

Lancaster City Council | Report Cover Sheet

Meeting	Individual Cabinet Member Decision	Date	13 th October 2020
Title	Covid -19 Self-Isolation Payments Policy 2020/21		
Report of	Head of Shared Service		
Purpose of the Report			
<p>This report seeks approval to implement a Covid-19 Self-Isolation Payments Policy to cover new grant schemes introduced by Government in response to the Covid-19 pandemic. The policy encompasses 2 schemes, sets out the criteria to determine eligibility, and outlines the approach the Council will take in determining whether an award should be paid. The 2 schemes are:</p> <ul style="list-style-type: none"> • Scheme 1 - Test and Trace Support Payments Scheme (Standard Scheme) • Scheme 2 – Test & Trace Discretionary Payments Scheme (Discretionary Scheme) <p>The Policy is attached at Appendix A.</p>			
Key Decision (Y/N)	N	Date of Notice	Exempt (Y/N) N

Report Summary

The Test and Trace schemes has been introduced by Government to help residents instructed to self-isolate by NHS Test & Trace, who may have previously struggled to fulfill this instruction due to financial constraints.

Under the schemes, individuals are entitled to a Test and Trace Support Payment, or a Discretionary Support Payment of £500. These payments are designed to help ensure people who have tested positive for Covid-19 and their close contacts self-isolate for the required period, to help stop the onward spread of the virus and avoid further economic and societal restrictions.

The schemes are available to all individuals who meet the eligibility criteria on or after 28 September 2020. At the present time the Government has stated that the schemes will be available till 31st January 2021.

Due to the urgency for local authorities to have arrangements in place by 12 October 2020 to process and verify applications, the recommendations within this report include a request to the Chair of Overview & Scrutiny Committee to waive the 5 day call in period.

Recommendations of Councillor Whitehead:

- (1) That the Covid-19 Self-Isolation Payments Policy 2020/21 be approved, as set out at **Appendix A**, to take immediate effect. (Option 1)
- (2) That the Chair of Overview & Scrutiny Committee be asked to waive the “call in” period in relation to this report.
- (3) That the S151 Officer be authorised to make final amendment to the Policy to accommodate evolving guidance and any technical FAQ’s in relation to these schemes, and to make all other necessary arrangements for its implementation with immediate effect.

Relationship to Policy Framework

The report is in response to recent government measures introduced to support working individuals on lower incomes who have been instructed to self-isolate, but cannot work from home and have lost income as a result. The policy compliments the Council's own plans to create a local support package to combat the pressure residents may find themselves under during the coronavirus pandemic.

Conclusion of Impact Assessment(s), where applicable

Climate	Wellbeing & Social Value
Digital	Health & Safety
Equality	Community Safety

The policy demonstrates the commitment to support those working individuals on a low income who unfortunately find themselves unable to work as a result of new self-isolation rules.

Government funding estimates suggest limited applicants (approx. 200) will be eligible for grant awards under this policy, although additional funding is available should numbers exceed initial expectations in relation to the Test and Trace Support Payments Scheme.

Details of Consultation

There is no formal requirement for consultation as the Council is obliged to follow Government Guidance. However, the policy has been drafted following consultation with other Lancashire authorities and relevant professional bodies (IRRV).

Legal Implications

From 28th September 2020 people have a legal duty to self-isolate when instructed to do so, to ensure compliance and reduce the spread of Covid-19.

In doing so, support is now available through the £500 Test and Trace Support Payment for people on low incomes who are unable to work while self-isolating.

Government guidance confirms local authority responsibility for administering the scheme sets out what needs to be done to enable people in their area to claim the Test and Trace Support Payment, including discretionary payments.

Financial Implications

The Department of Health and Social Care on 30th September 2020 issued operational guidance for the implementation of the Test and Trace Support Payment Scheme. Within that guidance the distribution methodology for the allocation of the funding to local government was set out, under which the Council is set to receive approx. £29.5k for administration costs, together with:

- £64k for Test and Trace Support payments
- £38.6k for Discretionary Support payments

The Government, will, in line with eligibility criteria set out in the policy, re-imburse local authorities that pay grant to eligible claimants, using a grant under Section 31 of the Local Government Act 2003.

The Test & Trace Support Scheme fund will be reconciled, meaning any money that is overspent or underspent compared to the initial allocation that a local authority receives will be topped up or repaid respectively.

The Discretionary Support Scheme funding has been distributed up front, with no reconciliation process in place for underspends and overspends. In order to mitigate the risk of any overspend on this scheme applications will be on a “first come first served” basis and the scheme will end either on 31st January 2021, or when the Government funding is exhausted, whichever is earlier. The policy states that the Council reserves the right to change the scheme at any time. This will help to ensure that discretionary payments are available throughout the period to 31st January 2021 and that funds go to those who face the most financial hardship.

Other Resource or Risk Implications

The scheme will be implemented within existing resources. Spend will be carefully monitored to mitigate any risk to the Council, with issues flagged up to the Cabinet Member at an early stage should the fund be likely to encounter financial strain.

Section 151 Officer’s Comments

The S151 Officer has contributed to this report.

Monitoring Officer’s Comments

The Monitoring Officer has been consulted and has no further comments.

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Links to Background Papers

1 Background

- 1.1 In response to Coronavirus, Covid-19, the Government announced there would be support for 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.
- 1.2 This support takes the form of two grant funding schemes introduced for the financial year 2020/21, the Test and Trace Support Payment Fund (Scheme 1) and the Discretionary Support Fund (Scheme 2).
- 1.3 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. At present the scheme is set to close on 31st January 2021.
- 1.4 The Government has provided guidance in terms of the operation and delivery of any policy, to support local authorities in administering their scheme.

1.5 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.

1.6 Eligibility for a £500 Discretionary Payment is restricted 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.

1.7 Given that funding for the Discretionary Scheme is limited, additional criteria has been built into the scheme in order to determine eligibility. The main elements of that additional criteria are listed below:

- an applicant's gross earnings are no greater than £300 per week (maximum wage)
- an applicant's gross earnings are no less than £80 per week or works for at least 16 hours per week on average (minimum wage - used as a measure of meaningful employment for grant purposes)
- an applicant must not possess capital of £6,000 or more
- university students or those in further or other higher education are excluded from applying for a discretionary grant.
- In all cases, applicants will need to demonstrate that they will suffer financial hardship by having to self-isolate.

1.8 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.

2 PROPOSAL DETAILS

2.1 Drawing on Government Guidance, **Appendix A** sets out a Covid-19 Isolation and Payments Policy to provide much needed support to eligible low income residents in the area that are instructed to self-isolate.

3.0 Options and Options Analysis (including risk assessment)

Option 1: To approve the Covid-19 Self-Isolation and Payments Policy as set out in Appendix A
Advantages: The policy sets out a formal approach to distributing available funds in line with government guidance and provides a consistent approach for dealing with applications. The approach adopted seeks to maximise use of the grant in an open and equitable way, drawing on government guidance, and therefore risks associated with any challenge are considered small and manageable.
Disadvantages: None identified in following government instructions
Risks: Risk of overspend in relation to the Test and Trace Support Payments Fund (Scheme 1)
Option 2: Suggested amendments to the Covid-19 Self-Isolation and Payments Policy
Advantages:
Disadvantages: Any amendments would need to have regard to government guidance, and the Council must allow extra time for re-consideration of an amended policy.
Risks: A more advantageous scheme would run the financial risk of overspend.

4. Officer Preferred Option (and comments)

- 4.1 The officer preferred option is Option (1), enabling a formal approach to decision making, with criteria determined in line with government guidance and the Discretionary Payments scheme developed in consultation with other local authorities and experts from the relevant professional body (IRRV).



LANCASTER CITY COUNCIL

**COVID-19 SELF-ISOLATION PAYMENTS
POLICY 2020/21**

encompassing

TEST & TRACE SUPPORT PAYMENTS SCHEME

&

**TEST & TRACE DISCRETIONARY PAYMENTS
SCHEME**