

Report to: **Chief Executive under delegated Authority of Urgency Powers**

Date: **3 October 2020**

Title: **£500 Track and Trace Hardship Payments, discretionary element**

Portfolio Area: Wellbeing

Wards Affected: **All**

Urgent Decision: **Y** Approval and clearance obtained: **Y**

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Recommendations:

That, after consulting the Chairman and Vice-Chairman of the Hub Committee in accordance with the Council's Scheme of Delegation, the Chief Executive exercises his urgency Powers to:

- 1. approve the discretionary element of the Track and Trace support payment;**
- 2. make any further changes to the draft Policy (attached as Appendix A) that are required before the mandatory deadline of 12th October 2020, with the Policy then being kept under regular review; and**
- 3. note that a report be made to the next meeting of the Hub Committee.**

1. Executive summary

- 1.1 Track & Trace Support Payments have been introduced by central Government to be administered through local authorities. There is a requirement to have a scheme in place and able to take applications from the 12th October 2020

1.2 The scheme includes the ability for local authorities to make discretionary payments to a small minority of applicants who have a low income, but for whatever reason are not in receipt of one of the benefits for automatic qualification. It is this criteria around the discretionary element that requires a local decision.

1.3 Due to the deadline of the 12th October to have an operational scheme, it is essential that the scheme is approved before this date, as any delays may contribute to further hardship on residents urgently requiring this payment. Hence the request for the exertion of urgency powers.

1.4 From an operational perspective, there is every confidence that the scheme will be ready to go live on or before the 12th October. Officers have designed the form, payment method and website information and have commenced testing.

2. Background

2.1 Track and Trace payments have been introduced by central Government to support people on low incomes who will be financially impacted to self-isolate when they are required to do so. This in turn will help reduce the transmission of Covid-19 and avoid further social and economic restrictions.

2.2 The Test and Trace Payment Scheme needs to be live by 12 October 2020 in order to meet the government deadline. The scheme includes the ability to make discretionary payments to a small minority of applicants who have a low income but for some reason are not in receipt of a qualifying benefit.

2.3 We have been advised that the funding allowance is as follows

South Hams Standard element	£28,500	West Devon Standard element	£21,500
South Hams Discretionary element	£17,272.06 (34 claims)	West Devon Discretionary element	£12,764.09 (equates to 25 claims)
South Hams admin	£24,240	West Devon admin	£23,199.20

The guidance suggests the Council can claim more than its allocation on the standard scheme, but not on the discretionary

scheme, and monitoring will be robust so as not to overspend on this. Whilst the discretionary scheme is limited, it is our intention to ensure officers dealing with these claims do as much signposting as possible to alternative funding (discretionary housing payment, homeless prevention, Covid welfare support scheme) The Track and Trace scheme currently is due to end on the 31st January 2021.

- 2.4 The Government expects payments to be made within 3 days of an eligible claim being received. This means that unless authorities implement a manual faster payment process they will need to allow two clear days for the payment to reach their bank account which means claims will need to be assessed and verified the same day. In order to be able to do this the discretionary scheme needs to be relatively simple to administer.

2.5 Government guidance on the discretionary scheme

The following criteria must be met which is the same as the standard scheme:

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

- have been asked to self-isolate by NHS Test and Trace, on or after 28 September but not before that date, because:
 - they have been notified that they have tested positive for Coronavirus, or
 - they have been notified that they have recently been in close contact with someone who has tested positive
- be employed or self-employed
- be unable to work from home and will lose income as a result,

2.6 In addition to the above the discretionary payment is for individuals:

- who **are not** currently receiving Universal Credit, Working Tax Credit, income-related Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit 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

2.7 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

3. Outcomes/outputs

Collectively acting Devon-wide, utilising the skills and knowledge of all the local Benefit Managers in the County, a discretionary scheme has been designed which has been recommended for approval to all the individual Councils. This ensures there is not a local postcode lottery of who receives support and who does not.

In addition to the Government eligibility criteria we are proposing that the following conditions are also included in our discretionary scheme:

1. 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.
2. 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.
3. Maximum capital threshold of £6,000. Anyone with capital above that level would not be eligible.
4. University students or those in higher education would normally be excluded from applying
5. 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.
6. Individuals who are excluded from qualifying benefits by the "Persons from Abroad" provisions will be eligible to claim
7. We will allow multiple claims in line with the Government's standard scheme
8. Where more than one individual in a household meets the conditions they will each be eligible to claim.
9. An individual will need to demonstrate that they will suffer financial hardship by having to self-isolate.

10. Support will be capped to reflect the level of government funding, which will support 34 applications in South Hams and 25 in West Devon.

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.
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4. Options available and consideration of risk

4.1 It is important to recognise that we may need to adjust our Test and Trace Scheme Payment Policy in order to take account of experiences from administering the scheme which we may not have identified or been able to fully consider when developing this policy including the actual level of funding we will have. The Test and Trace Payment Scheme has had to be put in place under extremely tight timelines which has involved a significant amount of work in not only developing policy but also setting up the administration process (online forms, system processes, communications, etc.).

5. Proposed Way Forward

- 5.1 That, in accordance with the Council's Scheme of Delegation, subject to consultation with the Chairman and Vice-Chairman of the Hub Committee, the Chief Executive exercises his urgency powers to approve the draft Policy and that a report is brought back to the next meeting of the Hub Committee (to be held on 20 October 2020) to formally note that the urgency powers have been exercised.
- 5.2 Making the decision in this way minimises any hardship to local residents brought about by delaying commencing the scheme

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	Because of the extraordinary requirement of this policy, and the extremely short timetable it has not been possible for full Member agreement and adoption. In light of this, the Head of Housing, Revenues & Benefits has requested the Chief Executive exercise his urgency powers subject to

		consultation with the Chairman and Vice-Chairman of the Hub Committee to agree the policy and to make amendments to it. All Members will be briefed on the policy at their existing meetings.
Financial implications to include reference to value for money		Funding and administrative costs are included in Section 2.2 of this report.
Risk		If we do not have a scheme in place by the 12 th October, we have missed the Government target and be at risk of causing hardship to our local residents.
Supporting Corporate Strategy		Wellbeing
Climate Change - Carbon / Biodiversity Impact		<ul style="list-style-type: none"> No direct carbon/biodiversity impact arising from the recommendations'
Comprehensive Impact Assessment Implications		
Equality and Diversity		
Safeguarding		
Community Safety, Crime and Disorder		
Health, Safety and Wellbeing		
Other implications		

Supporting Information

Appendices:

Appendix 1 Draft Policy standard scheme

Appendix 2 Draft Policy Discretionary Scheme

Background Papers:

Test & Trace Implementation Guide