



# Colchester Borough Council

## Test and Trace Discretionary Payments Scheme

## Version Control

Version	Version date	Revised by	Description
031020	September 2020	DA	INITIAL DRAFT
081020	October 2020	JG	AMENDMENTS

## Contents

Definitions .....	4
1. Background to Self-Isolation and the Test and Trace Payments .....	6
2. An overview of the Test and Trace Discretionary Payments Scheme (the Discretionary Scheme).....	6
3. Commencement of the scheme and scheme closure .....	7
4. Applying for a Test and Trace Discretionary Payment (the Discretionary Scheme). .....	7
5. Time limits for making an application for a payment.....	8
6. Multiple claims within the household and from the same applicant.....	9
7. The eligibility criteria and evidence required for a Test and Trace Discretionary Payment. ....	9
That they are a resident within the Council's area.....	10
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 .....	10
All applicants must be currently employed or self-employed.....	11
Employed.....	11
Self Employed .....	11
Are NOT currently receiving any of the following benefits. ....	11
Are unable to work from home and will lose income as a result and will face financial hardship as a result of not being able to work while they are self-isolating.....	12
Meet the Council's additional criteria for discretionary payments.....	12
8. How much discretionary payment will be paid, methods of payment and timings. ....	13
9. Notification of Decisions.....	13
10. Implications for other benefits and reductions .....	13
11. Review of Decisions.....	13
12. Complaints.....	14
13. Funding of the Discretionary Scheme.....	14
14. Taxation and provision of information to HMRC.....	14
15. Managing the risk of fraud .....	14
16. Recovery of amounts incorrectly paid .....	15
17. Delegated Powers.....	15
18. Data Protection and use of data .....	15

## Definitions

The following definitions are used within this document:

**‘Additional Eligibility Criteria’**; means the additional criteria decided by the Council that need to be met, in order to receive a payment under the Council’s Test and Trace Discretionary Payments Scheme. These will be in addition to the standard criteria and are allowable under Government guidance;

**‘Applicant’**; means the individual making an application for a payment under this scheme;

**‘Contact Tracing and Advice Service (CTAS)’**; means the web-based system used by Public Health England to contact and trace individuals who are required to self-isolate;

**‘CTAS Account ID’**; means the unique number provided by Public Health England through the Contact Tracing and Advice Service (CTAS);

**‘COVID-19’**; means the infectious disease caused by the most recently discovered coronavirus;

**‘face financial hardship’**; a key criterion of the Test and Trace Discretionary Payments Scheme is that all applicants will, if not for the payment, face financial hardship solely due to their need to self-isolate;

**‘Housing Benefit’**; means the benefit administered by local authorities under either the Housing Benefit Regulations 2006 or the Housing Benefit (Persons who have attained the qualifying age for state pension credit) 2006;

**‘income-related Employment and Support Allowance’**; means the means-tested Employment and Support Allowance administered by the Department for Work and Pensions under the Welfare Reform Act 2007;

**‘income-based Jobseeker’s Allowance’**; means the means-tested Jobseekers Allowance administered by the Department for Work and Pensions under the Jobseekers Act 1995;

**Income Support’**; means the means-tested Income Support administered by the Department for Work and Pensions under the Income Support (General) Regulations 1987;

**‘NHS Test and Trace’**; means the service provided to the National Health Service in England, established in May 2020 to track and help prevent the spread of COVID-19;

**‘Pension Credit’**; means the means-tested Guarantee or Savings Credit administered by the Department for Work and Pensions under the State Pension Credit Regulations 2002;

**‘Qualifying benefit’**; means any of the following benefits: Housing Benefit, Income support, income-based jobseeker’s Allowance, income-related Employment and Support Allowance, Working Tax Credit or Universal Credit;

**‘Self-isolation, Self-isolate’**; means the legal requirement for an individual to self-isolate when told to by NHS Test and Trace or the NHS COVID-19 app and the legal duty to self-isolate under the Health Protection (Coronavirus, Restrictions) (Self-Isolation) (England) Regulations 2020 which came into force on 28<sup>th</sup> September 2020;

**‘Test and Trace Support Payment Scheme’ (‘Standard Scheme’)**; means the Standard Scheme introduced by Government on 28<sup>th</sup> September and administered by Local Authorities;

**‘Test and Trace Discretionary Payments Scheme’ (‘Discretionary Scheme’)**; means the Test and Trace Discretionary Payments Scheme which has been agreed by the Council and which *may* be available for individuals who are unable to access the ‘Standard Scheme’.

**‘Universal Credit’** means the means-tested Universal Credit administered by the Department for Work and Pensions under the Universal Credit Regulations 2013;

**‘Working Tax Credit’**; means the means-tested benefit administered by Her Majesty’s Revenues and Customs under the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002.

DRAFT

## 1. Background to Self-Isolation and the Test and Trace Payments

- 1.1 From 28<sup>th</sup> September 2020, Government has changed the legislation so that certain people will have to self-isolate due to the current COVID-19 crisis.
- 1.2 A package of legislative measures has been introduced to ensure that those who are required to self-isolate, do so and that those on a low income receive a payment to assist their finances and to encourage compliance with the legislation.
- 1.3 The Council, together with Government, recognises that self-isolation is one of the most powerful tools for controlling the transmission of the Covid-19 virus. The Government has set down the requirements for two payment schemes to be set up by the Council as follows:
  - (a) The **Test and Trace Support Payments Scheme (the Standard Scheme)** for those eligible applicants who are in receipt of Housing Benefit, Income support, income-based jobseeker's Allowance, income-related Employment and Support Allowance, Working Tax Credit or Universal Credit (the qualifying benefits); and
  - (b) The **Test and Trace Discretionary Payments Scheme (the Discretionary Scheme)** for those applicants who are **not** in receipt of any of the qualifying benefits but who are on a low income and will face financial hardship as a result of not being able to work while they are self-isolating.
- 1.4 This document details who will be eligible for a payment under the **Test and Trace Discretionary Payments Scheme**.

## 2. An overview of the Test and Trace Discretionary Payments Scheme (the Discretionary Scheme).

- 2.1 From 28<sup>th</sup> September 2020, individuals will be entitled to a payment of £500 from the Council's Test and Trace Discretionary Payments Scheme if they meet the eligibility criteria listed below:
  - (a) Make an application to the Council in the prescribed form and provide all the evidence and verification required;
  - (b) Are a resident within the Council's area;
  - (c) 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;
  - (d) Are employed or self-employed;
  - (e) Are unable to work from home and will lose income as a result;

(f) Are **NOT** currently receiving any of the following benefits:

- Universal Credit;
- Working Tax Credit;
- income-related Employment and Support Allowance;
- income-based Jobseeker's Allowance;
- Income Support;
- Housing Benefit; or
- Pension Credit; **and**

(g) Meet the Council's additional criteria for a discretionary payment.

2.2 This particular scheme is designed for those individuals (applicants) who:

- meet the standard conditions 2.1 (a) to (g) above;
- are **not** receiving a benefit listed in 2.1(f); and
- comply with the self-isolation requirements laid down by Government;

2.3 Where individuals meet all the requirements but **are in receipt of a benefit stated in 2.1 (f)**, no payment can be made under the Discretionary Scheme; however, they may be able to apply for payment under the Standard Scheme which is available on the Council's website

2.4 Individuals will not be entitled to apply for both a payment under the Standard Scheme and under the Council's Discretionary Scheme.

### 3. Commencement of the scheme and scheme closure

#### Commencement

3.1 This scheme is available to all individuals who meet the eligibility criteria for a discretionary payment and who are told to self-isolate **on or after** 28<sup>th</sup> September 2020.

3.2 Individuals who are required to self-isolate **before** 28<sup>th</sup> September 2020 will not be eligible for a payment.

#### Scheme closure

3.3 At the present time, Government has stated that this Discretionary Scheme (and the Standard Scheme) will be available until 31<sup>st</sup> January 2021.

### 4. Applying for a Test and Trace Discretionary Payment (the Discretionary Scheme).

4.1 Individuals who are resident within the Council's area *may* make an application for a Test and Trace Discretionary Payment under this scheme. In all cases, the 'applicant' will be required to answer **all** of the questions asked and provide the information required by the Council in the specified timescale.

- 4.2 In order to receive a payment, all applicants must meet the full eligibility criteria, details of which are shown within Section 6 of this scheme. The applicant will be required to self-verify certain criteria and also confirm that they will comply with the self-isolation requirements set by Government.
- 4.3 Where the applicant fails to meet the eligibility criteria, they will not receive a payment and will be informed of this by the Council, either at the point of application or as soon as practicable thereafter.
- 4.4 Where the applicant is successful, the Council will notify them accordingly and make payment in line with the timings and methods shown in Section 8.
- 4.5 Applications can **only** be accepted from individuals who are resident in the Council's area.
- 4.6 Applications will be accepted from a third party in respect of any individual who meets all the eligibility criteria for a payment. However, the following should be noted:
- The person making the application will need to provide evidence of their identity and also the reason why they are applying on behalf of another person; and
  - That any payment **must** only be made by the Council to the person who is self-isolating. No payment will be made to a third party under any circumstance.
- 4.7 All applications shall be made online using the Council's dedicated webpage [www.colchester.gov.uk/coronavirus/support-payment](http://www.colchester.gov.uk/coronavirus/support-payment). There are no paper or other types of application processes; however, should individuals experience difficulties in making any application, they should contact the Benefits team for assistance on 01206 282600

## 5. Time limits for making an application for a payment

- 5.1 No application for a discretionary payment can be made before the 28<sup>th</sup> September 2020 or for any individual who has been required to self-isolate before 28<sup>th</sup> September 2020.
- 5.2 Eligible individuals can apply for a Test and Trace Discretionary Payment at any time up to 14 days after their period of self-isolation ended. The Council will **not** accept any applications after this point.
- 5.3 Where an individual has been required to self-isolate on or after 28<sup>th</sup> September but before the Council's scheme opened on 12<sup>th</sup> October 2020, an application for a backdated discretionary payment must be made by 26<sup>th</sup> October 2020 (14 days after commencement of scheme).



## **6. Multiple claims within the household and from the same applicant**

- 6.1 Individuals in the same household can each make an application to receive a Test and Trace Discretionary Payment, if they each meet all the eligibility criteria in full.
- 6.2 An individual may make an application more than once but only:
- If the individual is told to self-isolate multiple times; **and**
  - they meet the eligibility criteria for each individual application; **and**
  - the periods of self-isolation do not overlap.
- 6.3 The Council is mindful that this can be confusing for applicants and it will be essential, where multiple applications are made by an individual, to ensure correct eligibility. Therefore, a new application will need to be made for each distinct period of self-isolation.

## **7. The eligibility criteria and evidence required for a Test and Trace Discretionary Payment.**

- 7.1 For payment to be made under this Discretionary Scheme, all of the criteria **must** be met. As with the application form itself, all evidence will need to be provided electronically. The Council provides facilities for all applicants to upload documents, evidence and photographs.
- 7.2 Where documentation is only held in 'hard copy' or paper form, the Council will accept digital images or photographs provided they show all the relevant information.
- 7.3 The Council will keep all information supplied by applicants, secure and in accordance with Data Protection legislation.
- 7.4 As mentioned in Section 4, a valid application must be made via the Council's website [www.colchester.gov.uk/coronavirus/support-payment](http://www.colchester.gov.uk/coronavirus/support-payment). All applicants will be required to provide details sufficient to identify themselves, their address and to allow the Council to contact them including:
- Full name;
  - Address;
  - National Insurance Number;
  - Contact details
- 7.5 In addition to the above, all applicants will be required to submit a copy of their current bank statement(s) in order to:
- Verify that their income has reduced due to having to self-isolate (see later); **and**
  - Provide details of the bank account number and sort code of the account into which a payment would be made.

### **That they are a resident within the Council's area**

- 7.6 The applicant will be required to verify that they have their sole or main residence in the Council's area. The Council will check other records held (and make other enquiries where appropriate) to determine this.
- 7.7 Where necessary, the Council will ask the applicant to provide additional evidence of residence.

### **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**

- 7.8 A key requirement of the scheme is that the applicant has been instructed by the NHS Test and Trace to stay at home and self-isolate either because:
- they have tested positive for COVID-19 (coronavirus); or
  - have recently been in close contact with someone who has tested positive.
- 7.9 All applicants will be required to provide the 8-digit unique ID number which has been provided to them by NHS Test and Trace.
- 7.10 For information, the NHS Test and Trace service uses the Contact Tracing and Advice Service (CTAS) to record information about people who have tested positive for COVID-19 and their contacts. The CTAS Account ID is an 8-character identifier unique to each case (e.g. 3b1a3015c). Most individuals who test positive for COVID-19 or are a contact of someone who has had a positive test, will receive a digital invitation from the CTAS system to undertake the contact tracing journey.
- 7.11 All cases and contacts who have completed the contact tracing journey (including those who were ineligible for the digital invitation such as children or individuals with a landline number only) will receive a citizen advice message upon completion of the NHS Test and Trace questionnaire. The citizen message (sent either via a text message/email or postal service for people with no access to mobile phone or email) contains the 8-character Account ID.
- 7.12 The Council will check that the applicant has a valid Account ID produced by the Contact Tracing and Advice Service. Only this number will allow an application to be processed.
- 7.13 The Council will not make payment to anyone who does not have a valid notification (Account ID) from NHS Test and Trace. It should be noted that there is a legal duty to self-isolate which only applies to people who have been told to self-isolate by NHS Test and Trace.

- 7.14 The Council will not accept a notification from the NHS Isolation Note service. Where the applicant has provided this only, they will be given an opportunity to provide a valid NHS Test and Trace notification if they have one.
- 7.15 This scheme does not cover people who are self-isolating after returning to the UK from abroad, unless they have tested positive for COVID-19 (coronavirus) or have been instructed to self-isolate by NHS Test and Trace.

### **All applicants must be currently employed or self-employed**

- 7.16 Only those applicants who are currently employed or currently self-employed will be entitled to claim a Test and Trace Support Payment. For the sake of clarity, this scheme requires all applicants to provide sufficient evidence of their current employment or self-employment status. In the case of employed applicants, full details of their employer must be given on the application form including contact numbers.
- 7.17 The Council will also require applicants to provide proof such as listed below:

#### **Employed**

- Current wages or salary slips;
- Employment contract; or
- Letter from the employer confirming current employment.

#### **Self Employed**

- Self-assessment form;
- Details of HMRC registration as self-employed;
- Current accounts; or
- Current accounts and trading statements

- 7.18 The above list is not exhaustive.

### **Are NOT currently receiving any of the following benefits.**

- 7.19 To receive a discretionary payment the applicant **must not be in receipt** of one of the following benefits:
- Universal Credit;
  - Working Tax Credit;
  - income-related Employment and Support Allowance;
  - income-based Jobseeker's Allowance;
  - Income Support;
  - Housing Benefit; or
  - Pension Credit.
- 7.20 Where applicants are in receipt of any of the above benefits, then payments can **ONLY** be made through the Standard Scheme. The Council has designed the application process so that the same form can be used to claim either payment (Standard

Scheme or Discretionary Scheme) and applicants who fail to qualify for a Standard Scheme payment because they are not in receipt of one of those benefits, will automatically be directed to the Discretionary Scheme.

- 7.21 Where an applicant has yet to apply for one of the benefits listed; is awaiting a decision on a benefit; is currently appealing a negative decision; or is unable to apply for a qualifying benefit, they *may* make an application under this Discretionary Scheme.

**Are unable to work from home and will lose income as a result and will face financial hardship as a result of not being able to work while they are self-isolating**

- 7.22 All applicants will have to certify on the application form that they are:
- Unable to work from home;
  - Will lose income as a result; **and**
  - Will face financial hardship as a result of not being able to work while they are self-isolating
- 7.23 The Council will need to be satisfied that any applicants meet these conditions in full.
- 7.24 The Council will require applicants to give details about the nature of their work and whether they can undertake this work from home.
- 7.25 Only those applicants that cannot work from home whilst self-isolating will meet the criteria and therefore, each applicant will not only be required to verify the fact, but also provide details of the reasons why this is the case, together with details of the type of work that they would normally undertake.
- 7.26 The Council will also require all applicants making an application for a discretionary payment to provide evidence of financial hardship. All applicants will be required to demonstrate that the financial hardship is **solely** due to having to self-isolate.

**Meet the Council's additional criteria for discretionary payments**

- 7.27 Given that the funding for the Discretionary Scheme is limited (see Section 14), Government has stated that it will be up to each Council to determine additional criteria that have to be met if a payment is to be made.
- 7.28 The Council has decided that, in order to qualify for a discretionary award, all of the criteria stated previously must be met in full **and** the applicant must not have greater than £16,000 in capital. For the sake of clarity, capital will be calculated in accordance with the rules for Housing Benefit.

## **8. How much discretionary payment will be paid, methods of payment and timings.**

- 8.1 Where an applicant meets all of the eligibility criteria for a discretionary payment, a single payment of £500 shall be paid for each period of self-isolation. Payments will be made direct to the applicant's bank account within 3 working days.
- 8.2 Where further information or evidence is required from the applicant, the Council will look to make payment within 3 working days starting with the date when all of the required information is received.
- 8.3 Full details of the applicant's bank account must be supplied on the application form and this will be cross checked with the copies of the bank statements provided as part of the verification process.
- 8.4 As required by Government, payments can only be made to the applicant's bank account. No payments can be made to third parties whatsoever.
- 8.5 The Council is aware that in some cases, applicants may be overdrawn and may not be able to gain access to the payment. In these cases, the applicant should contact their bank and request a protection of payments under a 'first right of appropriation of funds order'.

## **9. Notification of Decisions**

- 9.1 Applications for discretionary payments will be considered by officers of the Council and all decisions made by the Council shall be notified to the applicant either in writing or by email.

## **10. Implications for other benefits and reductions**

- 10.1 The Council has been advised by the Department for Work and Pensions (DWP) that all Test and Trace Support Payments (of any type) will be disregarded for the purposes of all means-tested benefits.
- 10.2 The Council has decided that any payment made under this scheme shall not affect entitlement to Local Council Tax Support.

## **11. Review of Decisions**

- 11.1 Whilst there is no statutory appeal process, the Council will operate an internal review process and will accept an applicant's request for an appeal of its decision by a senior officer.
- 11.2 All such requests must be made in writing to the Council, within 3 days of the Council's decision, and should state the reasons why the applicant is aggrieved with the decision

of the Council. New information may be submitted at this stage to support the applicant's appeal. The application will be reconsidered as soon as practicable, and the applicant informed in writing or by email of the decision.

## **12. Complaints**

- 12.1 The Council's 'Complaints Procedure' (available on the Councils website) will be applied in the event of any complaint received about this scheme.

## **13. Funding of the Discretionary Scheme**

- 13.1 The Council will receive a fixed amount of funding from Government which will be for the four months that the Discretionary Scheme is intended to last. Government has confirmed that **no** additional monies will be given to the Council. As the funding is limited the Council, therefore, reserves the right to make no further awards once Government funds are exhausted.
- 13.2 In view of this, and to ensure that discretionary payments are available throughout the period to 31<sup>st</sup> January 2021, the Council reserves the right to change the Test and Trace Discretionary Payments Scheme at any time to ensure funds go to those who face the most financial hardship.

## **14. Taxation and provision of information to HMRC**

- 14.1 The Council has been informed by Government that all payments under this scheme are taxable. However, the payments will not be subject to National Insurance contributions.
- 14.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.
- 14.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to individuals.

## **15. Managing the risk of fraud**

- 15.1 Colchester Borough Council will make the necessary checks to ensure payments can be verified and have been made correctly. The council will utilise a number of databases and Government systems to verify information in connection with any application submitted.

## **16. Recovery of amounts incorrectly paid**

- 16.1 If it is established that any Test and Trace Discretionary Support Payment has been made incorrectly due to misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

## **17. Delegated Powers**

- 17.1 The Council has implemented this Discretionary Scheme in line with Government requirements and guidance.
- 17.2 Officers of the Council will administer the scheme and reserves the right to make technical scheme amendments to ensure it continues to meet the criteria set by the Council and, in line with Central Government guidance.

## **18. Data Protection and use of data**

- 18.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.