

Report to:	EXECUTIVE CABINET
Date:	2 November 2020
Executive Member:	Councillor Oliver Ryan – Executive Member for Finance and Economic Growth
Reporting Officer:	Ilys Cookson – Assistant Director Exchequer Services
Subject:	COVID 19 - SELF ISOLATION PAYMENTS
Report Summary:	This report sets out the eligibility criteria for self-isolation payments where the NHS has advised that self-isolation is necessary. The criteria includes being in receipt of specified welfare benefits; local authorities are to administer self-isolation payments and a self-isolation discretionary fund.
Recommendations:	It is recommended that Executive Cabinet approve the discretionary scheme criteria in Section 3 of the report.
Corporate Plan:	This supports the economy by ensuring that those on low income and forced to self-isolate receive a one-off payment for the self-isolation period.
Policy Implications:	From 28 September 2020 a new legal duty came into effect for anyone who tests positive for COVID-19 or is identified by NHS Test and Trace as a close contact, requiring them to self-isolate subject to eligibility. Failure to comply will be an offence and will carry a fine. The government is providing funding for a new Test and Trace Support Payment scheme for people on low incomes who are unable to work while they are self-isolating because they cannot work from home. The new process will require additional resource and a discretionary policy.
Financial Implications: (Authorised by the statutory Section 151 Officer & Chief Finance Officer)	Payment of support grants is expected to be funded in full by Government Grant. It is difficult to forecast the number of payments that will need to be made, but there may be a significant administrative burden resulting from this scheme. Some additional administration grant has been allocated to contribute to the administrative cost of making the payments but this may not be sufficient.
Legal Implications: (Authorised by the Borough Solicitor)	<p>The report sets out the critical steps and risks in relation to the administration of this scheme.</p> <p>In terms of legal implications the data sharing agreement will be critical and legal services will offer any support required by the service to ensure that an appropriate agreement is in place.</p> <p>Also as set out in the report the Council has a duty to manage the scheme as effectively as possible to ensure that only genuine claimants receive a payment. Therefore robust risk management will be necessary as set out in section 5.</p> <p>Finally it would be advisable to undertake an equality impact assessment in relation to the criteria for the discretionary element of the scheme.</p>

Risk Management:

The risks are outlined in Section 5 of this report.

Background Information:

The background papers relating to this report can be inspected by contacting Ilys Cookson Assistant Director Exchequer Services



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1. INTRODUCTION

- 1.1 Self-isolation payments were announced by government in a press release on 27 August 2020 confirming that people on low incomes who need to self-isolate, and are unable to work from home in areas with high incidence of COVID-19, will benefit from a new payment scheme starting on Tuesday 1 September 2020.
- 1.2 Blackburn with Darwen, Pendle and Oldham local authorities trialled the process, which aimed to support people who are unable to work from home while self-isolating, either after testing positive, or after being identified by NHS Test and Trace as living in the same household as, or coming into contact with someone who has tested positive. It would be available to people currently receiving either Universal Credit or Working Tax Credit and local authorities must check the NHS Test and Trace system to confirm the individual has been asked to self-isolate. If the individual is unable to provide this information the local authority will put in place checks to prevent fraud and ensure compliance through welfare and employment checks.
- 1.3 To be eligible for the funding, individuals must:
- have tested positive for COVID-19 or received a notification from NHS Test and Trace asking them to self-isolate on or after 28 September 2020.
 - have agreed to comply with the notification from NHS Test and Trace and provided contact details to the local authority
 - be employed or self-employed:
 - employed people will be asked to show proof of employment
 - self-employed will be required to show evidence of trading income and that their business delivers services which the local authority reasonably judges they are unable to carry out without social contact
 - be unable to work from home (checks will be undertaken on all applicants) and will lose income as a result
 - be currently receiving Universal Credit or Working Tax Credit
- 1.4 If the approach was successful, the government made clear that the scheme would be quickly applied in other areas of high COVID-19 incidence.

2. LOCAL AUTHORITY ROLE IN ADMINISTERING PAYMENTS

- 2.1 On 20 September 2020 the Rt Hon Matt Hancock MP wrote to all local authority Chief Executives and Leaders (**Appendix A**) confirming that with effect from 28 September 2020 there would be a new legal duty on all those who test positive for COVID-19 or are identified by the NHS Test and Trace as a close contact, requiring them to self-isolate. Failure to comply would carry a fine.
- 2.2 The letter made clear that local authorities should focus on the principle of encouraging, education and supporting compliance, and alongside that would be funding for a new Test and Trace Support Payment scheme for people on low incomes who are unable to work while they are self-isolating because they cannot work from home.
- 2.3 The expectation is that all local authorities will process applications and administer payments and that systems are expected to be in place by 12 October. Individuals who are eligible prior to that date will be able to make a backdated claim.
- 2.4 To be eligible for the Test and Trace Support Payment, an individual must:
- have been asked to self-isolate by NHS Test and Trace either because they've tested positive for coronavirus or 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; and
- be 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.

2.5 Individuals who are required to self-isolate and who meet the benefits-linked eligibility criteria will be entitled to £500. This will be payable as a lump sum. Payments will be subject to income tax but not be subject to National Insurance contributions. The payments will be disregarded as income or capital in the Housing Benefit calculation and for Council Tax Support. Individuals who have tested positive or who had been advised to self-isolate prior to 28 September 2020 will not qualify for the payment.

2.6 The scheme will run until 31 January 2021. During this time, government will continue to review the efficacy of the scheme, and the impact of COVID-19 incidence levels. These changes came into effect on 28 September 2020, alongside the legal duty to self-isolate. Local authorities are expected to have systems in place by 12 October; individuals who are eligible prior to that date will be able to make a backdated claim.

2.7 NHS Test and Trace data must be available to local authorities to check eligibility for the payments and the government has made clear that local authorities must:

- Provide an online application (or a telephone application) and submit as supporting evidence:
- notification from NHS Test and Trace asking them to self-isolate (this will include a Unique ID number);
- a bank statement; and
- proof of employment, or, if they are self-employed, evidence of self-assessment returns, trading income and proof that their business delivers services which cannot be undertaken without social contact.

2.8 The data sharing agreement for this access has not been agreed at the time of writing this report. Local authorities must have staff in place to verify eligibility, process applications and make payments, and access to the right data sources to check the benefits that people are entitled to, as well as access to NHS Test and Trace data, to identify if an individual has been asked to self-isolate. Access to the DWP Searchlight system to confirm receipt of DWP benefits must also be available.

2.9 The number of claims to process will depend on the level of COVID-19 incidence in each area and the number of people on low incomes. At the start of the scheme, the government have advised local authorities should be prepared for a backlog of cases to work through.

2.10 Further requirements are that local authorities must:

- put in place a publicity campaign
- contact the Police if fraud is suspected

3 FUNDING ARRANGEMENT AND DISCRETIONARY FUND

3.1 The government also announced on 25 September 2020 in the letter to local authority Chief Executives and Leaders that a discretionary fund would be available for individuals who do not qualify for the Test and Trace Support Payment but require corresponding financial support to self-isolate.

3.2 Further detailed guidance on the amount of funding to be available for both the statutory and discretionary scheme was released on 05 October 2020.

3.3 The Department of Health and Social Care (DoHSC) have confirmed funding for Tameside as follows:

Funding	£ k	Estimated number of awards
Statutory Scheme	121,500	243
Discretionary Scheme	73,134.13	146
Admin costs	38,079.20	

3.4 DoHSC have been prescriptive in who must be considered eligible for a £500 lump sum payment if the person instructed to self-isolate by the NHS does not qualify as not in receipt of specified benefits as detailed in Section 2.4. Such applicants must apply for a discretionary payment where

- *Individuals 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.*

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.

3.5 Given that discretionary funding is low in comparison to cases that may be anticipated and a set payment of £500 must be made, only 146 applicants could receive discretionary funding. This is a similar position across the GM region in terms of limited discretionary funding, therefore, agreement in principle has been reached across all of the Greater Manchester boroughs that:

In addition all of the above, the discretionary payment is for people:

- *who have property related costs, e.g. rent/mortgage and are liable for Council Tax (occupied properties only) we may consider applications from those who are not liable for Council Tax where a formal tenancy agreement is in place*
- *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.*
- *Who may have no recourse to public funds if they meet criteria above.*

3.6 The discretionary element of the scheme will require relevant evidence to be provided in all cases to satisfy the proposed eligibility criteria based on the self-isolators individual circumstances. The DoHSC have been prescriptive in the types of evidence required to support evidence of an individual being self-employed.

4 ISSUES

4.1 The timescales within which the government expect local authorities to put in place a new system, identify resources to process applications and payments, devise an on-line claim form, interface with NHS Test and Trace data and implement a publicity campaign in just 14 days to ensure payment is made in 3 working days is extremely difficult. A small team of trained Benefits Assessors are supporting this work with appropriate management oversight.

- 4.2 This comes at a time when three other new government initiatives are being administered within Exchequer Services in addition to existing increasing demand and increasing volumes of day-to-day work as a result of COVID-19. Each new initiative requires additional resource, new process set up, IT solutions and additional management responsibilities. The new additional work is sizeable in terms of volume includes the latest Business Rates grants and discretionary scheme as a result of local lockdowns imposed by BEIS, the Housing Benefit Accuracy project imposed by the DWP, the Discharge to Assess for financial assessments from March lockdown imposed by DoHSC.
- 4.3 The collection of Council Tax, Business Rates and income from Sundry Debts as well as prompt payment of Housing Benefit and Council Tax Support remains vital to support the Councils overall budget position and also to support the most financially vulnerable in the Borough, in addition to the Self Isolation Payments, and resources are considerably stretched.
- 4.4 Learning from neighbouring pilot authorities of Oldham and Blackburn has taken place including the sharing of a draft on-line form however, the guidance released by DoSCH is more prescriptive than information initially considered. Data sharing with Test and Trace did not appear to be consistent hence the requirements for national data sharing agreements to be in place. It was clear that setting up the new process, verifying information provided and actually making payment was time consuming and resource intensive for the few claims that were paid during the pilot period.
- 4.5 The DoHSC has specified the information that local authorities are required to maintain pertaining to applications, assessments and payments, however host revenues and benefits systems cannot be used to store information as eligible applicants may not be in receipt of benefit or have a council tax liability. Evidence from applicants will be stored on the corporate document imaging system, and payments will be made based on manually compiled information via Creditors. The DoHSC have confirmed that they do not expect a system solution to be available for this work.

5 RISKS

- 5.1 There is a risk that the full system may not be in place by 12 October 2020, and the data sharing between local authorities and the Test and Trace system is critical. There is a risk that payment may not be made within 3 days, as the DoHSC has specified, however it is clear that local authorities must be in receipt of all necessary evidence before an eligibility assessment can take place and therefore, once assessed, systems are in place to ensure payments can be made within the timescales wherever possible.
- 5.2 Colleagues across the organisation are supporting this process notably Internal Audit to ensure processes and systems are robust in relation to the guidance received, Finance to ensure appropriate reconciliation of monies paid, IT for on-line forms and interfaces, Marketing and Communications for publicising the payment.

6 CONCLUSIONS

- 6.1 The DoHSC has introduced a flat rate payment of £500 for any individual instructed by the NHS to self-isolate with effect from 28 September 2020 providing that specific eligibility criteria is met. The payments are to be administered by local authorities.
- 6.2 Discretionary funding has also been provided to local authorities to consider payment of £500 to individuals who do not meet the statutory eligibility criteria and are on a low income and guidance has been received from DoHSC in respect of this.

- 6.3 The amount of funding received is £121,500 for the statutory payments, £73,134.13 for discretionary payments and £38,079.20 to cover administration costs. DoHSC did not release full guidance on the scheme until 30 September and the entire scheme is to be fully operational from 12 October 2020, which gives a very tight timescale within which to identify resources and design and implement robust administration and payment processes.
- 6.4 A critical part in the assessment process is the verification of the NHS unique number given to individuals who are instructed to self-isolate. At the time of drafting this report the data sharing agreement required to do this had not been finalised with any local authority.
- 6.5 Greater Manchester local authorities have agreed in principle to a common approach to the limited availability of discretionary funding which is detailed in Section 3. There is a risk that the full scheme may not be fully operational on 12 October and DoHSC have advised that local authorities may start with a backlog situation and the data sharing agreement is critical to this process.

7 RECOMMENDATIONS

- 7.1 As set out at the front of the report.

APPENDIX A



Department
of Health &
Social Care

20 September 2020

*From the Rt Hon Matt Hancock
MP Secretary of State for
Health and Social Care*

Local Authority Leaders
cc: Local Authority Chief Executives

Dear Leader

SELF-ISOLATION FOR PEOPLE WHO HAVE TESTED POSITIVE FOR COVID-19 AND THEIR CLOSE CONTACTS

Thank you for your continuing hard work and effort in helping to tackle the challenges presented by COVID-19. Your role is critical to containing the pandemic and mitigating its effects on individuals, their families and communities. I am writing to inform you about – and ask for your support to implement – planned changes to self-isolation requirements and financial support for people who are required to self-isolate.

Ensuring that people who have been infected and their close contacts isolate is one of our most powerful tools for controlling transmission of COVID-19. By ensuring that people self isolate when they need to do so, we will reduce transmission of coronavirus in the UK and help prevent family, friends and the community from contracting the virus, as well as helping to protect the NHS and vital public services. Your role in making this work will be critical.

This is why the Government is announcing today that, from 28 September in England, there will be a new legal duty on all those who test positive for COVID-19 or are identified by NHS Test and Trace as a close contact, requiring them to self-isolate. Failure to comply will be an offence carrying a fine of at least £1,000 and up to £10,000 for multiple breaches.

To reinforce the importance of self-isolation and help ensure people have access to the support they need, NHS Test and Trace will work with local authorities to ensure more regular contact with individuals who have to self-isolate. We are asking local authorities to focus on the principle of encouraging, educating and supporting compliance – we know you are already doing a tremendous amount and you will not be expected to enforce the legal requirements. The police will have the power to investigate and fine those who do not follow the rules.

Alongside this new requirement, the government is providing funding for a new Test and Trace Support Payment scheme for people on low incomes who are unable to work while they are self-isolating because they cannot work from home.

We are asking local authorities in England to put in place arrangements to process applications and make these payments. We will work with you to implement these arrangements as quickly as

possible and by 12 October at the latest, with eligible individuals who are notified on or after 28 September that they have to self-isolate able to make backdated claims where necessary. I appreciate that these new arrangements have significant implications for your work, at a time when you are under considerable pressure. I also know that you are uniquely placed to work alongside us to make these vital changes in the interest of local people and wider communities, and we will work with you and ensure that you have the funds and data you need to make this happen. I hope the attached Q&A document is helpful in setting out more detail on what is planned.

I am deeply grateful for the work of local authorities in responding to the challenges posed by COVID-19. By working together across local authorities, NHS Test and Trace, public health and police colleagues to ensure that people self-isolate where necessary, we will make a real difference in tackling the spread of this virus.

Yours ever,

A handwritten signature in blue ink that reads "Matt". The signature is written in a cursive, slightly slanted style.

MATT HANCOCK