Crisis and Resilience Fund: Summary for Third-Sector Organisations of Central Government Guidance
Please note the full guidance for local authorities can be found here.

CRF provides a safety net for those on low incomes who encounter a financial shock and invests in building local financial resilience to enable individuals and communities to better deal with crises in the long-term, reducing crisis need.
The aim is to invest in 'Resilience Services' that contribute towards improving the financial resilience of people. Financial resilience refers to the ability of individuals to withstand and recover from financial shocks – such as sudden income loss or unexpected expenses. The purpose of building financial resilience is to enable individuals to better manage future financial shocks and reduce the need for crisis support.

CRF sees Leeds City Council managing crisis support payments and housing payments and partnering with the third sector (charity sector) to improve people's financial resilience and boost the wider support landscape.
CRF is different to HSF (Household Support Fund) which enabled broad crisis support, often with food or essential items.

CRF is both narrow and broad:
Narrow in that it is funded activity should be improving people's financial resilience (which is about independence) and reducing people's reliance on free emergency food aid (which is about dependence)
Broad in that within that activity there is a broad range of eligible expenditure including equipment, staff costs, premises costs and activity costs.

These principles underlie CRF delivery:

- **person-centred** to ensure that people's preferences, needs and values stay central to professional decisions, providing support that is respectful to them
- **needs-based** to recognise the varied circumstances that individuals may experience, seeking to meet the underlying needs, not just the crisis symptoms
- **holistic** to provide integrated support that helps the individual and their households, with Authorities considering the wide range of services and actions they have access to

- encompass a **no wrong door approach** to connect individuals to the right service and support through warm referrals, regardless of their initial point of contact
- **trauma informed**: Authorities should adopt a Trauma Informed Approach when working with people and families in crisis, considering the six principles of trauma-informed practice

CRF Strands

The fund has four strands across which Leeds City Council allocates funding:

1. **Crisis Payment**: Providing support to those in crisis (Leeds City Council delivered)
2. **Housing Payment**: Providing financial support towards housing needs, to those who face a shortfall in meeting their housing costs (Leeds City Council delivered)
3. **Resilience Services**: Funding for services delivered by Authorities or external providers to improve financial resilience (Leeds City Council and third sector delivered)
4. **Community Coordination**: Investment in activities that connect and enhance the local support landscape (Leeds City Council and third sector delivered)

Resilience Services

Resilience Services are the services, programmes and activities that support building financial resilience for individuals and local communities, helping people manage financial shocks, preventing occurrence, recurrence and escalation of crises.
CRF-funded Resilience Services must positively impact one or more of the following CRF outcomes:

Outcome	Description
Reduced experiences of material deprivation	Material deprivation is inability to afford essentials (heating, clothing, basic household goods and food) by tackling the underlying conditions that prevent households from affording essentials.
Reduced need for emergency food parcels	Insufficient food is a crisis need negatively affecting health and wellbeing if not addressed. More resilient households are less likely to experience financial crises that lead to emergency food need.

Outcome	Description
Increased access to appropriate and quality advice services	Access to high quality, free-at-the-point-of-use advice is a proven lever for income gains, arrears resolution & improved social wellbeing. Advice should lead to improved understanding of rights/entitlements for individuals, ideally providing people with an intention to act on the advice & for the issue to be progressed or resolved. Where appropriate, advice should support early problem resolution & may focus on areas such as debt, welfare, housing or other wider support.
Increased savings	Encouraging individuals to build buffers that prevent small shocks becoming crises when an unexpected bill or income dip hits.
Reduction in priority debt	Rent, council tax and utilities arrears are the debts most likely to tip households into crisis, trigger legal action and increase health and homelessness risks. By supporting citizens to manage or reduce these debts, Authorities create more resilient households.
Maximisation of individuals' incomes	Authorities can support individuals to increase their household income through a combination of raising income and reducing expenditure. This could include helping individuals identify and claim financial support they are entitled to, identifying savings and building skills to help with employment and in-work progression.
Decreased need for Crisis Payments and Housing Payments	By building the financial resilience of individuals and enabling effective pathways between crisis support and Resilience Services, Authorities should see reduced crisis need over time.

Resilience Services should ideally deliver:

- **budget maximisation**, such as by funding advice services (including but not limited to debt, energy and housing). Advice services can be delivered in-house by Authorities or by an external provider
- **income maximisation**, such as through benefit checks and application support, employment and training advice, access to alternate support grants, community childcare or CV building services

- **income smoothing**, such as enabling access to affordable credit or supporting saving
- **financial capability**, such as supporting future planning services and financial education

Authorities using the CRF to support community food aid are encouraged to prioritise provisions that **integrate or co-locate** with Resilience Services. This means intentional joining up of different provisions, as well as often having services based at the same location to help people access multiple layers of support. This could include integration with advice services, benefit application support and utility debt support. Authorities are encouraged to think creatively about new approaches to building sustainable food landscapes, which draw on established best practice and support people to transition away from crisis support to building their financial resilience.

Community Coordination

Authorities must use CRF funding to create a more connected local welfare landscape that directly contributes to bolstering local level support landscapes. Effective Community Coordination includes, but is not limited to:

- Investing in convening and coordinating capacity
- Coordinating with aligned programmes and initiatives
- Partnerships with other organisations to deliver coordinated support, develop local strategies to address poverty or negotiating favourable terms for people in low incomes
- Outreach, producing and disseminating physical and digital materials
- Digital tools and systems that enable mapping activities, coordinated working, supported referrals and feedback loops across a range of different services.
- Service design and co-production with residents and local community groups
- Co-location of services
- Capability building