

CMT [Covid-19 Meeting]

22 December 2020

Test and Trace Support Payment Scheme



Report of John Hewitt, Corporate Director of Resources

Councillor Alan Napier, Cabinet Portfolio Holder for Finance

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The purpose of this report is:
 - To provide an update on the Government's Test and Trace Support Payment scheme to help people on low incomes who are unable to work while they are self-isolating because they cannot work from home;
 - To recommend changes to the policy supporting the scheme, which have occurred due to changes in Government guidance and as a result of review and evaluation of claims made since the schemes implementation in October 2020.

Executive summary

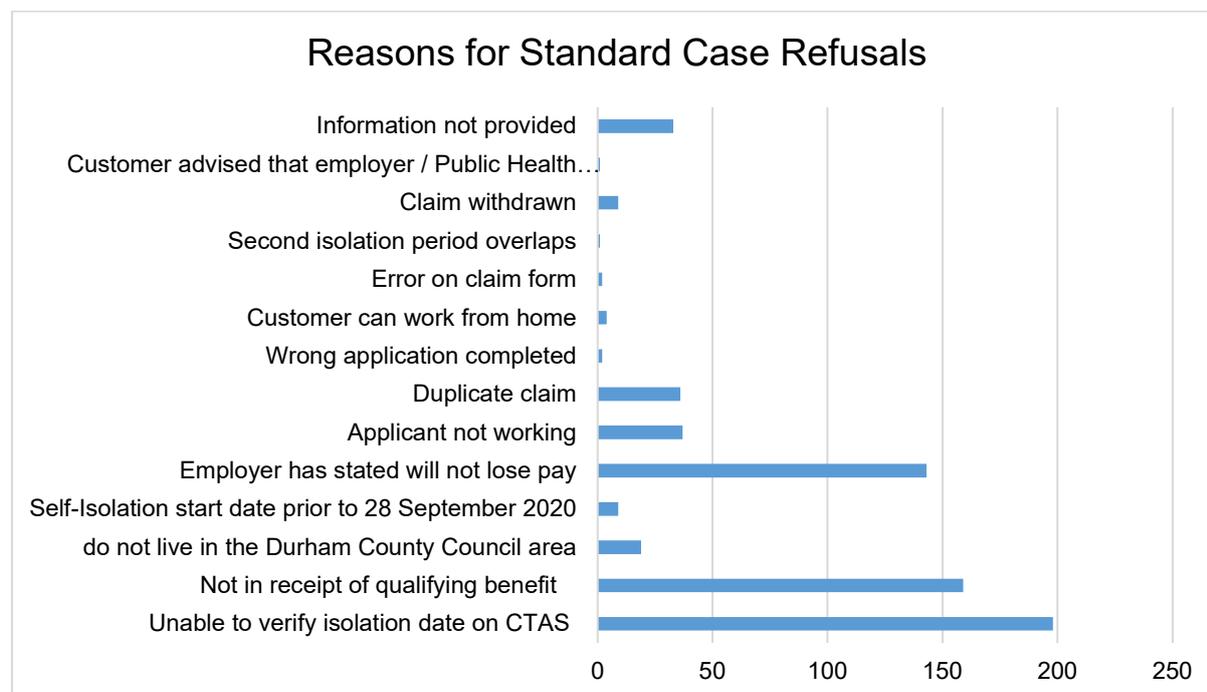
- 2 From 28 September 2020, in line with the new duty to Self-Isolate, individuals meeting nationally prescribed eligibility criteria have been entitled to a Test and Trace Support Payment or discretionary support payment of £500. This is to support people on low incomes who are unable to work from home if they are told to self-isolate by NHS Test and Trace and will lose income as a result. The scheme was initially set to last until 31 January 2021; however, the Department for Health and Social Care (DHSC) are reviewing this currently.
- 3 These payments are designed to help ensure people who have tested positive for COVID-19 and their close contacts, to self-isolate for the required period to stop the onward spread of the virus. They are also designed to encourage individuals who are eligible for this payment to

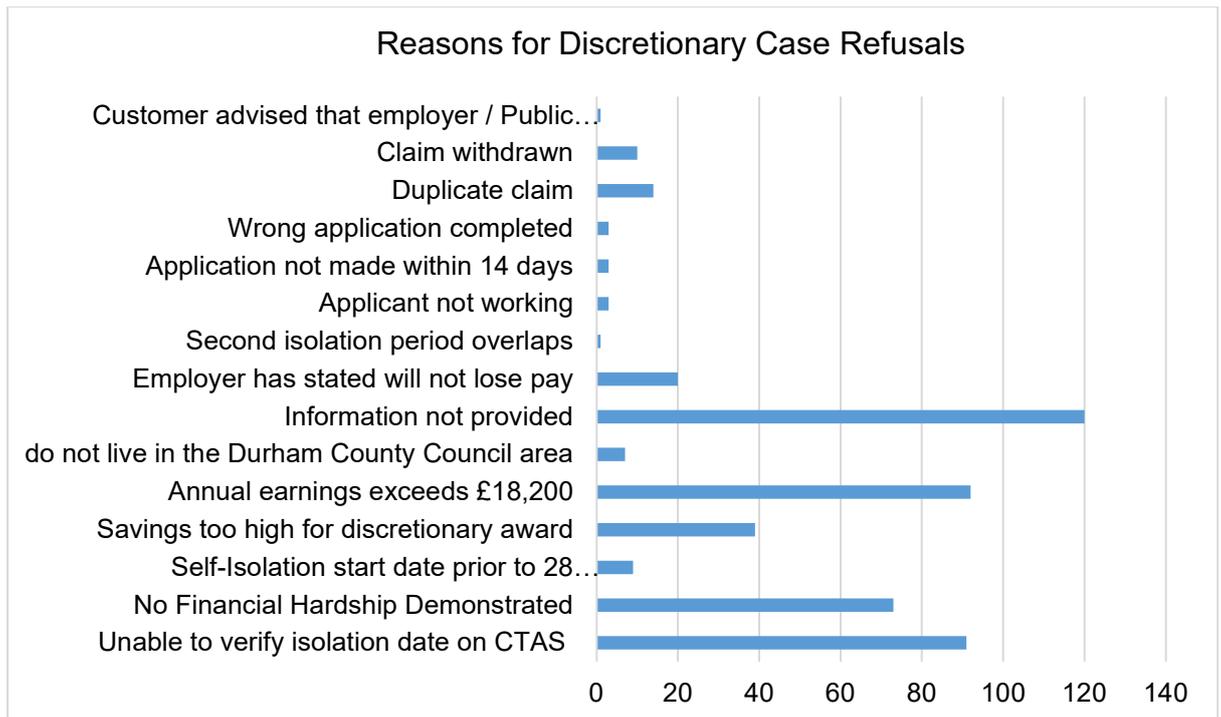
get tested if they have symptoms. This is important to help stop the transmission of COVID-19 and avoid further economic and societal restrictions.

- 4 CMT approved our scheme on 8 October 2020, which included our policy on the discretionary elements.
- 5 The government have provided funding for the national elements of the scheme and for the discretionary payments. The funding for the national elements of the scheme has been paid on account, meaning that if payments exceed the grant provided then the council will receive additional funding. The funding for the discretionary elements of the scheme is fixed. Some funding has been provided to offset the administration costs associated with implementing these schemes.
- 6 As at 16 December 2020 we have received and processed the following applications for a Test and Trace Support Payment – so far awarding £152,500 of the £256,500 available for the main scheme and £21,500 of the £153,900 allocated for discretionary payments:

Type of Award	Applications Received	Applications Paid	Applications Refused
Standard	1,007	305	663
Discretionary	572	43	493
Total	1,579	348	1,156

- 7 There has been a large number of refusals – the reasons for these are displayed below:





Changes to the scheme

8 Since implementing the scheme, the Government has introduced some key changes to its guidance. The main elements being:

- From 13 November 2020, the partner of someone who is in receipt of one of the qualifying benefits and is living in the same household is entitled to a Test and Trace Support Payment.
- Customers must engage with NHS Test and Trace to be eligible for a payment.
- From 10 December 2020 individuals who have been identified as a contact through the NHS COVID-19 app are entitled to a Test and Trace Support Payment.

9 Following a review of the discretionary scheme and payments made to date, it is proposed that the scheme is updated and a review is made of claims made to date in the light of the policy changes.

Recommendation(s)

10 CMT is recommended to:

- (a) Note the updated position in relation to awards made to the Government's Test and Trace Support Payment scheme to help people on low incomes who are unable to work while they are self-isolating because they cannot work from home.

- (b) Agree the policy changes as a result of changes to Government guidance and a review of the discretionary scheme (Appendix 2), which will be put in place via a Delegated Decision.

Background

- 11 The Government announced that from 28 September 2020 there would be a new legal duty on all those who test positive for Covid-19 or are identified by NHS Test and Trace as a close contact, requiring them to self-isolate. Failure to comply is an offence carrying a fine of at least £1,000 and up to £10,000 for multiple breaches.
- 12 To reinforce the importance of self-isolation and help ensure people have access to the support they need, NHS Test and Trace are working with local authorities to ensure more regular contact with individuals who have to self-isolate, focussing on the principle of encouraging, educating and supporting compliance.
- 13 Those testing positive for COVID-19 are legally obliged to self-isolate for a period ending 10 days after the onset of symptoms or, for people who did not have symptoms when they were tested, 10 days after the date of the test.
- 14 Other members of their household are legally obliged to self-isolate for a period ending 10 days (14 days prior to 14 December 2020) after the onset of the infected person's symptoms (or, if they were asymptomatic, after the date of the test). Non-household contacts are obliged to self-isolate for the period notified to them by NHS Test and Trace (the period ending 10 days (14 days prior to 14 December 2020) after their most recent exposure to the person who has tested positive).
- 15 Alongside this new requirement, the Government has provided funding for a new Test and Trace Support Payment scheme for people on low incomes who are unable to work while they are self-isolating because they cannot work from home.
- 16 This payment is designed to support people on low incomes, if they will lose income as a result of self-isolating, and to encourage them to get tested if they have symptoms. The Government believes this is important to help stop the transmission of COVID-19 and avoid further economic and societal restrictions.
- 17 The payment is a £500 lump sum for those on low incomes to support them if they cannot work during their self-isolation and they:
 - 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;
 - Have been identified as a contact through the NHS COVID-19 app (**from 10 December 2020**);

- Have engaged with NHS Test and Trace;
- Are employed or self-employed;
- Are unable to work from home and will lose income as a result;
- 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 or, **from 13 November 2020**, is the partner of someone who is receiving one of the above benefits and is living in the same household as them.

Discretionary Award

- 18 In accordance with the Government's approach, individuals who meet the qualifying criteria and who are on a low income and will face financial hardship as a result of not being able to work while they are self-isolating, but who are not in receipt of the qualifying benefits, may in exceptional circumstances be eligible for a Discretionary Test and Trace Support Payment.
- 19 Local authorities were free to develop their own local policy to facilitate these discretionary payments, although funding was limited and fixed.
- 20 Durham was awarded £153,900, which, given each payment must be for the full amount of £500, equates to funding for only 307 awards.
- 21 Once the funding is exhausted, the Government has confirmed that no further funding for the discretionary element will be given. When designing the initial scheme, therefore, it was important that the discretionary policy took account of the limited funding available.
- 22 Initially, in order to be considered for a Discretionary Award, applicants in Durham needed to:
- Have annual gross earnings of less than £18,200;
 - Have savings of less than £500
 - Be able to demonstrate financial hardship as a result of having to self-isolate (e.g. insufficient resources to meet a priority financial commitment such as a mortgage or rent payment).

Funding

- 23 The Government has provided funding to support local authorities in implementing the Test and Trace Support Payment scheme. This

includes both administrative costs (set-up costs and running costs) and the costs of the payments made under the scheme.

- 24 In total, the Government has made available £50 million for the Test and Trace Support Payment and corresponding discretionary payments scheme. This will cover the full four months of the scheme until 31 January 2021 and includes:
- £25 million for programme costs (costs of payments to applicants), excluding discretionary payments.
 - £10 million for administration costs.
 - £15 million for discretionary payments.
- 25 The £25 million programme costs will be subject to a post payment reconciliation process, which could mean an authority may need to return funding if the number of payments made is less than their allocation. Where payments made exceed the initial allocation local authorities will receive a top up payment.
- 26 The £10 million for administrative cost is not subject to a reconciliation process. The Government have stated that additional funding may be provided as necessary, informed by the experience of the programme. The administration funding has been designed to cover the estimated costs of both setting up the scheme and running the scheme, but it will not be possible to match funding to the specific costs incurred by individual local authorities.
- 27 The £15 million for discretionary payments is a fixed four-month envelope that will not be topped up or subject to any reconciliation process.
- 28 Durham was allocated the following funding for the scheme:
- £256,500 for the programme costs;
 - £58,167 for the administrative costs; and
 - £153,900 for the discretionary scheme
- 29 As at 16 December £152,500 has been paid from the Standard scheme (programme costs) and £21,500 from the discretionary scheme. As dedicated processing resource (backfilled via Agency work packages); management arrangements and a payment solution had to be put in place to support administration of the scheme, these costs have so far been calculated as £53,911. The DHSC have requested a return to be completed to show interim costs of the scheme – this was required to be sent by 16 December 20 and has been sent, reflecting the position as set out in this report.

Changes to the scheme

- 30 Since its introduction, the Government has introduced the following updates to its guidance:
- From 13 November 2020, the partner of someone who is in receipt of one of the qualifying benefits and is living in the same household is entitled to a Test and Trace Support Payment.
 - Customers must engage with NHS Test and Trace to be eligible for a payment.
 - From 10 December 2020 individuals who have been identified as a contact through the NHS COVID-19 app are entitled to a Test and Trace Support Payment.

Discretionary scheme

- 31 The council's discretionary scheme was designed to be prudent from the outset to ensure that there was no overspend and that the funds were allocated fairly.
- 32 In response to a relatively low number of initial awards the following changes were made to the council's scheme:
- The maximum earnings threshold was increased from £18,200 to £20,065 (Durham's Living Wage);
 - All claims were reviewed to give priority to those with dependent children or housing costs (rent or mortgage payments);
 - All claims that had previously been refused using the original criteria have been reviewed.
- 33 Discussions with other councils have revealed that those who had initially adopted a more generous discretionary scheme have already exhausted their allocation of funds leaving them exposed to having to fund any future discretionary payments from their own funds. In some cases, councils have closed their discretionary schemes contrary to the guidance.
- 34 Robust pre-payment checks have ensured that so far, the council has only had to recover one payment made in error where the recipient was continuing to be paid by their employer. Other councils have taken a less rigorous approach by making payments first then having to recover them once post payment employment checks have revealed no loss in income, thus depleting any funds available for future discretionary payments.

Capacity and Expected Demand

- 35 Following the resource inputs required for the initial policy development and set-up, system development and implementation, the government's indication was that Durham could expect to handle 16 applications a day, however the volume has proved to be much greater with approximately 24 application being received per day with significant initial demand.
- 36 The following additional resource has been required to administer the scheme:
- Time spent in setting up the online process/Civica system development
 - Dealing with initial enquiries about the scheme before the online application form went live
 - Processing the claims: 10 Assessment Officers and 5 Customer Services Officers have been used to process the claims and 2 Senior Officers were required to carry out some initial management checks to ensure they were making sound decisions.

Conclusion

- 37 The report outlines:
- The updated position in relation to awards made from the Government's Test and Trace Support Payment scheme to help people on low incomes who are unable to work while they are self-isolating because they cannot work from home
 - Changes to the scheme resulting from updated government guidance and amendments to the council's discretionary scheme

Background papers

- Department of Health and Social Care - The Test and Trace Support Payment Scheme: Implementation Guide for Local Authorities in England

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Appendix 1: Implications

Legal Implications

Test and Trace Support Payments

Payments are awarded in accordance with the Department of Health and Social Care Test and Trace Support Payment Scheme Guidance.

Implementation of the scheme has been done under a delegated decision by the Corporate Director of Resources.

Finance

Test and Trace Support Payments

Durham has been allocated the following funding for the scheme:

- £256,500 for the programme costs
- £58,167 for the administrative costs,
- £153,900.13 for the discretionary scheme

Consultation

No formal consultation is required on the Test and Trace Support scheme. In developing the council's approach to the Discretionary Policy aspects of the scheme, the Portfolio Holders for Finance and Social Inclusion was consulted as part of the delegated decision record process.

Equality and Diversity / Public Sector Equality Duty

The award of help from the Test and Trace Support Payments will have a positive impact on residents who may otherwise have suffered severe financial hardship due to a reduction in their earnings because they were required to self-isolate.

Climate Change

None.

Human Rights

None.

Crime and Disorder

The administration of Test and Trace Support Payments should have no implications however the impact will be kept under constant review.

Staffing

10 Assessment Officers with the assistance of 5 Customer Services Officers are processing the applications and additional resource from management

has been required to carry out checks on initial applications to ensure that decisions are being made in line with government guidance.

Accommodation

None.

Risk

The discretionary scheme has been carefully designed to ensure that the scheme is targeted at the most financially vulnerable people within the resources made available by Government.

The amount of support provided through the Test and Trace Support scheme is carefully monitored to ensure that this funding is fully utilised.

Procurement

None.

**Test and Trace
Support Payments
and Discretionary
Scheme Policy**

December 2020

Altogether better



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1 Introduction and Purpose of Policy Document

- 1.1 This policy has been designed to ensure that all customers making an application for a Test and Trace Support Payment or a discretionary Test and Trace Support Payment are treated in a fair, consistent and equal manner.
- 1.2 This policy has been written to:
- (a) Set out how Durham County Council will determine and administer the Test and Trace Support Payments and the Discretionary Test and Trace Support Payments Scheme
 - (b) Align with the aims and objectives of the Government's Test and Trace Support Payments Scheme to support people on low incomes who are unable to work from home if they are told to self-isolate from 28th September 2020 by NHS Test and Trace and will lose income as a result. The scheme starts on 28 September 2020 and lasts until 31 January 2021.
 - (c) Ensure that the Council administers the Test and Trace support Payments in accordance with the guidance set out by the Government.
 - (d) Ensure that the Council can administer the discretionary payments within the funding limit set by the Government
 - (e) Enable the Council to review the number of applications being progressed under the discretionary elements of the policy; so that changes can be made to the scheme where appropriate in order to ensure that those who are experiencing hardship as a result of having to self-isolate are being supported.
 - (f) Set guidelines for the factors that will be considered when making a decision to award or refuse an application for a discretionary payment;
 - (g) set out the delegated authority to make the discretionary payments in appropriate circumstances;
 - (h) safeguard the interest of taxpayers by ensuring that funds that are allocated for the discretionary payments are used in the most effective and economic way.

2 Legislation and Aims

- 2.1 From 28 September 2020, the Government introduced a new legal duty on all those who test positive for Covid-19 or are identified by NHS Test and Trace as a close contact, requiring them to self-isolate. Alongside this requirement, the Government provided funding for a new Test and Trace Support Payment scheme for people on low incomes who are unable to work while they are self-isolating because they cannot work from home and will lose income as a result.
- 2.2 The Test and Trace Support Payments scheme also includes a discretionary element for those who do not meet the eligibility criteria as they are not in receipt of one of the qualifying benefits 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.

3 Test and Trace Support Payments

3.1 Equality and Fairness

- 3.2 Each application for a Test and Trace Support payment of £500 will be dealt with in accordance with the eligibility criteria as laid down by Government on its own merits and the council will treat all individuals who apply for the support payment equally and fairly. The scheme will operate in a manner that helps support Durham County Council priorities and key objectives contained in the Sustainable Community Strategy and the Council Plan. The costs of these payments will be met by the Government.

3.3 Eligibility Criteria

- 3.3.1 Eligibility for a £500 Test and Trace Support Payment is restricted to people who:
- (a) have been told to stay at home and self-isolate on or after 28 September 2020 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;
 - (b) have been identified as a contact through the NHS COVID-19 app (**from 10 December 2020**);
 - (c) have fully engaged with NHS Test and Trace;
 - (d) are employed or self-employed;
 - (e) are unable to work from home and will lose income as a result; and

- (f) 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, or **from 13 November 2020**, is the partner of someone who is receiving one of the above benefits and is living in the same household as them.

4 Test and Trace Support Payments – Discretionary Policy

4.1 Equality and Fairness

- 4.1.1 Each application for a Test and Trace discretionary support payment of £500 will be dealt with on its own merits and the council will treat all individuals who apply for the discretionary support payment equally and fairly. The scheme will operate in a manner that helps support Durham County Council priorities and key objectives contained in the Sustainable Community Strategy and the Council Plan. Public funds are not however unlimited and a proportion of the costs of support granted may need to be borne by council taxpayers.

4.2 Eligibility Criteria

- 4.2.1 The criteria to be used in deciding whether to award a discretionary payment are based on assessing need in relation to financial difficulty as a result of having to self-isolate following notification from the NHS Test and Trace service.
- 4.2.2 The following essential criteria **must** be met before Durham County Council would consider awarding a discretionary test and trace payment of £500. Applicants must demonstrate that they do not qualify for the Test and Trace Support payment because they are not in receipt of a qualifying benefit, and:
 - (a) 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;
 - (b) have fully engaged with NHS Test and Trace
 - (c) are employed or self-employed;
 - (d) normally have annual gross earnings of less than Durham's annual living wage (currently £20,065);
 - (e) have less than £500 savings;
 - (f) are unable to work from home while they self-isolate;

- (g) can demonstrate financial hardship as a result of losing income during the self-isolation period. Priority will be given to those with dependent children or housing costs (rent or mortgage payments).

3.3.2 For both the Test and Trace Support Payment and discretionary payments, eligible individuals will receive their £500 payment on top of any benefits and Statutory Sick Pay (SSP) that they currently receive

3.3.3 Applicants will be asked to supply documentation to verify the eligibility criteria in line with Government guidance.

5 Backdating

5.1 Eligibility for the NHS Test and Trace Support Payment, including discretionary payments, is for people who are told to self-isolate on or after 28 September 2020 and who meet the relevant eligibility criteria.

5.2 County Durham residents will be able to claim retrospectively, following the system “go live” date for applications, as long as their period of self-isolation began on or after this date and that their claim is made within 14 days of the end of their period of self-isolation.

5.3 The Council has set up a dedicated email address to capture contact data from individuals wishing to make a claim for a payment before the application process is available so applicants can be informed when the application process is available:
testandtracepayment@durham.gov.uk

5.3 The Council will not accept applications from people told to self-isolate before 28 September 2020, even if the period of self-isolation continues after 28 September.

6 Applications from members of the same household

6.1 People in the same household can each make an individual application and receive the payment individually, if they each meet the eligibility criteria.

7 Multiple Claims

7.1 Some individuals could be asked to self-isolate by NHS Test and Trace more than once.

- 7.2 Someone can claim more than once (if they are told to self-isolate multiple times), as long as they meet the eligibility criteria for each individual claim and their periods of self-isolation do not overlap.
- 7.3 For example, if someone claims for a period of self-isolation lasting from 1 October to 14 October and then claims again for a second period of self-isolation beginning on 10 October, they would only be allowed to claim once, because the two periods overlap. However, they would be allowed to claim for a second period of self-isolation that began after the first period had ended on 14 October. The Council will make a record of multiple claims to guard against potential fraud.

8 Applications made after someone's period of self-isolation has ended

- 8.1 Eligible individuals can make a claim up to 14 days after their period of self-isolation ended. The Council will not accept applications after this point. For example, a person who is instructed by NHS Test and Trace on 1 October to stay at home and self-isolate must have applied for the Test and Trace Support Payment by 15 October.

9 Third-party applications

- 9.1 Applicants can apply on behalf of someone else; however, the £500 must be paid into a bank account in the name of the person for whom the application is being made. For example, if someone applied on behalf of a parent, the payment would be made into the parent's bank account.

10 Applicants with other support needs

- 10.1 As part of the information available during the application process, either on the online form or an assisted telephone application, the Council will ensure that individuals are supported to access other local support that is available for those self-isolating, such as food packages. This information will also be easily accessible to people who are self-isolating because they have symptoms and are awaiting a test: these people will not have been told to self-isolate by NHS Test and Trace and will not be eligible for the Test and Trace Support Payment, but they are following the rules and will be supported.

11 Applicants who are self-isolating who haven't been told to self-isolate by NHS Test and Trace

11.1 In accordance with Government guidance, the Council will only consider applications from individuals who have a valid notification from NHS Test and Trace telling them to stay at home and self-isolate.

12 Applicants who are quarantining after returning to the UK

12.1 The Test and Trace Support Payment and discretionary schemes do not cover people who are self-isolating after returning to the UK from abroad, unless they have tested positive for coronavirus or have been told to stay at home and self-isolate by NHS Test and Trace.

13 Students

13.1 The Test and Trace Support Payment and discretionary schemes do not cover students who are not able to work due to being told to self-isolate.

14 Notification of Award

14.1 The Council will inform the individual of the outcome of their application for a Test and Trace Support Payment or discretionary payment within three days following receipt of an eligible application and supporting documentation.

14.2 Where an individual is eligible for the payment, it will be made as a single payment of £500 to the bank account matching the bank statement they have provided as part of the verification process in support of their application.

14.2 Where the application is not successful, the individual will be informed of the reasons.

14.3 There is no right of appeal in relation to the decision; however, the Council will accept a request from a resident for a re-determination of the decision.

15 Compliance with the duty to self-isolate/Fraud

15.1 Should the Council receive information which suggest that an individual is not complying with the duty to self-isolate, the information will be passed to the Police and the Test and Trace Payment will be withheld

15.2 The Council will carry out post verification checks to identify potential fraud; any cases will be pursued in line with the Council's policies and financial regulations.