

## Volunteers: essential information - 12

*This series of information sheets guides you through the complex, but essential, information you need to have at your fingertips when you are recruiting and training volunteers to support sailing programmes which include disabled people.*

### Benefit payments and expenses

There is a lot of confusion over whether volunteering affects an individual's benefits. In actual fact the rules are quite simple, and it's well worth knowing them so that you can advise volunteers if they have any queries. All benefits rulings agree that voluntary work is work for a not-for-profit organisation, or work for someone who is not a member of your family, where only reasonable expenses are paid.

- **Job Seeker's Allowance**

People on JSA can do as much voluntary work as they want as long as they remain available for and are actively seeking work. You will have to give your volunteers some flexibility, as they will need to visit the Job Centre for meetings and to sign on, and will need to attend interviews when they come up. A volunteer is entitled to 48 hours' notice if he/she is asked to attend an interview, and a week's notice before starting work.

- **Income Support**

Volunteering should not affect someone's Income Support as long as he/she is not receiving any money other than reimbursement of expenses.

- **Incapacity Benefit**

Someone in receipt of Incapacity Benefit can volunteer for as long as he/she wants. People often worry that starting to volunteer will automatically trigger an investigation into their need to claim Incapacity Benefit, but this very rarely happens. Occasionally there is also some confusion about volunteering and 'permitted work'. The permitted work rule applies only to paid work and should not affect volunteers. Claimants should be entitled to volunteer without it being recognised as permitted work.

- **Disability Living Allowance** Volunteering will not affect receipt of this benefit.

### Notifying Benefits Advisers

It is good practice to inform your volunteers that it is compulsory to notify benefits advisers, but your organisation cannot force the issue if the volunteer decides not to disclose this information.

*The legislation changes very frequently, so it is strongly recommended that you check the information regularly through this link:*

[www.volunteering.org.uk/managingvolunteers/goodpracticebank/Information/volunteeringandstatebenefits.htm](http://www.volunteering.org.uk/managingvolunteers/goodpracticebank/Information/volunteeringandstatebenefits.htm)

*The issue of Benefits is very complex and sensitive, particularly for disabled volunteers. If you, or your volunteer, have any doubts or concerns, you must seek guidance - sources for this can be found through the Volunteering England web page link above.*

## Volunteer Expenses

### Expenses and equal opportunities

The reimbursement of expenses is an equal opportunities issue. Any organisation serious about involving a diverse range of volunteers should reimburse expenses. Volunteer expenses should be built into any funding application. It's worth remembering too that volunteers are making a gift of their time – one that has substantial monetary value. They should not be expected to give up money as well.

In general any reasonable expense incurred as part of the voluntary work should be reimbursed.

This can include:

- travel to and from the place of volunteering.
- travel while volunteering.
- meals taken while volunteering
- care of dependents, including children, during volunteering.
- postage, phone calls, stationery etc.
- cost of protective clothing/special equipment etc.

It's fine to put sensible limits on some expenses to prevent the unlikely occurrence of a volunteer ordering steak and champagne for lunch then presenting your finance team with the receipt. But be sure to set your limit at a level that allows volunteers to have a hot meal and drink in the local cafés.

It is also reasonable to ask volunteers who come in by the public transport to use the cheapest reasonable form. Do remember though that it may be necessary for some volunteers to take taxis – because of disability, so try to be flexible and budget for extra costs.

When paying expenses to those using their own transport, use the HM Revenue and Customs approved mileage rates. In 2006-2007 these are:

- Cars and vans – 40p per mile for the first 10,000 miles, 25p per mile over 10,000
- Motorcycles – 24p per mile
- Bicycles – 20p per mile

### How to reimburse expenses

Most people in receipt of benefits are on very low incomes and could not afford to volunteer if their expenses were not paid. When you decide how you will pay expenses, make sure that you are not creating unnecessary barriers. If possible, always try to reimburse expenses on the same day in cash. Do not assume that a small amount of money for you is a small amount of money for everyone else. If you are not sure which methods of reimbursement suit people, just ask them. In some cases it may be more efficient to develop different systems for different people.

**It's extremely important to reimburse out of pocket expenses only.** This means reimbursing against receipts, bus tickets etc. Benefit claimants receiving more than their actual expenses may lose part of their means tested benefit, and the nature of their volunteering may also be called into question.

In addition, money over and above out of pocket expenses is regarded as income by HM Revenue and Customs, and is therefore taxable. The entire sum a volunteer received would be taxed, not just the portion above the actual expense. It is likely too that the organisation would have to put such volunteers through PAYE, as HM Revenue and Customs would treat such 'volunteers' as they would employees.

Expenses payments that exceed volunteers' actual costs may be regarded as a payment in return for the work they have carried out. This could be regarded as a contract by a tribunal

or similar body, giving the volunteers the same rights as workers or employees – including the national minimum wage. This is a complex issue. For more information contact Volunteering England's information team ([information@volunteeringengland.org](mailto:information@volunteeringengland.org) ).

It makes sense to create a simple claim form that you can keep with copies of the documentation. so that if there is any kind of query it can clearly be shown that you are reimbursing money rather than making a payment

Advance payment for expenses to be incurred in the future is permitted, but it is still a good idea to keep receipts and records, and the volunteer would have to repay any money that was not spent.

***Important***

***Advice of this kind obviously requires frequent confirmation and updating in the light of ever-changing legislation. For this reason, please ensure that you check with Volunteering England (see e-mail address above), your local Job Centre Plus or other revenue and tax experts, as well as***

***[www.volunteering.org.uk/managingvolunteers/goodpracticebank/Information/volunteerexpenses.htm](http://www.volunteering.org.uk/managingvolunteers/goodpracticebank/Information/volunteerexpenses.htm)***

***With acknowledgements to Volunteering England for content and references.***