months.



Graph 2. EAS applications by month to the right and daily applications to the right. Half of the highest application months have come within the 'New Normal' stage.

2.18

For many households there is still an ongoing CoL crisis. Incomes are not keeping pace with out goings. Data from the Citizens Advice Bureau (CAB) also enforces the difficulties many households are facing¹.



Graph 3. Number of people seeking help from the CAB since 2014 by help type.

2.19

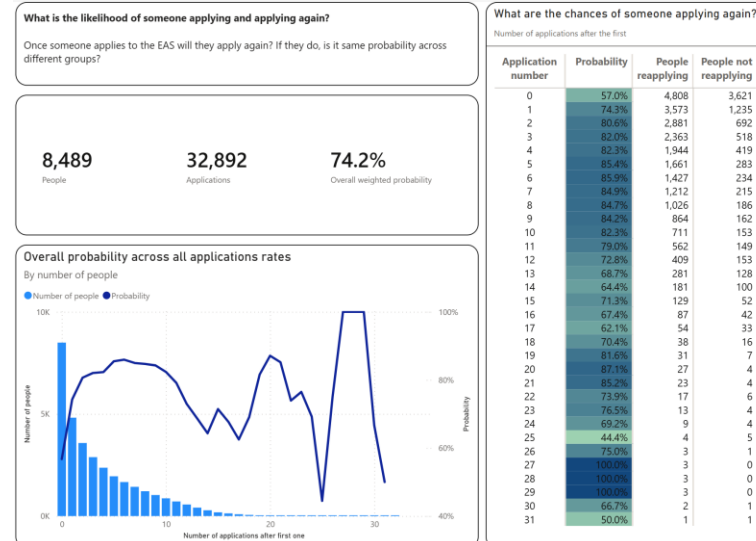
Being Resilient

¹ [Citizens Advice data dashboard](#)

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2.20

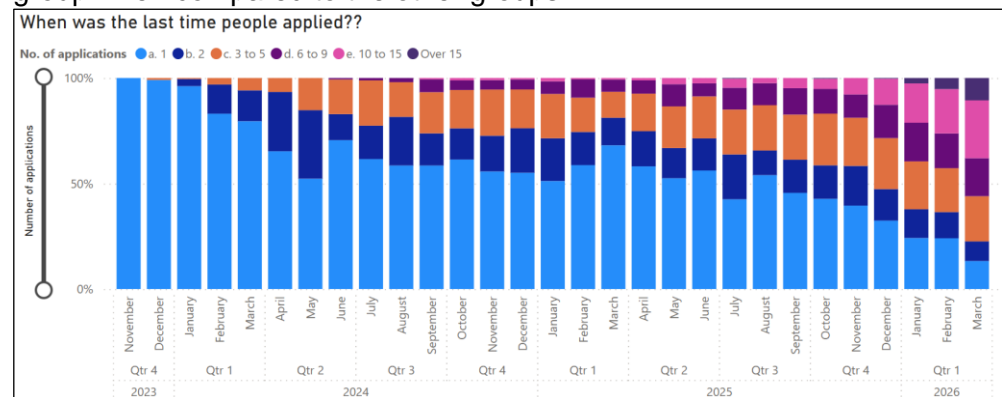
There is still a demand for crisis support. The CRF demands that councils build resilience into the system. Whilst we are very good at crisis support, we need to improve in building resilience. We can use the EAS again as barometer for resilience in households by looking at the number of times a person applies.



Dashboard 4. The probability of a person reapplying to the EAS based upon demographic data and times applied already. The chance of a person applying for the first time and then applying again is 57%, this increases to 58.1% for Gen Z but decreases to 50.1% for Silent and Baby Boomers. People who declared themselves as having a disability are the highest category for reapplying at any stage, 81.2%.

2.21

Whilst first time applicants are increasing every month, they are the smallest group when compared to the other groups.



Graph 4. The percentage of people applying per month by the last time they applied, grouped by the times they have applied. The last complete month at the time of writing shows 37% of people applied for the first or second time.

2.22

The reapplication rates suggest that more work is required to increase resilience as defined by the CRF. Prevention has always been the aim and access to interest free; cash grants is a way of being preventative but it doesn't necessarily build resilience.

2.23

The Poverty Reduction board has agreed that while crisis support should still be the main aim, a new focus on building resilience should be prioritised.

2.24

Research contacted by our marketing officer into people's attitude towards debt and how they respond to being in debt, where do people get help? The

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	research ² was clear, residents do not automatically turn to ‘institutions’ for help and support and that includes us, the Council. Resilience and preventative services, therefore, are best delivered by partners. Partners who are already trusted by residents.																																																																
2.25	Our marketing campaigns, see 2.11, already established that marketing branded under Havering Helps and subsequently Live Well Havering achieved better engagement rates than ones branded Havering Council by, on average 78%.																																																																
2.26	To build resilience in people we need the support of partners, we need to move from applying to the EAS, we need to develop the alternatives to the EAS to move people onto and we need to be able measure and quantify resilience. The Poverty Reduction Board has already started to develop answers to these questions. The CRF is a committed 3 year settlement which, for once, affords us time and space to be more strategic in the decisions we make. The proposal is to use the first 6 months of the CRF fund carry on from the Household Support Fund (HSF) to give the partnership time to develop a longer-term strategy for delivering prevention and resilience into a sustainable system in the remaining 2 and a half years.																																																																
2.27	<u>Finances</u>																																																																
2.28	In determining how CRF was to be spent the following principles were agreed: <ul style="list-style-type: none"> • Must evidence impact • Must not replace normal council spend • Minimise/minimal administration costs • Build resilience into communities 																																																																
2.29	The following table shows the breakdown of each budget line and spend for the Crisis Element.																																																																
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	Table 2. The breakdown of spend under the crisis element of the CRF. Orange budget lines are new ‘must spend’ items from the withdrawal of funding of the NHS. These are ‘must spend’ as																																																																

² [LB of Havering Final report](#)

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the service would stop without CRF monies. Blue budget lines are administrative costs. Services with no funding in October to March may still be funded.

2.30 The Following table details the Housing Payments element of the CRF. This will run by the requirements of the DHP for at least the first year with small adjustments as circumstances require with the agreement of the parties involved.

Budget Line	Total
Housing Payment	£465,294
Administration	£61,469
Total	£526,763

Table 2. Breakdown of the Housing Payment element of the CRF.

OTHER OPTIONS CONSIDERED AND REJECTED

The Emergency Assistance Scheme and the other funded services are now well established and operating efficiently. The CRF requires cash payments and these schemes provide greater choice of purchase for the applicant as they are paid by BACs. For these reasons allocating funding to food banks and paying by food vouchers was considered and discarded.

Commissioning external providers to manage the Emergency Assistance Scheme was also considered and rejected as the Council Services mentioned in this report have experience and knowledge of their schemes and customers and can expedite payment. As we have agreed to remove administration fees and cover the cost in current budgets the council will be more cost efficient than any other provider.

As the food distribution network is part of the wider work in developing a food alliance under the poverty reduction and Healthy weight strategies, we will be using the NHS and VCS partners already involved.

The use of partners is preferable due to the evidence collected

Using the current reserve of £1.2 million to fund the EAS was rejected as the CRF extension is primarily for helping low income Households.

PRE-DECISION CONSULTATION

The Poverty Reduction board has the final say on how the CRF monies are spent. The board is responsible for delivering the Poverty Reduction strategy and the CRF supports this endeavour. The board is made up of internal council teams, charities and community groups, all of who have been part of developing the direction of the CRF.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: James Hunt

Designation: Head of Housing Strategy

Signature:



Date: 18 March 2026

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The CRF fund is made available to councils under s31 of the Local Government Act 2003.

The Council has a general power of competence contained in section 1 of the Localism Act 2011, which allows the Council to do anything that an individual may do subject to any statutory constraints. None of the constraints on the Council's s.1 power appear to be engaged by this decision and the Council may accept the funding and establish the proposed infrastructure to meet its poverty reduction objectives.

Officers should have regard to the DWP's Crisis Resilience Fund guidance to local councils for the support of vulnerable households, as well as the Council's duty to promote the welfare and wellbeing of children in accordance with section 17 of the Children Act 1989 and section 1 of the Childcare Act 2006 respectively and Section 111 of the Local Governance act.

Whilst the Council may determine the arrangements for deployment of the fund within its area, this must be within the scope of the conditions set out in the grant funding guidance and the Council must comply with the requirement to report on its spending.

The Council is obliged to meet the grant conditions and requirements in full to avoid the risk of clawback. Relevant guidance must therefore be taken into account when allocating the funds.

FINANCIAL IMPLICATIONS AND RISKS

This report is seeking approval for the acceptance and planned usage of the £3,100,000 DWP Crisis Resilience Fund grant covering the period 1st April 2026 to 31st March 2027. The fund combines the HSF and DHP funds under new guidance. This combined fund has an overall reduction of approximately £384,817 from the combined allocation of HSF and DHP of £3,484,817 allocation received in 2025/26.

The report recommends using the fund to establish infrastructure for preventative poverty reduction measures view to reducing down-stream costs to the Council (failure to pay debt, presenting homeless, repeat requests for financial assistance etc) and improving lives of residents as well as for making payments to households in financial hardship. Much of the same types of support provided under previous iterations of the HSF and DHP are still available to residents in 2026/27, however, the intention is to channel requests, as much as possible, via the Council's EAS process so that data can be captured and analysed with a view to informing future targeted interventions.

The grant will be paid in four instalments upon successful submission of management information. There is a risk that the Council will not receive the grant income if the submissions are not completed and/or that the spend is not in line with conditions, however, regular reporting and monitoring will ensure this is not the case. Established financial reporting has been built up from previous years of the HSF and DHP.

As mentioned, the service will be closely monitoring spend, however, if expenditure exceeds the grant allocation, the emergency assistance scheme reserve is a potential source of funding to cover any shortfalls as long as the spend is in line with the intended use for that reserve; any such use would be subject to S151 Officer approval.

**HUMAN RESOURCES IMPLICATIONS AND RISKS
(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no HR risks or implications arising from the decision.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (I) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (II) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (III) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender and sexual orientation.

The Council is committed to the Equalities Duty in the provision and commissioning of its services.

In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants. The recommendations for approval in this report will be essential to support the financial health of families with children and pensioners during the cost of living crisis.

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HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Under the Health and Social Care Act 2012 the Council is responsible for improving and protecting the health and wellbeing of local residents. The purpose of the CRF is to reduce financial and health inequalities in communities and therefore the recommended decisions regarding the utilisation of CRF funds have direct implications for health and wellbeing of the eligible population.

The CRF will reduce the likelihood of housing loss/insecurity. This will benefit adults and children in recipient households by reducing the likelihood of them experiencing homelessness, protecting them from the associated adverse impacts on physical and mental health and wellbeing in the short and longer term. Improving housing security and avoiding relocation also supports the maintenance of support networks/social connectivity with existing neighbours/friends etc., while also protecting established links with local community services (clubs, leisure centres, community groups etc).

Stable households are more likely to experience better mental health and wellbeing compared to those in unstable accommodation, and efforts to improve housing stability and reduce financial hardship can therefore be protective against poor mental health and outcomes such as suicide. Having stable accommodation can also address some of the practical barriers that residents may face in engaging with everyday activities such as securing employment, accessing a bank account etc. Supporting families to avoid housing insecurity/loss can also minimise any stigma they may face in relation to their housing status.

The methodology of delivering help and support through targeted marketing campaigns can facilitate more joined up work with other programmes or services, such as Public Health initiatives. Being more preventative by targeting problems before they reach crisis, offers an important solution for the demand on costly specialist services such as housing, childrens' & adults' social care.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The overall aims of the marketing campaign have not changed, increase incomes and reduce energy usage. A major theme of the campaigning last financial year (25/26) was reducing energy usage through service such as the Energy Doctors and behavioural change. This will continue and will be intensified due to the current uncertainty around energy prices.

BACKGROUND PAPERS

None/List

Appendices

Appendix 1 - [Crisis and Resilience Fund: Guidance for local authorities in England \(1 April 2026 to 31 March 2029\) - GOV.UK](#)

Appendix 2 - [Crisis and Resilience Fund \(1 April 2026 to 31 March 2029\): management information \(combined\) reporting requirements - GOV.UK](#)

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed

Name:

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date:

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____