

Swale Borough Council Housing Payments Policy

(a strand of the Crisis and Resilience Fund)

Mid Kent Revenues & Benefits Service

2026-27 and 2027-28

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1. Introduction

Housing Payments (HP) form a strand of the Crisis and Resilience Fund (CRF) that enables all Local Authorities discretion to provide additional support for people who are entitled to a qualifying benefit. The legislation governing the scheme can be found at Section 1 of the Localism Act 2011.

The Department for Work and Pensions (DWP) has produced guidance for the administration of the CRF. This policy takes note of that guidance.

The main features of the scheme are that:

- The scheme is purely discretionary, a claimant does not have a statutory right to a payment;
- The expectation from government is that for 2026-27 and 2027-28 (years 1 and 2 of the CRF scheme) each council will allocate to HP a sum equivalent to that which the council received in the final year of the Discretionary Housing Payment (DHP) scheme, in 2025-26. For years 1 and 2 of the CRF scheme each council receives, from government, an allocation of CRF to be spent on HP. Each council has the option to pay over and above this amount, but the funding must be made from the council's own finances. There is no limit to how much a council may top-up the HP allocation by.
- The administration of the scheme is for the council to determine with a few specific exceptions which are detailed in Appendix A.
- A HP is not a payment of Housing Benefit (HB) or the Housing Cost Element of UC; however, there must be entitlement to one of these benefits in the week a Housing Payment is awarded for.

Appendix B sets out the funding arrangements for the current financial year.

There is a range of financial, and welfare support available to meet a variety of different circumstances and needs for low-income households. The HP fund is designed to provide support to secure affordable accommodation and provide short-term support for exceptional and unforeseen pressures affecting a claimant's ability to meet their rent liability.

The short-term nature of the fund is to provide capacity in terms of time for the household to seek further advice and make changes to their circumstances which will achieve longer-term sustainability of their current home or find alternative accommodation which is affordable within the context of the HB and UC schemes.

2. Objectives of the Scheme

The intention of the policy is that the HP budget is targeted to provide support to those who are most in need. Each case will be treated strictly on its own merits, and all customers will be treated equally and fairly when the scheme is administered. The council is committed to

working with the local voluntary sector, social landlords and other interested parties in the local area to maximise entitlement to all available state benefits and this will be reflected in the administration of the HP scheme.

The primary objectives of the scheme are:

- Prevent homelessness;
- Enabling people to secure new affordable tenancies;
- Safeguard residents of the borough in their homes;
- Provide support in a time of crisis;
- Help alleviate poverty and
- Encourage employment.

The HP scheme should be seen as a short-term emergency fund. It is not and should not be considered as a way around any current or future entitlement restrictions set out within HB or UC legislation.

Applications for HP should only be made as a last resort. Awards will be made where the household demonstrates exceptional circumstances which can only be alleviated by additional financial support from the fund where no other alternatives exist.

It is recommended that all claimants seek independent advice from Citizens Advice or another similar agency to assist with improving their personal circumstances and maximising their income.

The budget will be carefully monitored throughout the year to ensure the funding is used in the most effective way. Qualifying criteria for HP payments may be altered in line with profiled budget expenditure during the year.

3. Making a Claim

A claim for HP must be made on the prescribed form available on the council's website or a paper alternative available directly from the customer service team at the council. The form is designed specifically to gather all relevant information to enable an officer to make a decision. The form will incorporate a standard income and expenditure sheet and questions designed to provide a consistency of detail to support decision making.

In some cases, additional information or evidence may be requested. Any requests for further details will be made using the most effective method; telephone, email or in writing, shortly after the claim has been made. Where a request for further information is made this must be supplied within two weeks of the request or the claim will be considered as lapsed and no further action will be taken.

4. Eligible Groups

Claiming for HP will be considered from all households experiencing financial hardship and finding it difficult to meet their rent liability. Under the HP scheme Registered Social Landlord tenants and tenants living in privately rented accommodation are eligible to apply for assistance.

It is an aim of this policy to ensure that all claimants are able to access this fund if they need to. Appendix C sets out matters for consideration in the decision-making process and circumstances where support is more likely to be provided. In addition, in order for any HP payments to be made, there must be entitlement to HB or UC (housing costs element) for the period the HP is requested for.

Applicants intending to move into the area who are already in receipt of HB or UC will be expected to make an application for HP to the authority from which they are moving if they are seeking assistance with rent in advance or deposit.

5. Rent in Advance/Deposits

Rent in advance and deposit payments are a significant cost to those moving home. **Assistance may be provided by HP where it will assist the applicant secure long- term affordable accommodation where there is a significant risk of homelessness or ongoing financial hardship.**

Under the Renters Rights Act 2025 which comes into effect from 1 May 2026 accepting rent in advance prior to signing a tenancy will be a prohibited payment. A landlord can only accept a rent in advance payment after the tenancy has been signed by the landlord/agent and tenant, but before the tenancy commences (the pre-tenancy period). The rules of the pre-tenancy period do not apply to social and supported housing or when the tenancy was agreed by a local council to meet a homelessness duty.

The council must be satisfied there is a genuine need to move and there are no other means available to pay the required rent in advance or deposit to secure the tenancy. It is expected that applicants would usually be engaged and supported by the council's Housing Options team in order to access support under this part of the scheme.

Because of the high monetary value of rent in advance and deposit awards it is recognised that this will place a high level of pressure on the HP fund. Awards will be limited to households identified as in priority need and where rents are in line with the maximum rent which can be paid under HB and UC schemes for the particular circumstances of the households and is affordable.

The intention is that by supporting tenants to find suitable and affordable accommodation they will not require additional ongoing support from HP which will reduce future costs of administration.

Single payments for rent in advance or deposit cannot be made more than once in any 12 month period to an individual tenant or to a landlord for the same property.

Single payments for rent in advance will not exceed one month's rent. Deposits will not exceed an amount equivalent to 5 week's rent equivalent.

6. Making an Award

Decisions on awards to help meet ongoing rent liability will be made by officers within the council's Benefit Service.

An officer of the council's Housing Options team may make a recommendation in relation to HP claims relating to rent in advance or deposit.

7. Relevant Time for Claiming

Applications for HP should be made as soon as possible where the household falls into difficulty and is unable to manage to meet its rent liability.

Awards of HP will normally be made from the date of the application. It is possible to pay HP for past periods however this is at the discretion of the officer who makes the decision.

Applications for rent in advance or deposits must be made prior to the commencement of the tenancy. A HP cannot be awarded for any period the customer has no entitlement to HB or UC (housing costs element). An award cannot be considered until a copy of the signed tenancy is provided with the application form. No award will be made towards rent in advance, unless a signed tenancy agreement is provided.

8. Period of Payment

Each case will be decided on its own merits and there is no minimum period an award will be made for. However, it is unlikely an award will continue past 31 March in any given year, as the HP fund is a grant from DWP that is made annually and may vary each year. The period of the award is at the discretion of the officer making the decision based on the individual circumstances of the case.

HP awards are designed primarily to meet short-term requirements and provide time for customers to make necessary changes to their circumstances to ensure they are able to live within their means in the longer-term. The fund is not an appropriate mechanism to support circumstances which are not time-limited.

In order to meet the objectives of the scheme and the way in which the scheme is funded all awards will have an end date attached to them. This will form part of the award notification sent to claimants along with information of activity which is likely to improve individual circumstances. In some cases, it is appropriate to share information with the council's Housing Options Service in order to provide proactive advice to prevent further rent arrears developing and prevent homelessness.

9. Maximum award of a HP Award

The maximum amount of HP payable on an ongoing basis is set out within the government guidance on CRF;

- For a person in receipt of HB the maximum amount of HP is limited to the difference between the HB award and the eligible contractual rent after deduction of any ineligible service charges as defined in Appendix A. This is known as the “shortfall”.
- For a person in receipt of the housing cost element of UC the maximum award is equal to the level of the housing cost element allowed in the UC assessment for each calendar month assessment period
- Single payments for rent in advance will not exceed one month’s rent. Deposits will not exceed an amount equivalent to 5 weeks’ rent equivalent.

10. Change in Circumstances

Awards of HP are to provide short-term relief and should not be relied upon as an ongoing source of income. Every decision will provide advice on actions the household should consider to improve their circumstances which will enable them to afford their rent in the future without relying on an award of HP.

11. Repeat Applications

Repeat awards of HP will not be considered unless the claimant is able to demonstrate highly exceptional circumstances and show they have tried to take steps to improve their circumstances.

12. Method of Payment

The method of payment will be selected based on the individual circumstances of the case with payment made to the most appropriate person in the best interests of the person claiming.

Payments of HP are usually made where there is a risk of someone being evicted or to help secure a new tenancy by way of rent in advance or deposit and therefore usually the landlord or their agent will be the person whom HP is paid to.

Payment would only normally be made to the claimant or their nominated appointee where there is evidence the rent has already paid or paying the landlord could threaten the tenancy.

The method of payment will usually be by BACs transfer or crediting the rent account where this is possible.

The frequency of payment will normally be made in line with how the HB or UC is paid.

13. Notification

The outcome of the application will be notified within 21 days of receipt of all required supporting evidence. Where an application is unsuccessful, the reasons why this decision was made will be set out and explain the right of review.

Where the application is successful, the award notification will set out:

- the weekly or total amount of HP awarded;
- the period of the award;
- how, when and to whom the payment will be made;
- the requirement to report a change in circumstances.

In all cases the decision notice will provide recommended actions the applicant should consider which would help to improve the household circumstances. It is expected that this advice is followed before any future award is made.

14. Disputes and Appeals

A HP is not a payment of HB or UC and therefore it is not subject to the statutory appeals mechanism. If there is a disagreement with the decision this must be notified within one calendar month of the date of the decision letter. This must be made in writing and clearly set out the reasons for the disagreement and provide any additional information which needs to be considered.

Any appeal will be considered by a different officer from within the service who made the original decision. The outcome of the appeal will be notified in writing providing details as set out in section 12. If they remain unhappy with the decision made the final stage of review is to the Head of Revenues and Benefits. The Head of Revenues and Benefits will review the decision and will write to confirm the outcome within 21 days. No further right of internal appeal should the revised decision be disagreed with.

The only further redress against a decision to refuse an award is by way of Judicial Review in the High Court. The independent Tribunal Service cannot hear appeals relating to HP.

15. Fraud

It is acknowledged that most applications for HP are genuine, however some applications may be made with the deliberate intention to obtain money to which the applicant is not entitled.

The application for HP should be a true representation of the applicant's circumstances. It is an offence to misrepresent or fail to disclose relevant information in an application for HP.

Where facts are misrepresented or where there is a failure to disclose relevant information in support of their application, this may constitute an offence under the Theft Act 1968 or the Fraud Act 2006. Where it is suspected that such a fraud may have occurred, the matter will be investigated as appropriate and this may lead to legal action being taken against the person who made the claim.

16. Overpayments and Recovery of HP

The council will seek to recover any HP found to be overpaid or paid under the rent in advance or deposit scheme to be returned at the end of a tenancy. Normally this will involve issuing an invoice to the claimant or the person to whom the award was paid. If this is not paid further recovery action will be taken.

Careful consideration will be given on recovery of any overpayment, and it may be decided not to recover an overpayment where extenuating circumstances exist. The appeals process set out in section 13 will also apply to decisions on recovery.

17. Equalities Statement

The council is committed to delivering a service that is accessible and fair to all of the communities that it serves and ensuring that all people are treated with respect and dignity. The Equality Act 2010 sets out an “Equality Duty” to:

1. eliminate discrimination, harassment and victimisation;
2. promote equality of opportunity between different groups in the community; and
3. foster good relations within the local community.

The council gives careful consideration to equality issues in new and existing policies, strategies, and services to see what effect they will have on different groups within its communities, including those with protected characteristics.

The protected characteristics covered by the Equality Duty are:

- age;
- disability;
- marriage and civil partnership (but only in respect of eliminating unlawful discrimination);
- pregnancy and maternity;
- gender reassignment;
- race – this includes ethnic or national origins, colour or nationality;
- religion or belief – this includes lack of belief;
- sex (gender);
- sexual orientation

The council also recognises that socio-economic status can be a significant barrier to equality of opportunity.

18. Policy Review

This policy will be reviewed on an annual basis or in line with any major changes to the HB, UC or other regulations to ensure it remains valid, relevant and effective in achieving the policy objectives.

The Council will use the information provided within the application and any supporting evidence for the purpose of verifying benefit entitlement and making a decision on the claim. In addition, it may share information with other departments

within the Council and with partner organisations for the purpose of the planning and/or delivery of services or fraud prevention.

Appendix A

Housing Costs Excluded by Legislation from the Housing Payments (HP) Scheme

The following elements are specifically excluded by legislation from eligibility for support by the HP scheme:

1. Ineligible charges: service charges that are not eligible for HB or UC as specified by legislation cannot be covered by a HP.
2. Increases in rent due to outstanding rent arrears: A rental liability may be increased as a mechanism to recover arrears of rent however this increase does not form part of the rental liability that can be considered eligible for a HP award.
3. Sanctions and reductions in any welfare benefit: HPs cannot meet these because to do so would undermine the effectiveness of the sanctions or reduction in benefit.
4. Benefit suspensions: HB or UC can be suspended either because there is a general doubt about entitlement or because a customer has failed to supply information pertinent to their claim. In such cases, it would not be permissible to pay HPs instead. One of the intentions of the suspension provisions is to act as a lever to ensure that the customer takes the necessary steps to provide the authority with the necessary information/evidence - paying HPs could reduce the effectiveness of this lever.
5. Shortfalls caused by benefit overpayment recovery: when recovery of an overpayment is taking place, such shortfalls should not be considered for a HP.

Appendix B

Housing Payments Funding

The Housing Payments funding and maximum expenditure allowed as determined by the Secretary of State for each council for the financial years 2026/27 and 2027/28 is:

Local Authority	Amount Funded by the Government	Maximum Allowable Expenditure
Swale	£260,758	£unlimited

The authority reserves the right for geographic distribution of the scheme to be uneven across the borough in recognition of areas where there is a higher proportion of people in receipt of HB or UC and to support other council objectives.

Appendix C

Matters for Consideration

The funding of HP only represents a small percentage of the money paid in respect of housing costs paid by HB and UC. Even when a person is affected in any of the circumstances identified below or by any of the welfare reforms it will not guarantee that a payment will be made.

Where an award of HP is made it is likely to be for a short period to ensure the scheme remains flexible. All decisions are subject to the level of funds being available. The fund will be managed to ensure that support can be provided throughout the year.

In all cases the claimant, partner and household members must demonstrate they have insufficient resources, through their income and capital, to meet their ongoing rent liability or pay the required rent in advance or deposit to secure a tenancy which is suitable for their housing needs.

Other factors that may be taken into account are;

- If the inability to meet the rent liability is due to a change in the award of HB or UC due to legislative changes in welfare benefits. In exceptional cases an award of HP may be made in the short term to help the household adjust;
- The extent of the shortfall and any steps taken by the claimant to reduce their rental liability;
- The likelihood of an imminent change of circumstances that will increase the level of the HB or UC award for example, pregnancy where the addition of a child to the household would change the calculation of HB or UC or a single person whose 35th birthday is imminent;
- If there is a real risk of homelessness due to eviction because of the shortfall. Priority will be given to applicants who are being supported by the council's Housing Options Team or other agency providing similar support;
- The impact of disability needs within the household on the accommodation requirements for which the benefit calculation does not make specific allowances;
- The medical circumstances of the household affecting their ability to move to cheaper alternative accommodation;
- If there has been a recent change of circumstances, which has negatively impacted on the ability to meet rent liability that was previously affordable;

- If the property has been specifically adapted to meet the needs of a disabled member of the household or an additional bedroom is required as a result of health needs and this is supported by the award of Personal Independence Payment or Attendance Allowance
- Where a household has been affected by a restriction under the social sector size criteria it is expected that they are engaging with their housing provider in order to move to appropriately sized accommodation;
- The level of indebtedness of the claimant and their family. HPs will not to be paid in order to finance other debts;
- The exceptional nature of the claimant and their family's circumstances;
- The length of time the HP is being asked to support. HP is not and should not be considered as a long term way around any current or future entitlement restrictions set out under legislation.
- The steps the applicant plans to take should their application be successful to alleviate their position in preparation for when the payment ends which may include;
 - applying to the council's housing register and are making bids on suitable homes;
 - making changes to the household budget in order to prioritise their rent payment
 - ensuring they are on the cheapest available tariff for their utility bills in order to increase the level of income which can be used to pay their rent liability
 - engaging with the Department for Work and Pensions (DWP) with support to find work where it is appropriate to do so.

This above list is not exhaustive or intended to be restrictive, it is intended to provide some guidance on the types of exceptional circumstances where an application is likely to have a greater prospect of success.

Additional matters for consideration in relation to rent in advance and deposits

Awards of rent in advance or deposits will only be made under this where the following criteria are met:

- There must be entitlement to HB or the Housing Cost Element of UC at the beginning of the tenancy;
- The applicant must show they do not have the ability through their own means to pay the required rent deposit;
- A signed tenancy is provided before rent in advance can be paid;
- A deposit can only be paid up to 5 weeks rent equivalent;
- Rent in advance can only be paid up to one month's rent.

- The ongoing rent must be affordable without reliance on additional support outside of HB or UC or will become affordable within 3 months due to an imminent change of circumstance which will increase the maximum level of housing costs which can be made by HB or UC;
- Applicants must have a bank, building society, post office or other account capable of making direct debit or standing order payments. If no such account is in place an undertaking must be made to open a relevant account.

Document Control

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