

NORTH SOMERSET COUNCIL DECISION
DECISION OF: EXECUTIVE MEMBER FOR CORPORATE SERVICES &
DIRECTOR OF CORPORATE SERVICES
WITH ADVICE FROM: HEAD OF DIGITAL, TRANSFORMATION AND
CUSTOMER EXPERIENCE
DIRECTORATE: CORPORATE SERVICES



DECISION NO: CSD168 2025/2026

SUBJECT: Crisis Resilience Fund - 2026/27 Financial Year

KEY DECISION: YES – financial values are greater than £500,000

BACKGROUND:

The Government announced a replacement for the Household Support Fund – the Crisis Resilience Fund - to take effect from 1 April 2026. The Crisis and Resilience Fund provides grant funding to local authorities in England to provide preventative support to communities, as well as assisting people when faced with a financial crisis.

The fund must be used to support low-income households who encounter a financial shock and to support activities that build individual and community financial resilience. Overall, the funding covers the period of 1 April 2026 to 31 March 2029. However, this decision seeks to secure approval for the year 1 design (2026-27).

Additionally, the fund includes specified funding for housing support, which replaces Discretionary Housing Payments (DHPs).

Guidance received from the Government advises that:

- An allocation of £2,273,756.05 will be given to North Somerset Council for the CRF and £271,300 as a replacement for Discretionary Housing Payments
- The funding included in this decision covers the period 1 April 2026 to 31 March 2027 (twelve months). However, a diminishing fund will be provided for three years to provide certainty and stability in the support provided by the Council.
- It is intended to support individual vulnerable households and should be spent on the following categories;
 - Energy and water
 - Food
 - Essentials linked to energy and water (e.g. boiler repairs, blankets and clothing, white goods, soap, sanitary products)
 - Wider essentials (e.g. phone and broadband, clothing, transport)
 - Housing costs (only in exceptional cases of genuine emergency it can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need)

- Sustainable support
- Advice services
- Reasonable administration costs

Rather than focusing on a single vulnerable group, the guidance says authorities should use the wide range of data and information at their disposal to identify and support a broad cross-section of vulnerable households in their area. However, support is not restricted to vulnerable households in receipt of benefits, and authorities should also use other sources of information to identify vulnerable households, including advice from professionals who encounter vulnerable households, such as social workers, supporting families' advisors and community groups.

Authorities have the discretion within the scheme to identify which vulnerable households are most in need of support and to apply their own judgments when determining eligibility.

The Crisis Resilience Fund is not intended to replicate or replace Free School Meals and Authorities should avoid duplicating provision where possible. However, Authorities have discretion over how they use the funding within the grant framework and within the stipulated time. Therefore, Authorities may choose to offer awards to families in receipt of Free School Meals if they consider this to be appropriate in their area.

It should be noted that Authorities are required to make returns to DWP providing the outline scheme design, significant management information and details of the expenditure incurred to date across the defined activity classifications.

DECISION:

A) This decision seeks to establish a policy and scheme design which supports the allocation of the Crisis Resilience Fund (£2,273,756.05). It is proposed that financial support be offered to residents through the following schemes:

- 1) Allocate £110,000 of funding to those individuals who are financially vulnerable and are seeking additional support. Requests will be made through an application process, and a 'cash first' approach will be considered depending on the circumstances.
- 2) Allocate £65,000 of funding to support applications for sustainable items such as white goods, bedding, etc with requests being made through an extension to the existing Welfare Support Scheme.
- 3) A fixed automatic award of £37.50 retail voucher to all working age (two vouchers) and pensioner age (one voucher) CTS claimants. It is estimated that this will apply to c. 11,650 accounts and will cost approximately £661,875.
- 4) A fixed automatic award of £37.50 retail voucher to all Housing Benefit claimants but not CTS, individuals with Severe Mental Impairment (SMI) or covered under Court of Protection, and Care Leavers. It is estimated that this will apply to c. 928 accounts and will cost approximately £34,800.

- 5) The creation of a Council Tax Reduction Hardship fund totalling £371,200 to provide support to households negatively impacted by the changes to the CTR scheme.
- 6) An award of one £75 food voucher to each child in receipt of Free School Meals, it is estimated that this would apply to 5,200 individuals and will cost approximately £390,000.
- 7) Grant allocations totalling £414,500 to be made to:
 - the Handy Person Service (£20k),
 - Salvation Army (£10k),
 - Fuel Bank (£20k),
 - CANS Fuel Support (£20k),
 - extension of the FirstSteps Scheme & debt advice via CANS (£130k),
 - Advice First aid – upskilling community groups to provide advice (£20k)
 - Council advice services via telephone contact centres or face-to-face (£134.5k),
 - Housing advice via Alliance Homes (£40k), and
 - Five local food banks that provide food and advice services (£70k)

All of which have existing networks and processes to distribute support to those in need. These organisations will be required to collect and share the required management information contained within the grant conditions. A further £10k will be allocated to the administration of these schemes for the 'CANS' & the 'For All Healthy Living Company'.

- 8) Allocate an additional £165k to the internal administration costs of the scheme.

B) Approval is sought to increase the council's Corporate Services income and expenditure budgets by £2,273,756.05 each, to reflect receipt of a new ring-fenced grant income and also provide for the creation of expenditure budgets for each of the categories as described below.

This decision will be fully supported by the Communications team who will ensure that the key messages are shared with those residents who need support.

The grant terms and conditions given by the Department of Work and Pensions (DWP) to the council will also apply to any external organisations who have been selected to distribute funding on the council's behalf. The two main conditions are;

- Any funds that are not fully spent by 31 March 2027 will be required to be returned to the council,
- All funds spent must be supported by detailed records that are subject to review and inspection by the auditors, which will enable the council to submit the required management information back to the DWP.

REASONS:

This scheme has been designed to support economically vulnerable households with a rapid financial support mechanism for:

- families with children
- pensioners
- children who are eligible for free school meals

- others to apply for financial support via the Welfare Provision Scheme, and
- through third-party organisations such as the Fuel Bank, Handy Person Service, Citizens Advice and the Salvation Army

OPTIONS CONSIDERED:

A range of different spending options and classifications of vulnerable households and different allocations have been considered when determining the final scheme proposals; the geographical areas that they live in, as have the practical and operational ways to ensure that the funding is given as efficiently as possible.

The ability to obtain and maintain detailed records has also been a key consideration, as the council will have strict reporting obligations. The council recognises that support given to Council Tax Support claimants provides a strong alignment with the ethos of the Crisis Resilience Fund.

Research has been undertaken to understand the intentions and scheme design as provided by other local authorities.

Cash payments will be encouraged wherever possible but the increase in administration efforts will be minimised to keep these administration costs to a minimum so that more funding can be provided to those in need. Retail vouchers can be distributed, easily used and enables residents the option of having their own money available for other priorities, such as energy bills.

FINANCIAL IMPLICATIONS:

Costs & Income

The council has been advised that it has been allocated grant income of £2,273,756.05, and so this needs to be reflected within the income budget for the 2026/27 financial year. This can be completed by way of a budget virement using cost centre **FRD227**.

The table below shows how the council anticipates that it will spend the grant allocation. Consideration has clearly been given to ensuring compliance with the grant terms and conditions, as well as targeting support to those most in need.

Potential areas of spend	Award Type	Sustainable	Award Mech	New Volumes	Unit Award	New Total
CTR Hardship Fund	C.Tax Contribution	No	Application	6400	£58	£371,200
CTR Hardship eform	Admin	No				£5,000
Priority Debt Advice CANS support	Advice	Yes	Advice Service	500	£100	£50,000
Priority Debt Contact Centre support	Advice	Yes	Advice Service	700	£35	£24,500
FirstSteps extension - Advice (Liberata)	Advice	Yes	Advice Service	700	£100	£70,000
FirstSteps extension - Advice (CANS)	Advice	Yes	Advice Service	800	£100	£80,000
Advice First Aid - upskilling other community groups	Advice	Yes	Advice Service			£20,000
NSC face-2-face Advice and Guidance	Advice	Yes	Advice Service	200	£100	£20,000
NSC face-2-face Advice and Guidance	Advice			200	£100	£20,000
NSC Resilience Services (Alliance)	Advice	Yes	Advice Service	400	£100	£40,000
Handyvan service	Goods & Services	Yes	Bulk Allocation	200	£100	£20,000
Pill Food Hub	Food	Yes	Bulk Allocation	200	£50	£10,000
Salvation Army (energy)	Energy	No	Bulk Allocation	200	£50	£10,000
Fuel Banks (HLC)	Energy	No	Bulk Allocation	400	£50	£20,000
Fuel Banks (HLC) Administration	Admin	No	Bulk Allocation			£4,000
CANS Fuel Bank Scheme	Energy	No	Bulk Allocation	400	£50	£20,000
CANS Fuel Bank Scheme Administration	Admin	No	Bulk Allocation			£4,000
Financially vulnerable (CTS working age household)	Retail vouchers (x2)	No	Auto award	17650	£37.50	£661,875
Financially vulnerable (CTS pensioner household)	Retail vouchers (x1)	No	Auto award			
Support fo five local food banks and advice during contact	Food	No	Bulk Allocation			£60,000
Children in receipt of Free School Meals	Food vouchers	No	Auto award	5200	£75	£390,000
Housing Benefit claimants not CTS	Retail vouchers	No	Auto award	308	£37.50	£11,550
SMI / Court of protection	Retail vouchers	No	Auto award	120	£37.50	£4,500
Care Leavers	Retail vouchers	No	Auto award	500	£37.50	£18,750
WPS - Sustainable items white goods, bedding, etc	Goods & Services	Yes	Bulk Allocation	325	£200	£65,000
Unknown financially vulnerable (Applications)	Open Applications (mainly food vouchers)	No	Application	600	£100	£60,000
Unknown financially vulnerable (Applications)	Open Applications (Cash-First)	No	Application	500	£100	£50,000
Administration costs (printing & post)	Admin	No	Central cost			£20,000
Administration costs (schools)	Admin	No	Central cost			£22,000
Administration costs (corporate)	Admin	No	Central cost			£20,000
Administration costs (Liberata)	Admin	No	Central cost			£100,000
TOTALS				26603		£2,272,375

Expenditure will be monitored across all schemes and when funds are exhausted, the schemes will be stopped to avoid any overspending.

The administration costs of these schemes are expected to be fully covered from within the grant itself and are currently estimated to be in the region of £175k. The final value of these costs will be dependent upon how much of the grant-related expenditure can be awarded automatically using information held within current systems, as opposed to establishing a detailed application process, which may be more time-consuming to administer.

LEGAL POWERS AND IMPLICATIONS

The Council must also follow its own internal regulations and processes with regards to financial matters, specifically the council's financial regulations [FR Pt 1–4.21] allow Executive Members to increase the gross revenue budget with financing from income, savings, grants or reserves, providing there is no increase in the net revenue budget, up to **£1,000,000**, with the agreement of the Section 151 Officer. Given that the grant award is £2.3m an urgent decision will be made at this point and retrospectively reported to the Executive as part of the Council's budget monitoring reporting framework.

CONSULTATION

This grant details and the proposed scheme for North Somerset Council have been shared with the Chief Executive and the relevant Directors from Corporate Leadership Team (CLT). The proposed financial allocations have been reviewed by the Director of Corporate Services and the Council's Section 151 Officer.

The strategy for awarding the Crisis Resilience Fund along with details of the proposed scheme have been generated through consultation with the external partners - Cost of Living working group and have been shared with the Leader of the Council through a briefing session in Feb 2026. Issues raised through those discussions have been incorporated into the design of the final scheme.

RISK MANAGEMENT

The economically vulnerable residents of North Somerset and wider communities face a wide variety of risks during the next year, some of which may have a financial consequence or impact. These risks have been increased because of the increased energy/fuel costs meaning that mitigation and intervention have been required.

There is a risk that parts of the proposed scheme may be oversubscribed meaning that a budget overspend could potentially occur, however, given that the funding stream from central government is finite, detailed monitoring will be undertaken and the schemes will be stopped by the Head of Support Services when funding has been exhausted.

CLIMATE CHANGE & ENVIRONMENTAL IMPLICATIONS

The Council faces a wide variety of climate change and environmental impacts whilst delivering its many services to residents, some of which have a direct or indirect financial impact or consequence. There are no material considerations linked to this Decision.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Not for all items of spend.

The award of the Crisis Resilience Fund does not require an equality impact assessment to be undertaken because they adhere to policies for which an equality impact assessment has already been conducted.

CORPORATE IMPLICATIONS

None

BACKGROUND PAPERS

None

SIGNATORIES:

DECISION MAKERS:

Signed:

Title: Mike Bell, Executive Member for Corporate Services

Date:

Signed:

Title: Matt Lewis, Director of Corporate Services and Transformation

Date:

WITH ADVICE FROM:

Signed:

Title: Stuart Anstead, Head of Digital, Transformation and Customer Experience

Date: