

Volunteering and State Benefits

Summary

There is a lot of confusion over whether volunteering affects an individual's benefits. This is not helped by the fact that some benefits advisers are poorly informed about volunteering and sometimes give people the wrong advice. 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.

This Information Sheet is designed to help volunteer co-ordinators with questions about state benefits and it covers:

- A definition of volunteering
- The general rules on volunteering while receiving benefits
- Specific rules for different types of benefits
- Good practice tips for supporting volunteers receiving benefits
- How to get copies of current government leaflets

Definition of volunteering

The most recent leaflet published by the Department for Work and Pensions (DWP) and Jobcentre Plus network about volunteering provides the following explanation:

“What is volunteering?

This is when you choose to give your time and energy to benefit other people without being paid for it.”

“As a volunteer, you could:

- volunteer with a charity or other voluntary organisation
- volunteer with a public-sector organisation, or
- help your community.”

“It is not volunteering if you:

- do something for a family member
- are given money apart from your expenses, or
- are under contract to do it (this does not include any ‘volunteer agreement’ you may have).”

(“Volunteering while receiving benefits”, DWP, September 2008, page 5)

Are you allowed to volunteer if you are claiming state benefits?

The short answer is yes. People are allowed to volunteer while claiming state benefits, including means-tested benefits such as Job Seekers' Allowance, Incapacity Benefit and Income Support. But, there are some guidelines and rules which claimants should be aware of. Some of these rules are general and others relate specifically to a certain type of benefit.

The general rules

Informing benefits advisors

It is compulsory for claimants to notify benefits advisers that they are volunteering. They will have to complete a form describing what they do (currently known as form ES672VJP). Organisations have no duty to inform the Jobcentre Plus or benefits office about who is volunteering for them, so it is the responsibility of the volunteer to do this. Some people may worry about declaring their volunteering. It is sometimes reported that advisors are not well informed about volunteering and can discourage or misinform claimants about rules on volunteering.

As part of good practice in supporting volunteers, volunteer co-ordinators can help volunteers to feel more confident about explaining their volunteer role to a benefits advisor. This could include providing publicity leaflets about the organisation's work and a simple volunteer role description to clarify what the volunteer usually does.

Volunteer expenses

Although volunteers give their time freely, it's important not to forget the costs incurred through volunteering. For example, the cost of travelling and a meal eaten out could be significant to someone on a low income or who receives state benefits.

But, remember that only **actual** expenses should be reimbursed. If a volunteer pays £4.30 for travel every day, it might seem easier to round the sum up to £5, but this is not a reimbursement of an actual expense and would constitute a payment. Any kind of paid work would jeopardise a person's right to claim state benefits, and they may find that their benefits claim is reduced or suspended. Furthermore, making payments to a volunteer can potentially cause legal or tax problems for an organisation. For further information, please refer to Volunteering England's Information Sheet "Volunteer Expenses".

For these reasons it is important to reimburse 'out of pocket' expenses only, which means asking volunteers to produce receipts, bus tickets etc. It makes sense to use a simple claim form which can be submitted with receipts. A template expenses claim form is available in the "Expenses and State Benefits" section of the Good Practice Bank on Volunteering England's website.

Lastly, note that sometimes benefits claimants need to inform their Jobcentre Plus or benefits advisor about their volunteer expenses. People receiving Housing Benefit should also inform their local authority about their volunteer expenses. This process should be made easier if volunteer co-ordinators give a photocopy of the expenses claim form and receipts to new volunteers.

The rules for different types of benefits

Job Seeker's Allowance (JSA)

People receiving JSA can do as much volunteering as they want, as long as they remain available for and are actively seeking work. This means that claimants have to show that they are looking for work and applying for jobs where appropriate. As an organisation you will have to give your volunteers some flexibility, as they will need to visit the Jobcentre Plus office for meetings and to sign on, and will need to attend interviews when they come up. If an individual is volunteering, then they are entitled

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to 48 hours' notice if they are asked to attend an interview, and a week's notice before starting work. (These are concessions to the 24 hours' notice normally allowed.)

Income Support

Volunteering should not affect someone's Income Support as long as they are not receiving any money other than reimbursement of expenses.

Incapacity Benefit (IB)

There is a lot of confusion over Incapacity Benefit. This is partly based on misinformation about old rules and partly due to confusion about current rules. Firstly, it is important to note that the "16 hour rule" which set a maximum time limit on volunteering by anyone claiming this benefit no longer exists. An amendment passed in The Social Security (Welfare to Work) Regulations 1998 removed this rule. Now there isn't a set limit on the amount or type of volunteering that someone can do while claiming Incapacity Benefit

Secondly, people often worry that starting to volunteer will automatically trigger an investigation into their need to claim Incapacity Benefit. This shouldn't happen and the DWP's most recent leaflet confirms that "you can still be a volunteer and get Incapacity Benefit or Income Support" as long as claimants follow a set of criteria explained in the guidance. (For further information, please refer to page 13 of "Volunteering while receiving benefits", DWP/Jobcentre Plus.)

Thirdly, there is occasionally some confusion about volunteering and 'permitted work' (similar to the old 'therapeutic earnings'). 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 (DLA)

DLA is an allowance paid in acknowledgement of the fact that life for someone with a disability may be more expensive – for instance, someone with mobility problems may be reliant on taxis. Volunteering will not affect whether an individual receives this benefit or not. (For further information, please refer to "Volunteering while receiving benefits", DWP/Jobcentre Plus.)

Housing Benefit/Local Authority Housing Allowance

This is usually paid to people receiving JSA, Income Support, Pension Credit or who have a low income. It should not be affected by volunteering but claimants should inform their local authority about any volunteer expenses they receive. (For further information, please refer to "Volunteering while receiving benefits", DWP/Jobcentre Plus.)

Employment Support Allowance (ESA)

This is a new benefit which will be introduced from 27 October 2008. The ESA will replace both Incapacity Benefit and Income Support paid because of disability or incapacity. (Incapacity Benefit and Income Support will continue to be paid to existing claimants; new claimants will receive ESA).

The new regulations on Employment Support Allowance clearly state that claimants will be allowed to volunteer. The regulations also recognise that reasonable expenses can be reimbursed to claimants who volunteer. For further information about the ESA, please refer to the "further information" section at the end of this document.

Good Practice and volunteers receiving state benefits

Covering expenses 'in advance'

It can be very difficult for people on low incomes to pay upfront for volunteer expenses such as travel tickets. For this reason, your organisation should consider reimbursing expenses in advance. The Social Security Amendment (Volunteers) Regulations 2001 clarified rules on Income Support, JSA, and Incapacity Benefit to make it clear that volunteers can receive advance payment for expenses to be incurred in the future.

Receipts and expense claim records should be kept and the volunteer should repay any unspent money to the organisation. (For further information on this topic, please refer to Volunteering England's Information Sheet on "Volunteer Travel Expenses".)

Problems at the Jobcentre Plus office

Occasionally a volunteer may have problems convincing their benefits adviser that they are volunteering and not working in a role which they should be paid for. As mentioned above, copies of an organisation's publicity leaflets and a volunteer role description should help a volunteer to explain what they are actually doing.

If the volunteer has already supplied these, a volunteer co-ordinator could provide support by sending a letter to the Jobcentre Plus or Benefits office. A sample expenses claim form and template letters to JobCentre Plus are available in the "Expenses and State Benefits" section of the Good Practice Bank on Volunteering England's website.

Expenses and Equal Opportunities

Most people in receipt of benefits are on very low incomes and could not afford to volunteer if their expenses were not reimbursed. When you decide how you will reimburse expenses, make sure that you are not creating unnecessary barriers. If possible, find ways to reimburse volunteers on the same day as the money was spent and avoid reimbursement by cheque. For further suggestions, please refer to Volunteering England's Information Sheet on "Volunteer Expenses". 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.

Further information

Department of Work and Pensions/Jobcentre Plus leaflets about volunteering: "Volunteering while receiving benefits" (September 2008)

This explains what volunteering is and what the rules are for any volunteers claiming state benefits, or anyone who wants to begin volunteering.

You can read this guidance leaflet on the Jobcentre Plus website or request a copy from Jobcentre Plus offices.

(For reference, copies of previous benefits guidance can be viewed or printed from the 'Expenses and State Benefits' section of the Good Practice Bank on Volunteering England's website.)

Volunteering England Information Sheets

“Volunteer Expenses”

“Volunteer Travel Expenses”

“Reimbursing Care Expenses to Volunteers”

“Saying ‘thank you’ to Volunteers”

“National Minimum Wage Act and volunteers”

<http://www.volunteering.org.uk/information sheets>

Volunteering England Good Practice Bank

Includes a section about “Expenses and State Benefits” which features template letters to Jobcentre Plus offices, a sample expenses claim form and links to copies of current and past leaflets from the Department of Work and Pensions.

<http://www.volunteering.org.uk/goodpractice>

Volunteers and the Law: A readable guide to legal issues on volunteering.

In particular, read chapter 2 on “Benefits and Tax”

This publication is free to download.

<http://www.volunteering.org.uk/law>

Sources of further information about the new Employment Support Allowance

- Department for Work and Pensions
“Your guide to Employment and Support Allowance”
includes FAQs and factsheets
<http://www.dwp.gov.uk/esa/>
- Disability Allowance website:
<http://www.disabilityalliance.org/esa.htm>
- Newcastle City Council website:
http://www.newcastle.gov.uk/core.nsf/a/wr_bull2007esa

Last reviewed: October 2008

We have made every effort to ensure that this Information Sheet was correct at the time of publication. It is intended as a summary of relevant issues and suggests further sources of information. Legal advice should be sought where appropriate.

For more information on managing volunteers, please visit
The Good Practice Bank at www.volunteering.org.uk/goodpractice

All of Volunteering England’s Information Sheets are available at:
www.volunteering.org.uk/information

Or please contact Volunteering England’s Information Service
Email: Information@volunteeringengland.org
Freephone Information Line: 0800 028 3304 (M-F 10.30-12.30 & 14.00-16.00)

Volunteering England
Regent’s Wharf

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8 All Saints Street
London N1 9RL