

REPORT TO: STRATEGY AND RESOURCES

Date: 2 November 20

TOPIC: TEST AND TRACE PAYMENT SCHEMES

REPORT BY: REVENUES AND BENEFITS MANAGER

1 INTRODUCTION

- 1.1 From 28th September 2020, Government has changed the legislation so that certain people will have to self-isolate due to the current COVID-19 crisis.
- 1.2 A package of legislative measure has been introduced both to ensure that those who are required to self-isolate do so, that those on a low income receive a payment to assist their finances and to encourage compliance with the legislation.
- 1.3 The Government has set down the requirements for two payment schemes to be set up by the Council;
 - The Test and Trace Support Payments Scheme (the standard scheme)
 - The Test and Trace Discretionary Payments Scheme (the discretionary scheme)
- 1.4 This report seeks approval for the adoption of the two policies, attached as Appendices A and B, detailing the Council's approach to the administration of both schemes.

2 RECOMMENDATIONS

- 2.1 That members approve the adoption of the policies for the Test and Trace Support Payments Scheme and the Test and Trace Discretionary Payments Scheme with effect from 28 September 2020 attached as Appendices A and B

3 REASONS FOR RECOMMENDATIONS

- 3.1 The Government announced that, as from 28 September 2020, eligible individuals are entitled to a Test and Trace Support Payment or Discretionary Support Payment of £500 and that Councils needed to put arrangements in place to administer payments by 12 October 2020. These schemes are due to last until 31 January 2021. These policies detail the Council's approach to making these payments.

4 REPORT

4.1 From 28 September individuals will be entitled to a Test and Trace Support Payment of £500 from the Council if they meet the eligibility criteria, as laid down by the Government, listed below;

- They make an application to the Council in the prescribed form and provide all the evidence and verification required;
- They are employed or self-employed;
- They reside within North Devon Council's area
- They have been told to stay at home and self-isolate;
- They are unable to work from home and will lose income as a result; and
- They are currently receiving any of the following 'qualifying benefits';

Universal Credit, Working Tax Credit, Income-based Employment and Support Allowance, Income-based Jobseeker's Allowance, Income Support, Housing Benefit or Pension Credit

4.2 Where individuals meet all these requirements but are not in receipt of a qualifying benefit they can be considered for a payment from the discretionary scheme. For this to apply they will need to be on a **low income** and can demonstrate that they will face **financial hardship** as a result of not being able to work whilst they are self-isolating.

4.3 Government guidance states that Councils 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.

4.4 Devon Chief Executives and Leaders approved the adoption of the following standard approach to the administration of the discretionary scheme across the County, as put forward by the Devon Revenues and Benefits Managers group;

4.5 In addition to the government eligibility criteria the following conditions are to be included in the discretionary schemes across the County:

- A maximum gross earnings threshold of £372 per week. (This equates to 40 hours x £9.30 Real Living Wage). This means that if someone has earnings above this level then they would not normally be eligible unless there was an exceptional circumstance.
- A minimum number of hours that an individual will need to be working is 16 hours per week. Anyone normally working less than that would not be eligible.
- Maximum capital threshold of £6,000. Anyone with capital above that level would not be eligible.
- University students or those in higher education would normally be excluded from applying

- Individuals who have applied for a qualifying benefit but have not yet received a decision or have appealed against a decision not to award a qualifying benefit and are awaiting the outcome of the appeal will be eligible to claim.
- Individuals who are excluded from qualifying benefits by the “Persons from Abroad” provisions will be eligible to claim
- We will allow multiple claims in line with the government’s standard scheme
- Where more than one individual in a household meets the conditions they will each be eligible to claim.
- An individual will need to demonstrate that they will suffer financial hardship by having to self-isolate.
- Support will be capped to reflect the level of government funding, i.e. funding amount divide by £500 = number of individuals that can claim support.

4.6 Rationale

Criteria	Reason
Earnings threshold	This provides a very simple way to determine quickly that the individual is on low pay in order to avoid having to carry out a full means test assessment.
Number of hours	The standard working week tends to be either 37.5 hours or 40 hours. We have gone for the higher number of hours in order to not exclude anyone working a 40 hour week.
The Real Living Wage (UK living wage)	This is a more generous rate than the national living wage and therefore will enable more people to access support but still meets the scheme aims of supporting those on low pay.
16 hours per week that an individual needs to work.	This is the threshold that applies in Tax Credits and Housing Benefit. This supports those in gainful employment and not aimed at those in casual work.
Capital threshold of £6,000	This scheme is aimed at those who will face financial hardship. Anyone with savings above this threshold would not be considered to be facing financial hardship. This capital threshold is what all Devon authorities have within their Council Tax Reduction Schemes. It also mirrors the level that DWP use before applying tariff income.
University students/ those in higher education	The scheme is focussed on low income workers. Students are principally students even where they have some part time work. Vulnerable student groups (with children or disabilities for example) would be eligible for welfare benefits and therefore supported under the main scheme.
Applied for one of the qualifying benefits but not yet had a decision or appealing against a decision.	The government have identified this group in their advice to local authorities as individuals the discretionary fund needs to support.
Persons from abroad provision	The payment is intended to reinforce the public health message to self-isolate where instructed to. Welfare benefits

	exclude many overseas nationals from entitlement but they would equally need to self-isolate to support the public health strategy.
Multiple claims	Where someone has to self-isolate more than once it's important that we treat individuals in-line with the government scheme and that they are not disadvantaged.

4.7 The Council has received a fixed amount of funding from Government for the four months that the discretionary scheme is intended to last. Government has confirmed that no additional monies will be given to the Council.

4.8 In view of this, and to ensure that discretionary payments are available throughout the period to 31 January 2021, the council needs to reserve the right to change the discretionary scheme at any time to ensure funds go to those who face the most financial hardship. This was noted at the time of making the recommendation to Chief Executives and Leaders.

4.9 Arrangements were quickly put in place to administer these payments, including the design of an on-line claim, and this went live on 12 October 2020.

5 RESOURCE IMPLICATIONS

5.1 Government has confirmed that it will reimburse the Council for administration costs of both schemes and for all payments made under the standard scheme.

5.2 The Council has received a fixed amount of funding to make payments under our discretionary scheme

6 EQUALITIES ASSESSMENT

Equality Impact Assessment Summary attached at Appendix C

7 CONSTITUTIONAL CONTEXT

Article or Appendix and paragraph	Referred or delegated power?
Part 3 Annex 1, paragraph 1 (d)	Delegated

8 STATEMENT OF CONFIDENTIALITY

8.1 This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

9 BACKGROUND PAPERS

9.1 The following background papers were used in the preparation of this report:

- The Test and Trace Support Payment Scheme: Implementation Guide for Local Authorities Version 0.4

10 STATEMENT OF INTERNAL ADVICE

10.1 The author (below) confirms that advice has been taken from all appropriate Councillors and Officers.

Author: Julie Dark

Date: 12/10/2020