

## **Report to the Leader of the Council**

**Subject:** Test and Trace Support Payment Scheme

**Date:** 9 October 2020

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### **Wards Affected**

All

### **Purpose**

The purpose of this report is:

- 1) To seek approval to implement the Test and Trace Support Payment Scheme (main award) in accordance with the latest Government guidance;
- 2) To seek approval to implement the Discretionary Test and Trace Support Payment Scheme in accordance with the Gedling Borough Council Discretionary Test and Trace Support Payment Policy at Appendix 2;
- 3) To establish by virement a Discretionary Test and Trace Support Payment budget of £24,000 to be funded by Government Grant;
- 4) To establish by virement a Test and Trace Support Administration budget of £26,000 to be funded by Government Grant;
- 5) To delegate to the Director responsible for Revenues and Welfare Support Services the authority to determine applications for Test and Trace Support Payments, including discretionary payments, in accordance with the schemes outlined in this report.
- 6) To delegate to the Director responsible for Revenues and Welfare Support Services the authority to nominate and authorise the list of officers that will undertake the required eligibility checks necessary to process applications to comply with data sharing agreement requirements.
- 7) To delegate to the Director responsible for Revenues Services and Welfare Support Services, in consultation with the Portfolio Holder for Resources and Reputation the authority to amend the Discretionary Test and Trace

Support Payment Policy as necessary, if the Government makes any alteration to its guidance to ensure it remains fit for purpose.

### **Key Decision**

This a key decision as it is likely to be significant in terms of its effects on communities living or working in an area comprising two of more wards of the Borough.

#### **Recommendation(s)**

##### **To approve:**

- 1) The implementation of the Test and Trace Support Payment Scheme (main award) in accordance with the latest Government guidance as updated from time to time;**
- 2) The Implementation of the Discretionary Test and Trace Support Payment Scheme in accordance with the Gedling Borough Council Discretionary Test and Trace Support Payment Policy at Appendix 2;**
- 3) The establishment, by virement of: (a) a Discretionary Test and Trace Support Payment Scheme budget of £24,300; and (b) a Test and Trace Support Scheme administration budget of £26,000; both to be funded by Government Grant;**
- 4) That the determination of applications for Test and Trace Support Payments, including discretionary payments, in accordance with the government guidance and the Discretionary Test and Trace Support Payment Policy is delegated to the Director responsible for Revenues and Welfare Support.**
- 5) That the authority to nominate and authorise the list of officers that will undertake the eligibility checks required to process applications in order to comply with data sharing agreement requirements is delegated to the Director responsible for Revenues and Welfare Support.**
- 6) That the authority to amend the Discretionary Test and Trace Support Payment Policy as necessary, if the Government makes any alteration to its guidance, be delegated to the Director responsible for Revenues Services, in consultation with the Portfolio Holder for Resources and Reputation.**

## Background

- 1.1 As part of its response to Covid-19 the Government has introduced the Test and Trace Support Payment Scheme, designed to relieve some financial pressure to those on low incomes who cannot work from home and who have tested positive for COVID-19 and their close contacts to ensure they self-isolate for the required period to stop the onward spread of the virus. It is also designed to encourage individuals who are eligible for this payment to get tested if they have symptoms. This is important to help stop the transmission of COVID-19 and avoid further economic and societal restrictions.
- 1.2 From 28 September 2020, individuals are entitled to apply for a Test and Trace Support Payment (main award) of £500 or a discretionary support payment of £500. This is to support people on low incomes who are unable to work from home if they are told to self-isolate by NHS Test and Trace and will lose income as a result.
- 1.3 The scheme starts from 28 September 2020, and local authorities should have arrangements in place to administer payments by 12 October 2020. Someone told to self-isolate on or after 28 September (but before the scheme is operational in their local authority) will need to be able to make a backdated claim for payment. The scheme will last until 31 January 2021.
- 1.4 The Government have issued guidance to local authorities, The Test and Trace Support Payment Scheme: Implementation Guide For Local authorities in England, attached at Appendix 1, which sets out what local authorities need to do to enable people to make a claim under the scheme.
- 1.5 In accordance with the implementation guide at Appendix 1, the eligibility criteria and funding arrangements for Test and Trace Support payments defines two separate payment schemes.

a) Test and Trace Support Payment Scheme (main award)

Eligibility for a £500 Test and Trace Support Payment is restricted to people who:

- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive;
- are employed or self-employed;
- are unable to work from home and will lose income as a result; and
- are currently receiving Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit.

## b) Discretionary Payment Scheme

Local authorities can make a £500 discretionary payment to individuals who:

- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive;
- are employed or self-employed; and
- are unable to work from home and will lose income as a result.

In addition, the discretionary payment is for people:

- who are not currently receiving Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit; and
- who are on low incomes and will face financial hardship as a result of not being able to work while they are self-isolating.

Local authorities can introduce additional criteria to determine eligibility for discretionary payments in their area, as long as these operate in addition to, rather than instead of, the criteria set out above.

## 1.6 Funding

- 1.6.1 The Government will provide funding to support local authorities in implementing the both the Test and Trace Support Payment scheme (main award) and the discretionary payment scheme. This includes both administrative costs (set-up costs and running costs) and the costs of the payments made under the scheme.
- 1.6.2 Funding for the Test and Trace (main award) is to be provided on a 'down payment' basis and will be subject to reconciliation as the Council has no discretion in the award of the grant. This could mean an authority may need to return funding if the number of payments made is less than their allocation. Other local authorities may need a top up payment where they make payments that exceed their initial allocation. The initial funding allocation to Gedling for this scheme is £40,000.
- 1.6.3 Funding for the Discretionary Payment Scheme is a fixed four-month envelope that will not be topped up or subject to a reconciliation process. The funding allocation to Gedling for this scheme is £24,255. This provides funding for a maximum of 48 payments across the four-month period of the scheme.
- 1.6.4 Funding for administrative costs is not subject to a reconciliation process. Additional funding may be provided as necessary, informed by the experience of the programme. The administrative funding has been designed to cover the

estimated costs of both setting up the scheme and running the scheme. The funding allocation to Gedling for administrative costs is £25,952.

1.7 Aside from the eligibility criteria and funding all other aspects of the government guidance at Appendix 1 apply equally to both the Test and Trace Support Payment and the Discretionary Payment schemes. This includes, for example, required pre-payment eligibility checks, the application minimum data requirements, fraud preventions and records requirements.

## 1.8 Pre-Payment Eligibility Checking

1.8.1 Local authorities will need to carry out three main pre-payment checks. These are to verify that each applicant:

- has been told to self-isolate by NHS Test and Trace;
- is employed or self-employed and will lose income because they cannot work from home; and
- is receiving one of the benefits in the eligibility criteria.

1.8.2 These pre-payments require the Council to access data from:

- the NHS Contact Tracing and Advice Service (CTAS) system, the Eligibility Checker, to ensure only people that have been told to self-isolate receive a payment (see 1.8.3);
- the Department for Works and Pension (DWP) system, Searchlight, to check that each applicant is receiving one of the qualifying benefits. The Council has an existing Memorandum of Understanding with the DWP which allows access to their database.

1.8.3 In order to access the NHS Eligibility Checker the Council must:

- sign a Data Sharing Agreement (DSA) to ensure data processing is compliant with data protection requirements. The DSA will need to be signed off by the Chief Executive prior to commencement of the schemes. A list of named officers authorised to access the system to undertake the eligibility checks must be provided;
- update our Privacy Notice for inclusion in the application process to reflect the data processing required for the self-isolation payments;
- confirm compliance with GDPR regulations. The Council's Senior Information Risk Officer will need to confirm compliance.

## 2. **Proposal**

2.1 It is proposed that:

(a) The Test and Trace Support Payment Scheme (main award) is implemented in accordance with the latest Government guidance as

updated from time to time. The latest version of the government guidance is attached at Appendix 1 for information, and

- (b) The Discretionary Payment Scheme is implemented in accordance with the Discretionary Test and Trace Support Payment Policy (the Policy) as attached at Appendix 2.

The Policy includes the following eligibility criteria that an applicant is required to meet in addition to those detailed at 1.5(b) above:

- have savings of less than £3,000;
- are on a low income (average gross weekly pay of less than £305.20 per week but more than £95.85 per week); and
- can demonstrate that they will face financial hardship as a result of not being able to work while they are self-isolating (to include evidence of a reduction in income due to self-isolation of more than 50% of the applicant's gross pay).

The proposed additional criteria are designed to ensure that the limited and capped funding available under the discretionary scheme of £24,255 reaches those applicants that are most in need i.e. being on a low income, which is set at the level of the national living wage; without significant savings; and likely to face financial hardship as a result of not being able to work whilst self-isolating, with a minimum measure of the loss of 50% of gross pay providing an initial threshold for this criteria.

- 2.2 It is proposed that the Leader approve the establishment, by virement, (a) a Test and Test Support Discretionary Payment budget of £24,300, and (b) a Test and Trace Support Scheme administration budget of £26,000, both to be funded by Government Grant.
- 2.3 It is proposed that the Leader delegates to the Director responsible for Revenues and Welfare Support Services the authority to determine applications for Test and Trace Support Payments, including discretionary payments, in accordance with the both the government guidance and the Discretionary Test and Trace Support Payment Policy outlined in paragraph 2.1 above.
- 2.4 It is proposed that the Leader delegates to the Director responsible for Revenues and Welfare Support the authority to nominate and authorise the list of officers that will undertake the required eligibility checks to process applications in order to comply with data sharing agreement requirements, as detailed in paragraph 1.8.3.
- 2.5 It is proposed that the Leader delegates the authority to amend the Discretionary Test and Trace Support Payment Policy as necessary, if the Government makes any alteration to its guidance to the Director responsible for Revenues Services, in consultation with the Portfolio Holder for Resources and Reputation

## Alternative Options

- 3.1 There is a strong expectation from government that the Council will provide support for individuals who are required to self-isolate. The principal eligibility criteria are defined by the government with the only element of discretion for the Council being the option to introduce additional criteria to determine eligibility for discretionary payments in their area, as long as these operate in addition to, rather than instead of the government's defined criteria as set out in paragraph 1.5. Alternative options for the additional criteria could be set e.g. a higher gross pay level for the assessment of low income which would make more individuals eligible, however given the cap on funding restricting the number of payments possible to 48, this alternative may not ensure the fund reaches those most in need across the four month period of the scheme. Setting the income level at the living wage as proposed is an accepted and understood measure of lower income.
- 3.2 An alternative to the proposal at paragraph 2.3 would be to report each application for local discretionary relief to the Portfolio Holder for Resources and Reputation for his determination. Currently this would mean that the Portfolio Holder would have to consider approximately potentially a high number of application. This would place an unnecessary burden on the Executive which is not considered necessary where there is criteria for eligibility and policies available for the determination of the award.

## 4 Financial Implications

- 4.1 The government's funding arrangements for the scheme are detailed in paragraph 1.6 above and can be summarised as follows:
- Test and Trace Support Payment (main award) – initial funding allocation of £40,000 which is not capped. The government specify all of the scheme criteria and will provide funding that equates to the actual scheme cost in a final scheme end reconciliation process. For this scheme the Council is acting as an agent for government in the distribution of grant monies over which it has no control over either the amount of grant or the eligibility criteria to determine its award. The Council only has discretion to not award the grant until a verified recipient is identified. In accordance with the Code of Practice on Local Authority Accounting, where an authority acts as an agent, the transactions will not be reflected in authority's financial statements and therefore in this circumstance a budget does not need to be established.
  - Discretionary Payment Scheme – capped funding allocation of £24,255. As a discretionary scheme the Council exercises its discretion in terms of the additional eligibility criteria that are applied in the assessment of the applications and is therefore acting as the principal in its own right with a finite level of resources, therefore the transactions will be reflected in the Council's financial statements and a budget for £24,300 needs to be established, as proposed in paragraph 2.2. The funding enables the payment of 48 awards and when the full budget has been allocated, and

should this happen before the scheme close date of 31 January 2021 (and in the absence of any further government funding), the discretionary scheme will need to be closed, effectively meaning the scheme will operate on a first come first served basis.

- Administration Costs – initial funding allocation of £25,952. This grant can be used at the discretion of the Council for all costs associated with the administration of the scheme and will be used for system acquisition, implementation and application processing. It is proposed in paragraph 2.2 that an administration budget of £26,000 be established funded by government grant.

## **5 Legal Implications**

- 5.1 The sharing of personal data and special category data as part of the eligibility checks for the above schemes is considered to be for a lawful purpose under the GDPR and Data Protection Act 2018. The lawful basis for sharing and organisational requirements to ensure data is protected are set out in the data sharing agreement with Public Health England. Privacy notices will be updated to demonstrate how personal and special category data will be used.
- 5.2 The Council has no discretion in respect of the payment of the (main award) provided applicants are eligible. The criteria set out in the Discretionary Track and Trace Payment Policy, provides criteria against which the discretionary payments can be made. These criteria are to ensure that payment is made to those most in need and provides a clear and transparent process against which such applications will be assessed.

## **6 Equalities Implications**

- 6.1 The proposed eligibility criteria for the scheme provides the transparent basis for the assessment of all applications for Test and Trace Support Payments which will be applied equally to all scheme applicants.
- 6.2 To ensure equal accessibility for all to make an application, the Council will have both its own online application system available for completion on the Council's website, and non-digital users will be able to contact the Council's Customer Services Team by telephone and they will be supported to complete the form. Appropriate adjustments will be made as required to ensure the accessibility of forms for individuals across languages and disabilities.

## **7 Carbon Reduction/Environmental Sustainability Implications**

- 7.1 There are no carbon reduction/sustainability implications arising from this report.

## **8. Appendices**

Appendix 1 – The Test and Trace Support Payment Scheme: Implementation Guide for Local authorities in England

Appendix 2 - Discretionary Test and Trace Support Payments Policy

## **9. Background Papers**

None identified

## **10. Reasons for Recommendations**

10.1 The Council is expected by Government to award payments in line with the guidance it has published for the main award and in accordance with an approved discretionary scheme developed in line with its guidance.

10.2 The delegations to officers are requested in order to ensure the timely payment of awards and that no unnecessary burden is placed on the Executive and to ensure that access to data required to process applications is restricted to authorised personnel only.