

**Report to:** Portfolio Holder for Finance

**Date:** 19 October 2020

**Title:** Test and Trace Discretionary Payments Scheme

**Report of:** Director of Service Delivery

**Cabinet member:** Cllr Zoe Nicholson

**Ward(s):** All

**Purpose of report:** To seek approval for the proposed Test and Trace Discretionary Payments Scheme

**Decision type:** Non key decision

**Officer recommendation(s):** It is recommended that–

(1) The Portfolio Holder for Finance in consultation with the Portfolio Holder for Community and Customers approves the Local Authority Test and Trace Discretionary Payments Scheme in respect of Lewes District Council, as set out in Appendix 1

(2) The Portfolio Holder for Finance grants the Director of Service Delivery delegated authority to implement, and if necessary, amend the Discretionary Scheme, such delegated authority to include any measures necessary for or incidental to its management and administration.

**Reasons for recommendations:** Executive approval is required for the Scheme which will be used for the purposes of administering the scheme

**Contact Officer(s):** Name: Bill McCafferty  
Post title: Functional Lead (Thriving Communities)  
E-mail: bill.mccafferty@lewes-eastbourne.gov.uk  
Telephone number: (01323) 415171

---

## **1 Introduction**

- 1.1 As part of its response to the Covid-19 pandemic, the government announced a Test and Trace Support Payments scheme in September 2020. This new package of financial assistance is designed to support and enforce self-isolation.
- 1.2 People have been required by law to self-isolate from 28 September 2020, supported by a payment of £500 for those on lower incomes who cannot work from home and have lost income as a result. New fines for those breaching self-isolation rules will start at £1,000 – bringing this in line with the penalty for

breaking quarantine after international travel – but could increase to up to £10,000 for repeat offences and for the most egregious breaches, including for those preventing others from self-isolating.

- 1.3 Recognising that self-isolation is one of the most powerful tools for controlling the transmission of Covid-19, this new Test and Trace Support payment of £500.00 will ensure that those on low incomes are able to self-isolate without worrying about their finances.
- 1.4 Local authorities are required by 12 October 2020 to have a system in place to make these payments to individuals who meet the qualifying conditions. Those conditions are:
- The individual has been asked to self-isolate by NHS Test and Trace
  - The individual is employed or self-employed
  - The individual is unable to work from home and will lose income as a result
  - The individual is 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

This is known as the Standard Scheme.

- 1.5 In addition, the government will also allocate a discretionary fund to local authorities to enable them to provide support to individuals who do not qualify for the Test and Trace Support Payment, but require corresponding financial support to self-isolate.
- 1.6 Local authorities are required to implement a local scheme setting out how they will administer the discretionary fund. This scheme sets out how the Council will administer the discretionary fund, which will be available until 31 January 2021.

## **2 Proposed Discretionary Payments Scheme**

- 2.1 The Government has set out the criteria under which local authorities can make discretionary awards. They are:
- The individual has been asked to self-isolate by NHS Test and Trace
  - The individual is employed or self-employed
  - The individual is unable to work from home and will lose income as a result
  - The individual is **not** 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

- The individual is on a low income and will face financial hardship as a result of not being able to work while they are self-isolating

The Council can put in place additional criteria to determine eligibility.

2.2 The awards have to be for £500.00 and, as the government has allocated the Council £22,386.88, this means that 44 awards can be made. There has not been any indication from the government as to how many applications for discretionary awards local authorities are likely to receive.

2.3 The proposed criteria for the Discretionary Scheme are that either the applicant:

- is in receipt of a Council Tax Reduction (CTR); or
- their gross income is between £80.00 and £290.00 per week

In addition, an applicant cannot receive a payment under the standard scheme and the discretionary scheme for the same period of self-isolation

2.4 The rationale for these criteria are:

- that CTR is a means-tested discount
- £80.00 per week is the level of a single person's allowance for benefits and would stop applications from someone who was for example only earning £30.00 per week
- £290.00 per week is deemed by the government to be a low pay as it is 60% of median income

2.5 Applications will be made online through a Portal to enable efficient processing and reduce the risk of fraud. Support will be available for those who may struggle to claim online.

## 3 Financial implications

3.1 The government have made an award of £37,000 to the Council for Standard Scheme costs, £25,505.60 for administration costs and £22,386.88 for the Discretionary Scheme.

3.2 The administration costs and the discretionary fund are fixed amounts. The Standard Scheme costs will be subject to a reconciliation process and the Council will receive a top-up if necessary, but will have to return any unspent funds.

3.3 The Discretionary Scheme will close once the grant of £22,386.88 is exhausted.

3.4 Should any applications be received after the fund is exhausted, we will, if appropriate, direct the applicant to the Discretionary Housing Payment and/or the Exceptional Hardship Payment schemes.

## **4 Consultation**

- 4.1 This additional funding has been made available by Government as an emergency measure to support people who have to self-isolate and will lose income as a result. This is an emergency measure and time does not permit meaningful consultation.

## **5 Legal Implications**

- 5.1 It is important that the Discretionary Payments Scheme is in place to supplement the Standard Scheme, so as to support those who qualify. To ensure the Discretionary Scheme is made available as soon as practicable after 12 October 2020 (the commencement date for the Standard Scheme), executive approval is sought as a matter of urgency. In the circumstances, the Portfolio Member for Finance is the appropriate executive decision maker.

*Lawyer consulted 12.10.20*

*Legal ref: 009603-LDC-OD*

## **6 Risk management implications**

- 6.1 There is a risk that, without a scheme in place by 12 October, the Council would be unable to make payments which could result in financial hardship for individuals.

## **7 Equality analysis**

- 7.1 None has been undertaken for the reasons set out above, i.e. this is an emergency measure. However, payments will be made in accordance with government guidance and consistency of approach is being secured through the adoption of a countywide scheme.

- 7.2 It is our view that the scheme is robust and shows no potential for discrimination.

## **8 Conclusions**

- 8.1 The impact of Covid-19 is global and remains unquantified as some residents struggle with the self-isolation requirements which can impact of their finances.
- 8.2 In these unprecedented times the Government expects local authorities to have in place arrangements to administer the scheme by 12 October 2020.

## **9 Appendices**

Appendix 1 – Test and Trace Discretionary Payments Scheme

## **10 Background papers**

The background papers used in compiling this report were as follows:

- None