

Portfolio Holder decision record sheet

Name of decision makers:	Cllrs Graeme Elliot.
Portfolios:	Finance & Resources
Date of Portfolio Holder decision:	29 th September 2020

Title of decision:	Test and Trace Support Payment.
Part II:	No
Part II reason:	

Decision made and reasons:

To formally approve the implementation of the Test and Trace Support Payment policy in line with government guidance.

Background to report:

This payment is designed to support people on low incomes, if they lose income as a result of self-isolating, and to encourage them 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. The scheme will operate until 31 January 2021.

These payments will be made available from 28 September 2020, and local authorities are required to have arrangements in place to administer them by no later than 12 October 2020. Someone told to self-isolate on or after 28 September (but before the scheme is operational in their local authority) will need to be able to make a backdated claim for payment.

The scheme has 2 separate categories, the main Test and Trace Support payment and the Discretionary Test and Trace Support payment, in both categories individuals will be entitled to a Test and Trace Support Payment of £500.

Test and Trace Support Payment.

Individuals will be entitled to a Test and Trace Support Payment of £500 if 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
- 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.

Discretionary Test and Trace Support Payment.

Individuals may be entitled to a **Discretionary** Test and Trace Support Payment of £500 if they:

- Meet the main qualifying criteria for the Test and Trace Support Payment **but is not in receipt of qualifying benefits.**

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With a financial position including;

- An Income level that would qualify for UC based on the total household income. This will be assessed by using the free benefits calculator at www.entitledto.co.uk
- Capital funds of less than £16k

This means that the assessments of both “low income” and “hardship” for the discretionary scheme will match those in the main scheme.

In addition to meeting these criteria the DBC discretionary policy will be capped so that once all government funds have been exhausted the discretionary scheme will close.

Reports considered:

Test and Trace Support Payments: Implementation Guide for Local Authorities in England – October 7th 2020.

Officers/Councillors/Ward Councillors/Stakeholders consulted:

Portfolio Holder (Finance and Resources)
 Chief Officer Group
 Assistant Director (Finance & Resources)
 Group Manager (Revenues, Benefits & Fraud)
 Group Manager (Financial Services)

Monitoring Officer comments:

No further comments to add to the report.

Deputy Chief Finance Officer comments:

The council will receive a new burdens grant of £28k to fund the administration of this new government initiative.

The eligibility of the main Support Payment scheme is set by government and hence the scheme is entirely funded through central government grants.

The discretionary scheme funding for DBC is a one off payment of £31.6k and hence the DBC discretionary policy proposes a financial cap to the scheme to prevent any financial liability to DBC.

Overall there is no financial impact on DBC of the proposed Test and trace Support payment policy.

Financial Implications:

The Council is seeking to implement the government Support payment scheme in line with the government guidelines. In conjunction with this the council has proposed a discretionary scheme that provides meaningful assistance to as many financially vulnerable residents as possible across the borough.

The funding that the Treasury have made available for this scheme is split

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into three pots:

- £25 million for the programme costs of the main scheme
- £10 million for administration costs
- £15 million for discretionary payments

The £25 million programme costs will be subject to reconciliation, which could mean an authority may need to return funding if the number of payments made is less than their allocation. Other local authorities may need a top up payment where they make payments that exceed their initial allocation.

The £10 million for administrative cost is not subject to a reconciliation process. Additional funding may be provided as necessary, informed by the experience of the programme. The administrative 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.

The £15 million for discretionary payments is a fixed four-month envelope that will not be topped up or subject to a reconciliation process.

The Dacorum Borough Council funding allocation is;

- Main scheme £52.5k, so will fund an initial 105 payments expected.
- Administration funding £27.8k
- Discretionary scheme £31.6k, which is equivalent of 63 payments.

Risk:

If the Council does not adopt the scheme they will be in contravention of government policy and would therefore be likely to receive penalties. The Council would also be likely to suffer severe reputational damage, as well as having an increased likelihood of community transmission of COVID due to people who should be self-isolating instead continuing to work.

Value for money: There is no net cost to the Council to introduce the proposed scheme.

Options considered and reasons for rejection:

The main Test and Trace Support Payment policy including the eligibility criteria is set out by central government policy.

The discretionary Test and Trace Support Payment scheme is also mostly controlled by central government policy. Local flexibility is only available in: the interpretation of “low income” and “hardship”; and the potential to introduce further criteria to restrict eligibility.

In the absence of a definition of low income, it is considered that the best option is to refer to the Universal Credit means-test, as this means that relevant adjustments in respect of disability are already built into the calculation.

The main reasons why residents with low income may not already be receiving one of the relevant benefits are:

Reason	Recommended for inclusion in discretionary scheme?	Reason for recommendation
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Income level higher than means-test	No	Resident does not have "low income"
Capital of £16k or more	No	Unlikely to suffer hardship due to self-isolation. This is the same savings limit as used in the listed benefits such as Universal Credit and Housing Benefit.
Unaware of entitlement, so hasn't yet claimed a listed benefit	Yes	Already in a worse financial position than someone who is receiving a listed benefit. The application process for the disc payment will also hopefully encourage application for a listed benefit, which will further improve the resident's finances.
Waiting for a decision on a listed benefit	Yes	Already in a worse financial position than someone who is receiving a listed benefit
Excluded from listed benefit entitlement:	Yes	Already in a worse financial position than someone who is receiving a listed benefit. Central government guidance confirms that residents in these groups can be paid a discretionary support payment.

Other rejected options are:

- Individuals whose income is "just" too high to be eligible for one of the listed qualifying benefits. This option has been rejected due to the difficulty of determining any appropriate thresholds for this.

Portfolio Holders signatures:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:

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Date decision record sheet received from portfolio holder:

Date decision published:

Decision no:

Date of expiry of call-in period:

Date any call-in received or decision implemented:

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