

Volunteering: Your Benefits and the Benefits...

Fact Sheet 7: For Residents and Advisers

16th April 2024

www.wolverhampton.gov.uk

1. Why undertake Voluntary Work?

Voluntary work can be incredibly useful for anyone who is looking to develop skills and experience in order to increase their employability. It's particularly useful for someone who has been out of the labour market for some time and is looking to build up their confidence and their CV at the same time. Volunteering can also be good for your mental and physical health.

Another benefit of volunteering is the impact on the community. Volunteers are often the glue that holds a community together. Volunteering allows you to connect to your community and make it a better place. Volunteering can provide a healthy boost to your self-confidence, self-esteem and life satisfaction. You are doing good for others and the community which provides a natural sense of accomplishment. It can give you a sense of pride and identity.

If you are doing or considering doing voluntary work but are worried about how it could affect your benefits and/or tax credits entitlement then please read this Fact Sheet.



If you're considering a new career, volunteering can help you get experience in your area of interest and meet people in the field. Even if you are not planning on changing careers, volunteering gives you the opportunity to practice important skills used in the workplace. Volunteering can be a fun and easy way to explore your interests and passions.

In this Fact Sheet we use the term '**voluntary work**' to describe:

- Work or services that are given free of any payment or the expectation of payment other than for expenses necessarily incurred; or
- Unpaid work (other than for the payment of expenses necessarily incurred) for a charity or voluntary (not-for-profit) organisation.

If you are doing any other sort of voluntary work, then you should seek advice about how it will affect your benefits.

In particular, if you are carrying out voluntary work for a relative and you are getting Jobseeker's Allowance or Employment and Support Allowance, then do seek further information and/or advice. This is because, depending on the type of work being undertaken and number of hours involved, different rules can apply.

2. Voluntary Work: Your Benefit Responsibilities

What impact (if any) voluntary work can have on the benefits and/or tax credits you receive depends on what benefits and tax credits you get. The following pages provide a guide.

You are responsible for informing the Department for Work and Pensions (DWP), His Majesty's Revenues and Customs (HMRC) and Housing Benefit/Council Tax Support of changes in your circumstances that could affect your benefit and/or tax credits entitlement. Therefore, it is wise to let the people who pay your benefits know if you are about to start doing any voluntary work. This guide explains when (if at all) your benefits might be affected.

3. Universal Credit

Universal Credit is paid to a range of people who either have a low income and do not work or who work but are low paid. It can not only provide money to help with the costs of day-to-day living but also money towards rent and mortgage payments. It will eventually replace the, so called, 'legacy benefits' of Income-based JSA, Income-related ESA, Income Support, Child Tax Credit, Working Tax Credit and Housing Benefit.

If you are unemployed and getting Universal Credit you must normally be able to attend a job interview and take up an offer of paid work immediately (without any real delay). However, if you are doing voluntary work you are allowed 48 hours' notice to attend a job interview and up to one week in which to take up an actual job offer.



Furthermore, if you are claiming Universal Credit on the basis that you are unemployed, you will normally be expected to spend up to 35 hours per week (the exact number of hours will depend on your personal situation) looking for work / taking 'all reasonable action' you can to obtain paid employment. As a volunteer you can agree with Jobcentre Plus (your Work Coach) to reduce this by up to 50% in order to accommodate your voluntary work.

Case Study One: Samira is required to spend 35 hours per week looking for work. She does volunteer work in a local charity shop for 16 hours per week. Her Work Coach agrees that she now need spend 19 hours per week looking for work.

Case Study Two: Danny is required to spend 35 hours per week looking for work. He volunteers in a local food bank for 20 hours per week. As his work search hours can only be reduced by a maximum of 50% he is still required to look for work 17.5 hours (not 15 hours) per week.

This does not mean that you must restrict the number of hours you wish to volunteer; you may volunteer for any number of hours per week providing you meet your availability and job search requirements.



If you are getting Universal Credit, then you should let your local Jobcentre Plus office know before you start undertaking any voluntary work.

4. Jobseeker's Allowance

Jobseeker's Allowance is a benefit paid to unemployed people who are considered to be available for work and actively seeking work.

To qualify, you must normally be taking reasonable steps to find work and be in the position to attend a job interview and/or take up an offer of employment without any delay.

What counts as 'reasonable steps' will depend on individual circumstance. For example, your age, education, work experience, health and length of time you have been without paid employment. In some situations, undertaking 'voluntary work' may be treated as a step towards looking for work, providing it may be shown that it has some impact in improving your overall prospects of getting a job. If you are undertaking 'voluntary work', then you must be able to attend an interview in connection with a job opportunity within 48 hours' of being given notice. If you are undertaking 'voluntary work' you do not need to be able to start work straight away but you must be able to start work within one week of being notified of any reasonable job offer. See page 12 for information on how payments for volunteer expenses are treated.

If you are getting JSA, then you should let your local Jobcentre Plus office know before you start undertaking any voluntary work.

5. Employment and Support Allowance

Employment and Support Allowance (ESA) may be paid to you if you are too sick to work - that is to say that you are considered to have 'limited capability for work'. The general rule is that you cannot work and get ESA. However, you may undertake 'voluntary work' without it impacting on your ESA.

Remember that ESA is paid to you because of the way your illness or disability impacts on your ability to undertake certain tasks and/or because it is not safe for you to undertake any work or work-related activity.



Evidence of the activities you undertake as a volunteer could be used to show your abilities and that could put at risk your right to ESA.

Case Study Three: Nitta has arthritis in most of her joints. She claims ESA and is not expected to look for work or carry out any work-related activity. Nitta starts voluntary work with a local charity providing a telephone befriending and listening service for elderly people. The activity does not contradict or undermine her stated limitations so should not affect her ESA.

Paid Employment: If you are getting ESA, you may be able undertake paid work (called 'permitted work') and earn between £20.00 and £187.50 per week (2024/2025 figure) in certain circumstance without it affecting your ESA. This is a complex area so do seek further information and advice as necessary.



If you are getting ESA, then you should let your local Jobcentre Plus office know before you start undertaking any voluntary work.

6. Income Support

Income Support is meant to provide people with a minimum amount of money for day-to-day living. It may be paid to people in a number of different circumstances including where you are a lone parent with a young child or a person with certain caring responsibilities. If you are getting Income Support, you may undertake 'voluntary work' without it affecting your benefit. However, you should let the Department for Work and Pensions know before you start any voluntary work.

7. Housing Benefit and Council Tax Support

Housing Benefit and Council Tax Support (formerly known as Council Tax Reduction) are designed to help you pay your rent and/or council tax if you have a low income. You may undertake 'voluntary work' without it affecting your Housing Benefit (HB) and Council Tax Support (CTS).

You should let the HB/CTS section at the council know before you start any voluntary work.

8. Working Tax Credit and Child Tax Credit

Working Tax Credit is a 'legacy benefit' that has been available to people who have been in paid employment but whose overall income remains low. It, in effect, acts as a top-up to people's wages and other income. Child Tax Credit is also a 'legacy benefit' that has been paid in addition to Working Tax Credit (to working families) or on its own (to non-working families) to support the financial needs of any children. Both Working Tax Credit and Child Tax Credit are now not available to new claimants, and both will eventually be replaced by Universal Credit.



You may undertake any form of voluntary work without it affecting your Working Tax Credit or Child Tax Credit payments.

You should let His Majesty's Revenues and Customs (HMRC) know before you start any voluntary work.

9. Child Benefit

You may undertake any form of voluntary work without it affecting your Child Benefit entitlement.

10. Carer's Allowance

Carer's Allowance is a benefit which may be paid to those who look after a disabled child or adult who receives certain parts of Disability Living Allowance or Personal Independence Payment or who gets Attendance Allowance. You may undertake any form of voluntary work without it impacting on your Carer's Allowance entitlement, as long as you are still able to provide care for 35 hours per week.

Case Study Four: Maddie receives Carer's Allowance for caring for her son. Maddie has started to do some voluntary work at her local church whilst her son is at school. This does not interfere with her ability to care for her son for 35 hours per week. Therefore, her Carer's Allowance is not affected.



11. Personal Independence Payment and Disability Living Allowance

Personal Independence Payment (PIP) is awarded to people who need help with their daily living and/or have limited mobility. Undertaking any form of voluntary work should not directly impact on your entitlement to PIP entitlement.

However, evidence of the activities you undertake as a volunteer could be used to show that you do not need the required level of help with your daily living and / or that your mobility is not as compromised as first thought. This could put at risk your PIP because it could bring into question your ability to meet satisfy the rules PIP.

PIP replaced Disability Living Allowance (DLA) for adults of 'working age' (people aged 16 or over but under state pension age). Disability Living Allowance (DLA) was awarded to people who need help with their personal care and those who experienced poor mobility.

Adults (aged under 65 on the 8th April 2013) who have been getting DLA have been expected to apply for PIP as an alternative benefit. Most people who have been expected to make the transition have now done so. Those who have not yet made the move will be expected to do so at some point.

Case Study Five: Martin has been receiving PIP for over three years following a stroke. When he applied for PIP, he had problems with preparing food, washing, dressing and toileting.

Martin is thinking about enlisting as a volunteer at local soup kitchen. Whilst there, his role would involve preparing and cooking food for others.

The DWP could seek to revisit Martin's PIP claim as the task he would be doing would bring into question the level of his current functional impairment. At the very least it may suggest that Martin's condition has improved.

Whilst undertaking any form of voluntary work should not in itself directly impact on your entitlement to DLA the nature and demands of the voluntary work you do could be used as evidence to put at risk your entitlement to DLA in the same way as if you were receiving PIP.

If you are getting PIP/DLA, then you should let the DWP know before you start any voluntary work.

12. Attendance Allowance

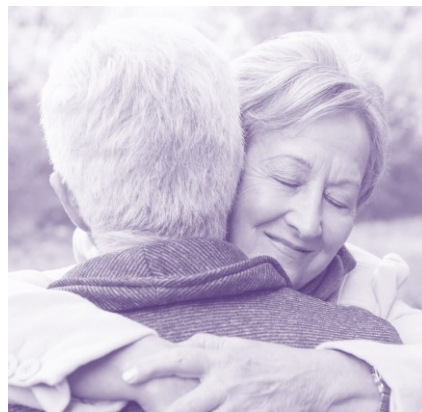
Attendance Allowance (AA) may be awarded to those who have attained 'state pension age' (presently 66) who are not already getting either Personal Independence Payment or Disability Living Allowance but who need help with their personal care.

As with PIP/DLA, undertaking any form of voluntary work should not directly impact on your entitlement to AA. However, evidence of the activities you undertake as a volunteer could be used to show you do not need the required level of help with your personal care and could put your right to receive AA at risk.

You should let the DWP know before you start any voluntary work.

13. Pension Credit

Pension Credit is meant to provide a minimum amount of money for day-to-day living to older people. It is often paid in addition to State Retirement Pension and/or private pensions. If you are getting Pension Credit you may undertake 'voluntary work' without it affecting your Pension Credit payments.



Whilst not strictly necessary you should let the Pension Service know before you start any voluntary work.

14. State Retirement Pension

You may undertake any form of voluntary work without it impacting on your State Retirement Pension payments.

15. Other Benefits

Please seek further information and advice if you are getting a Social Security benefit that is not covered in this booklet particularly one that is paid to you due to disability/loss of faculty (e.g. Industrial Injuries Disablement Benefit which may be paid to people who have been injured at work) or if you have any concerns about how doing voluntary work might affect your benefits.

16. Volunteer Expenses

For the majority of benefits (including tax credits) you are only allowed to receive payments for the expenses that are directly incurred by you in the course of your volunteer work. If other payments are made to you these could be treated as income or earnings. Income and earnings could impact on your benefits entitlement or the amount of your benefits entitlement. In some situations, it may pay you to keep a record of what payments have been made to you and for what. Do seek further information and advice as necessary.

Expenses includes payments for bus fares, train fares, clothing, childcare to enable you to volunteer and equipment.

Note: If you are undertaking non-paid work (or work for a reduced amount of payment) for an individual or organisation which would normally command a payment, you could be treated as receiving a wage (or increased wage) for that work for benefits purposes.

Case Study Six: Ardy is a skilled mechanic. He fixes his friends' cars for free. He also helps out at his uncle's garage when needed. His uncle pays him for the work he does but at a much reduced rate because the business is struggling to break even. Ardy's Universal Credit would be affected by the work he is doing. This is because the work that he is doing for his friends would normally be paid work and the work he is doing for his uncle would normally attract a higher level of pay than he is receiving.

This rule could apply if you are getting Universal Credit, Jobseeker's Allowance, Employment and Support Allowance, Income Support, Pension Credit, Working Tax Credit, Child Tax Credit and/or Housing Benefit and/or Council Tax Reduction.



However, this rule would not apply if you volunteer for a charitable or voluntary (not-for-profit) organisation where it is accepted that it is reasonable for you to give your help free of charge.

17. Informing the DWP and HMRC

As part of claiming benefits, you have an obligation to notify the relevant authorities of a change in your circumstance which could affect (or might reasonably affect) your entitlement. This means that you should keep those agencies that pay your benefits - the Department for Work and Pensions and His Majesty's Revenues and Customs (HMRC) and/or the council - informed of any voluntary work that you undertake regardless of whether you think the activities will make a difference to the actual payments you get. Make sure that you tell each separate office that pays your benefits, as they do not necessarily share information like this with each other.

If you are getting Universal Credit, Jobseeker's Allowance, Employment and Support Allowance or Income Support, you should let the Jobcentre Plus/DWP know if you are doing or are about to start volunteering. Advising your local Jobcentre Plus office that you are undertaking voluntary work will enable reasonable arrangements to be made to help you to continue your voluntary work and meet your jobseeker requirements. You should do this using the **VOLWORK1JP** form.

You need to provide details on this form about the organisation for which you are volunteering and whether it is a charity or voluntary (not-for-profit) organisation. You will also need to provide information on the number of hours you are actually volunteering and details of any expenses payments you get.

A copy of the VOLWORK1JP form can be obtained from any Jobcentre Plus office.

If you have already started volunteering and have not yet informed your Job Centre, DWP or His Majesty's Revenues and Customs (HMRC) you should do so promptly so that they are fully aware of your circumstances.

If the hours or days you volunteer for change, or if you stop volunteering, you should inform the offices dealing with your benefit claims.

18. Volunteering Abroad

If you are thinking of undertaking voluntary work overseas you should seek further information and advice. It is possible to continue getting certain benefits whilst you are abroad for a limited period.

If you want to find out more about how undertaking voluntary work can affect your benefits and/or tax credits you receive, contact your local advice centre or the Department for Work and Pensions (DWP) or His Majesty's Revenues and Customs (HMRC) or the council's Housing Benefit/Council Tax Reduction department.

19. Some useful organisations and their contact details

Wolverhampton Voluntary and Community Action
16A Temple Street
Wolverhampton
West Midlands
WV2 4AN [view location here](#)

Telephone: 01902 773761

Website: See this [LINK](#)

Citizens Advice Dudley and Wolverhampton

Advice Line: 0808 278 7919

Email: advice@dudleycabx.org

Website: See this [LINK](#)

Job Centre Plus
Molineux House
Temple Street
Wolverhampton
WV2 4AU [view location here](#)

Telephone: 0800 055 6688 (New claims)

Telephone: 0800 169 0310 (Existing Claims)

20. Some useful websites

Volunteering opportunities at Wolverhampton City Council and partner organisations

Please see this [LINK](#)

National Council for Voluntary Organisations

Please see this [LINK](#)



VOLUNTEER

21. Fact Sheets and Information Guides

The Welfare Rights Service produces the following Fact Sheets and Information Guides on Social Security benefits and welfare reform.

Benefits Fact Sheets:

1. Benefits and Work
2. Benefits and Disabled Children
3. Benefits and Young People

4. Benefits and Older People
5. Benefits and People from Abroad
6. Private Tenants and Universal Credit
7. Volunteering and Benefits


Please also watch out for our periodical **Benefits Bulletins** which provide news on the latest developments surrounding benefits and welfare reform. These are also available on the website.

Benefits Information Guides:

1. Universal Credit
2. Universal Credit - Claims and Payments
3. Universal Credit - The Claimant Commitment
4. Universal Credit - Sanctions and Hardship Payments
5. Universal Credit and Vulnerable People - Claims and Payments
6. Universal Credit - Managed Migration
7. Universal Credit and The Work Capability Assessment - Toolkit
8. Personal Independence Payment
9. Personal Independence Payment - Toolkit
10. Form Filling: PIP2
11. Form Filling: ESA50 / UC50
12. DWP Social Fund
13. The Spare Room Subsidy
14. The Benefit Cap
15. Disputes and Appeals
16. Going to Appeal: First-tier Tribunals

The information in our fact sheets and guides is designed to provide details of the different benefits that may be available to people in a variety of situations including when they are in work, unable to work due to ill-health, unemployed or retired. It also seeks to inform people of the steps that may be taken should they wish to dispute a decision made surrounding their benefit entitlement.

A copy of the Fact Sheets and Information Guides may, together with other topical benefit information, be obtained from our [Social Security Benefits](#) page on the City of Wolverhampton Council website.

 Telephone: (01902) 555351

 Email: WRS@wolverhampton.gov.uk

Note: The details provided in this and our other Fact Sheets and Information Guides is meant to provide an overview on important and topical issues relating to Social Security benefits and welfare reform. The details should not be treated as an authoritative statement of the law. The details may be subject to change by new regulation and/or case law. Do seek further information and advice as necessary.

Welfare Rights Service
Specialist Support Team
City of Wolverhampton Council