

Finance & Revenues Service

Crisis and Resilience Fund- Housing Payment

Policy Statement

Financial Year 2026/27

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1. BACKGROUND

Housing Payments from the Crisis and Resilience Fund give Local Authorities the power to top up Housing Benefit and the Housing Cost Element of Universal Credit.

Housing Payments provide additional financial support for residents in receipt of a qualifying benefit who are experiencing hardship, or who have exceptional circumstances, to meet their housing costs.

There is no statutory right to a Housing Payment. Whether to grant a Housing Payment, and the amount of any award, is at the discretion of the Test Valley Borough Council Finance and Revenues Service. Each application will be considered on its own merit in line with guidance provided by central government and with due regard to the objectives of this policy and our public law duties to act reasonably, fairly and lawfully.

THE FINANCE & REVENUES SERVICE POLICY

2. PURPOSE

The purpose of this policy is to specify how Test Valley Borough Council's Finance & Revenues Service will operate the scheme and to indicate some of the factors that will be considered when deciding if a Housing Payment can be made. Each case will be treated strictly on its own merits, with consideration for the claimant's individual circumstances. All decisions will be reviewed in full by a manager within the Finance & Revenues Service. The Managers within the Finance & Revenues Service will carry out on-going monitoring of successful and unsuccessful claims to remove any potential for unlawful discrimination.

The Finance & Revenues Service is committed to working with the local voluntary sector, social landlords and other interested parties in the Borough to maximise entitlement to all available state benefits and this will be reflected in the administration of the Housing Payment scheme.

Every claimant who is entitled to the minimum amount of Housing Benefit or housing costs in Universal Credit and who has a shortfall is entitled to make a claim for Housing Payment financial assistance.

3. EQUALITY

Test Valley Borough Council is committed to the equality of opportunity and valuing diversity in the provision of its services. Test Valley Borough Council believes that everyone has the right to be treated with dignity and respect. We are committed to the elimination of unfair and unlawful discrimination in all our policies, procedures and practices. We are determined to ensure that no member of the public receives less favourable treatment on the grounds of their age, child care or other caring responsibilities, disability, gender, HIV

status, language, marital status, race, religion, sexuality, membership or non-membership of a trade union, service in the armed forces (current or previous) or by any requirement which cannot be shown to be justifiable.

4. DATA PROTECTION

The Council will only process your information where it is lawful to do so. A copy of the Housing Payment Privacy Notice can be viewed on the Council's website at www.testvalley.gov.uk

5. CRITERIA AND DECISIONS ON Housing Payment

Before we make an award we must be satisfied that the customer is in receipt of one of the following:

- Housing Benefit or
- Universal Credit that includes housing costs towards rental liability

A Housing Payment can only be awarded where the customer's Housing Benefit or Universal Credit Housing Cost Element does not meet their full housing costs.

A customer who is receiving local Council Tax Support only or mortgage support in Universal Credit with no rental liability (e.g. an owner occupier) is not eligible to apply for a Housing Payment.

Customers will be asked to provide details of their weekly or monthly income and expenditure. The Finance & Revenues Service will then look at their net available income to determine how much of the shortfall they can then meet.

Unlike Housing Benefit, all household income is taken into consideration when deciding whether to award a Housing Payment, including disability benefits, payments linked to service within the Armed Forces, Child Benefit, and child maintenance. This is because unlike Housing Benefits, expenditure is also taken into consideration when determining any award.

Where expenditure is higher than expected, The Finance & Revenues Service may ask for an explanation or proof of the expense. Where this is not provided, a decision may be made not to include the full declared expense. Where the expense is linked to a disability or Armed Force service, the expenditure will always be considered in full.

6. WHAT DO WE MEAN BY HOUSING COSTS?

In general, housing costs means rental liability. However, housing costs can be interpreted more widely to include:

- Rent in advance/deposit
- arrears of rent
- Other lump sum costs associated with a housing need such as moving costs.

Please note that while the housing costs element of Universal Credit can be awarded in respect of mortgage interest payments, owner-occupiers are not eligible to receive Housing Payments, except for Shared Ownership properties which carry a rental liability.

Decisions must be made in accordance with ordinary principles about good decision making, i.e. administrative law. In particular, LAs have a duty to act fairly, reasonably, and consistently.

7. STATEMENT OF OBJECTIVES

The Crisis and Resilience Fund focuses on three main outcomes:

- Outcome 1: Provision of effective crisis support. Delivering effective crisis support is intended to prevent the occurrence or escalation of individuals' crises. By offering timely, needs-based assistance to those with low incomes facing financial shocks, Authorities can reduce the risk of crisis need. This includes the provision of financial support towards housing needs, to those who face a shortfall in meeting their housing costs.
- Outcome 2: Improving individuals' financial resilience. By strengthening financial resilience among individuals, Authorities empower citizens to better manage financial shocks and mitigate the occurrence, recurrence and escalation of crises.
- Outcome 3: Bolstering the local-level support landscape. A joined-up, visible local support network is key to the CRF's approach to build financial resilience. This includes strengthening resilience networks within local communities, that in turn boost the financial resilience of individuals within these communities. This coordination enables a suitable range of Resilience Services to exist within a local area and ensures there are clear referral pathways between them and crisis support. Through this effective join-up of local support services, Authorities can expect those seeking crisis support to be appropriately referred to services that build their individual financial resilience.

Housing Payments contribute to Outcome 1 or 2 of the Crisis and Resilience Fund.

The Finance & Revenues Service will consider making a payment of Housing Payment to all claimants who meet the qualifying criteria as specified in this policy. The Finance & Revenues Service will treat all applications on their individual merits, and will seek through this policy to:

- Alleviate poverty;
- Encourage and sustain people in employment;
- Help claimants through personal crises and difficult events;
- Help safeguard residents whose tenancies are threatened;
- Keep families together;
- Help those who are trying to help themselves;
- Support the vulnerable and the elderly in the local community;
- Support young people in the transition to adult life;
- Support young people leaving Local Authority care;
- Support foster carers and those between fostering;
- Support people with disabilities who have or need adaptations to their property or require a larger property than the HB regulations allow;
- Promote good educational outcomes for children and young people.

The Finance & Revenues Service considers the Housing Payment scheme should be seen as either a short-term emergency fund or it could be an indefinite award until the claimant's circumstances change. It is dependant on the customer's needs, but it is not and should not be considered as a way around any current or future entitlement restrictions set out within the Housing Benefit or Universal Credit legislation.

8. CLAIMING A HOUSING PAYMENT

A claim for a Housing Payment can be made using the Council's e-form or an application form can be requested.

Claims for Housing Payments can be made at the same time as an application for Housing Benefit or Universal Credit or at any time thereafter. A decision will not be made on the Housing Payment application until entitlement to Housing Benefit or the Housing Cost Element of Universal Credit is confirmed.

The Finance & Revenues Service may request any reasonable evidence in support of an application for a Housing Payment. The Finance & Revenues Service will make such requests in writing, by e-mail, by telephone or by a home visit. The claimant will be asked to provide the evidence within one month of such a request although this will be extended in appropriate circumstances.

The Finance & Revenues Service can access information relating to a claimant's income from the Department for Work and Pensions, and His Majesty's Revenues and Customs.

If the claimant is unable to or does not provide the required evidence, the Finance & Revenues Service will still consider the application and will in any event take into account any other available evidence including that held on the Housing Benefit claim.

The Finance & Revenues Service reserves the right to verify any information or evidence provided by the claimant in appropriate circumstances.

9. WHAT CAN A HOUSING PAYMENT COVER?

A Housing Payment can be awarded to a claimant whose entitlement to a qualifying benefit does not cover their full rent. This could be due to:

- Application of the Benefit Cap
- Reduction in eligible rent due to under occupation in a social housing property (commonly referred to as Bedroom Tax)
- The applicable Local Housing Allowance being lower than the claimant's rent in a private property
- A Rent Officer decision being lower than the actual rent
- Non Dependant Deductions
- Entitlement to a qualifying benefit reduced due to other income, such as earnings
- Rent Arrears
- Moving Costs
- Rent in advance

10. WHAT A HOUSING PAYMENT CANNOT HELP WITH

There are certain elements of the rent that cannot be included in the housing costs for the purposes of a Housing Payment because the regulations exclude them, such as:

- Ineligible service charges such as water, gas, electric and support charges (as specified in Schedule 1 of the Housing Benefit Regulations 2006 and Universal Credit Regulations 2013);
- Court costs and other increases in rent due to outstanding rent arrears
- Reduction in HB or UC due to overpayment recovery
- Any reduction of benefits due to a sanction or Loss of Benefit penalty.
- Council Tax liability.
- Decorating Costs
- Furniture or White Goods
- Rent arrears where HB or UC has already been paid
- Rent arrears for a period where no Housing Benefit or Universal Credit was paid

11. CONDITIONS ATTACHED TO A HOUSING PAYMENT AWARD

Where appropriate the Finance & Revenues Service may attach conditions to a Housing Payment award. Where there are conditions attached the award, this will be clearly stated on the award letter. Failure to comply with these

conditions will likely result in future applications for a Housing Payment being unsuccessful.

Conditions attached to an award are likely to include:

- Taking steps to find employment, or increase hours
- Increasing income through applying for benefits
- Actively working with an accredited debt advice service
- Actively working with the Test Valley Borough Council housing team
- Reducing expenditure
- Maintaining arrangements for payment of rent arrears
- Actively seeking to move to more affordable accommodation (e.g. regularly bidding on properties through the housing register)

This list is not exhaustive.

Where conditions have been attached to an award of Housing Payment, evidence that they have been complied with will be required before extensions or future awards are granted.

12. AWARDING A HOUSING PAYMENT

In deciding whether to award a Housing Payment, the Finance & Revenues Service will take into account:

- The shortfall between the weekly Housing Benefit (the Housing element of Universal Credit) and the weekly liability;
- Any steps taken by the claimant to reduce their rental liability;
- The financial and medical circumstances of the claimant, their partner and any dependants and any other occupants of the claimant's home;
- 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;
- The exceptional nature of the claimant and their family's circumstances;
- The possible impact on the Council of not making such an award, e.g. the need to prevent homelessness;
- Any other special circumstances brought to the attention of the Finance & Revenues Service.

The Finance & Revenues Service will decide how much to award based on the individual circumstances. This may be an amount below the difference between the liability and the payment of Housing Benefit. 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.

13. PERIOD OF AWARD

The Finance & Revenues Service will consider each claim on its own merits and a short term payment or longer term payment may be considered depending on the circumstances around the financial hardship. It is not and should not be considered as a way around any current or future entitlement restrictions set out within the Housing Benefit legislation.

In all cases, the Finance & Revenues Service will decide the length of time for which a 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:

- the Monday after the written claim for a Housing Payment is received or initial request made to the Finance & Revenues Service; or
- the date on which entitlement to Housing Benefit or Universal Credit commenced (providing the application for Housing Payment is received within one calendar month of the claim being decided whichever is the earliest or the most appropriate. The Finance & Revenues Service cannot award a Housing Payment for any period outside an existing Housing Benefit or Universal Credit period.
- The minimum period for which the Finance & Revenues Service will award a Housing Payment is one week;
- The Finance & Revenues Service will determine the appropriate length of an award
- The Finance & Revenues Service may require the customer to make a new application if another period of Housing Payment is requested beyond that already awarded;
- The Finance & Revenues Service 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.
- In the case of a shortfall, the level of a Housing Payment will be the level of Housing Benefit plus the Housing Payment and must not exceed the weekly eligible rent on their home.

Eligible rent means all the payments specified in Regulation 12(1) of the Housing Benefit Regulations 2006 or the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 except those specified in Regulation 12(3)(b)(i) to (iii) of those regulations, i.e. deductions in respect of certain specified service charges.

Following the introduction of Universal Credit (UC), LAs will have to consider claims from customers who are not receiving HB. Customers receiving UC will receive a housing element cost within their Universal Credit payment. We will decide the amount of Housing Payment to award in respect of the shortfall between the eligible gross rent and the housing element. This must not exceed the weekly eligible rent.

14. BACKDATING A HOUSING PAYMENT

The Finance & Revenues Service will look at each claim on its own merits when deciding whether or not to backdate a Housing Payment. Unlike Housing Benefit, there are no rules on backdating, but the Finance & Revenues Service will act consistently. Housing Payments can only be considered for a period where the linked Housing Benefit or Universal Credit is payable.

15. LUMP SUM PAYMENT

The weekly limit does not apply for lump sum payments. Receipts or invoices will be required as evidence for lump sum amount or will be checked independently with the landlord.

16. CHANGES OF CIRCUMSTANCES

The claimant has a duty to notify the Finance & Revenues Service of any change in circumstances.

The Finance & Revenues Service may need to revise an award of a Housing Payment where the claimant's circumstances have materially changed.

17. METHOD OF PAYMENT

The Finance & Revenues Service 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); or
- Any third party to whom it might be most appropriate to make payment.

Housing Payment awards will be paid by electronic transfer (e.g. BACS)

Payment will usually be made four weekly for claimants in receipt of Housing Benefit, or monthly for customers in receipt of Universal Credit.

18. NOTIFICATION

The Finance & Revenues Service will advise customers of the outcome of their application in writing as soon as possible.

Where the application is unsuccessful, the Finance & Revenues Service will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Finance & Revenues Service will advise:

- the weekly amount of Housing Payment awarded,
- the period of the award,
- how, when and to whom the award will be paid, and

- the requirement to report a change in circumstances.
- Any conditions of the award

19. SUSPENSIONS

Where a person's entitlement to Housing Benefit or any other benefit has been suspended, it is not appropriate to pay a Housing Payment. Once a suspension has been removed, any payment of Housing Payment due will be made as soon as possible.

20. FRAUD

The Finance & Revenues Service is committed to the fight against fraud. A claimant who tries 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 Fraud Act 2006.

Where the Finance & Revenues Service suspects such a fraud may have occurred, the matter will be referred to the Single Fraud Investigation Service for investigation and this may lead to the instigation of criminal proceedings.

21. PREVENTION OF HOMELESSNESS

Within Test Valley Borough Council, the Finance & Revenues Service and the Housing Options Team work closely together to promote the availability of Housing Payments to help retain tenancies and help prevent homelessness.

22. REFUSED HOUSING PAYMENT

Where a request for a Housing Payment has been refused, it is not expected that repeated requests will be considered unless the customer can demonstrate that their circumstances have changed.

23. THE RIGHT TO SEEK A REVIEW / APPEAL

Housing Payments are not payments of Housing Benefit or Universal Credit and are therefore not subject to the statutory appeals mechanism. All Councils are expected to set up an appropriate review process.

The Finance & Revenues Service will operate the following policy for dealing with appeals 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.

- A claimant (or their appointee or agent) who disagrees with a Housing Payment decision may dispute the decision. A request must be delivered in writing to the Finance & Revenues Service within one calendar month of the written decision about the Housing Payment being issued to the claimant. Where appropriate, Officers from the Finance & Revenues Service will explain the Housing Payment decision to the claimant by telephone, at interview or in writing and will seek to resolve the matter.
- Where agreement cannot be reached, a manager will consider the case. The manager will review all the evidence held and will make a decision as soon as possible.
- Should the manager make 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.
- In exceptional circumstances the above time periods may be extended. In deciding whether to extend, they will take into account the financial difficulties in making an award for a previous financial year.
- This will be the final decision made on the case and any further challenges must be made through the judicial review process. In cases of alleged maladministration by the council, the claimant must follow the council's complaints process before contacting the Local Government Ombudsman.

24. OVERPAID HOUSING PAYMENTS

The Finance & Revenues Service will seek to recover any Housing Payment found to be overpaid if payment is made as a result of misrepresentation or failure to disclose a material fact, fraudulently or otherwise.

25. RECOVERY FROM ONGOING HB

The Finance & Revenues Service cannot recover Housing Payments from ongoing Housing Benefit. Normally recovery will involve issuing an invoice to the claimant or the person to whom the award was paid.

26. PUBLICITY

The Finance & Revenues Service will continue to publicise the scheme and will work with all interested parties including the Council's Homelessness Team in order to achieve this. A copy of the policy statement will be made available at request and is posted on the Test Valley Borough Council Website. We will target vulnerable groups who may be under-claiming Housing Payment eligibility. We aim to do this by working with agencies that specialise in supporting these groups such as single people under the age of 35, pensioners, disabled persons, homeless young people and couples with or without children and those affected by the changes introduced by the Welfare Reform. Meanwhile we will continue to promote the Housing Payment scheme, through the Council's website, housing providers, private landlords, advice agencies and other appropriate sources.

The Finance & Revenues Service will publicise the scheme and will work with all interested parties to achieve this.

27. VALUE OF THE FUND

The Finance & Revenues Service will keep a record of payments made and monitor the existing expenditure against the amount available in the fund. Additional funds may be set aside to allow spending over the Housing Payment fund allocated by DWP.

For 2026/2027 the initial level of the fund for Test Valley Borough Council is as follows:

Government Contribution £119,892

Managers in the Finance & Revenues Service will closely monitor the spending of the Housing Payment budget and liaise with the Council's Homelessness Team, giving regular updates on the value of fund remaining.

28. MONITORING AND REVIEW

The policy will be reviewed annually, or sooner if appropriate, to take account of operational changes and/or changes in legislation.