



Faculty of Medicine and Health Sciences User and Carer Liaison Group

Reimbursement and Recognition for Lay Members Guidelines for Good Practice

As we are aware that across the Faculty different terminology is used to refer to members of the public contributing to our work in a variety of ways, for the purpose of this document they will all be referred to as lay members

Reimbursing lay members 'Out-of-Pocket' expenses

The purpose of these guidelines is to establish consistent and minimum good practice for the reimbursement of out-of-pocket expenses incurred by lay members who contribute to activities undertaken within the Faculty of Medicine and Health Sciences, Keele University. Members of the general public and their carers participate in research as subjects; contribute to the research process and development of topics; contribute to teaching, examination, governance and admissions; act as consultants; and perform other roles as they evolve across the Faculty. Reimbursement of expenses prevents cost being a barrier to involvement, ensuring that lay members are not out of pocket by doing so and recognising the important contributions that they provide to the work of the Faculty; often but not exclusively as volunteers.

NB It remains the lay member's responsibility to ensure that any reimbursement does not affect any receipts of welfare benefits by their household nor impact on the individual's liability to income tax. Keele University accepts no responsibility for loss of benefits or income due to any reimbursements claimed by individuals.

Reimbursement procedures must be simple and easy to use. The reimbursement process must be quick and reliable, normally by using the BACs transfer system.

No one should be out of pocket because of expenses they have incurred through their voluntary involvement, and claims for all reimbursement must normally include tickets or receipts and be within 3 months of the expenses being incurred. The incidental costs of involvement may include:

Travel and parking costs.

Current mileage allowances for use of personal travel are:

45p/mile for car travel

25p/mile for motorcycle travel

20p/mile for bicycle

If the lay member's own means of travel cannot be (or is not) used, train and bus transport may be utilised and reimbursed at standard tariffs. If this is impractical for any good reason, use of a taxi may be agreed beforehand with arrangements generally made by the University.

Parking facilities on the University and hospital campus should be arranged by the project/event organiser and clear directions should be given to the attendees in advance on how to access these, to alleviate anxiety and promote easy access. Parking costs incurred for off Campus venues will be met for the duration of an event on production of a ticket or receipt, but not parking fines.

In certain circumstances, other travel costs such as plane or ferry costs may be reimbursed subject to prior agreement with the University.

Costs of caring arrangements (for children and other dependants such as elderly relatives), or supporting carers will be paid directly, but should be **agreed in advance** with the project/event organiser. (e.g. a lay member has a rare condition and is needed for exams and has caring responsibilities at home)

Interpretation/translation services may be provided by the Faculty or costs will be paid directly or reimbursed, but should be **agreed in advance** with the project/event organiser.

Reasonable Subsistence costs up to a maximum value of £35 **per day** can be reimbursed, if attendance (including travel) exceeds 7 hours and if adequate refreshments are not provided at the venue, but receipts will be required. The maximum allowance for any particular meal is: breakfast £5; lunch £10; dinner £20. For anticipated overnight stays, please discuss with the Keele representative regarding subsistence prior to the event.

Printing costs by a lay member should be avoided whenever possible. However, reasonable costs incurred by volunteers working from home (such as telephone, internet access, stationery etc.) should be reimbursed, having been recognised and **agreed in advance** by the project/event organiser, and provided receipts are submitted when reasonably available.

The reimbursement of 'out-of-pocket' expenses, wholly and exclusively incurred in pursuit of a volunteering activity will not create any Income Tax liability and should not affect receipts of benefits (but see below).

Remunerating Lay Members

It should be noted that lay members in receipt of payments or gifts, need to be aware of the rules governing the receipt of these in relation to welfare benefits, some of which are briefly introduced below. Lay Members in receipt of "Working-age related" benefits should

be advised they are responsible for contacting their local Job Centre for advice, before commencing the activity. If regular remuneration is offered, recipients of Working Tax Credit should also be advised to contact their HM Revenue and Customs office.

One-off payments and gifts

A payment for a one-off activity which takes place on one day only in the same fiscal year is viewed as a thank you gift, provided it is a reasonable amount for the activity. Giving a gift instead of a payment will be similarly viewed by HM Revenue & Customs as well as the Department for Work and Pensions. A letter of thanks should always be issued by a member of the University alongside any payment or gift as evidence of its purpose.

People receiving state benefits

Lay members involved in research or other activities at the University may be receiving state benefit payments. It is very important to be aware that these benefits can be affected if people receive regular or several payments and that individuals can have their benefits amended as a consequence of their receiving payment. People in receipt of benefits must keep to the conditions of those benefits

If a person, even inadvertently, breaches their benefits conditions in some way while offering their help through involvement in University activities, their benefits income could be stopped pending an enquiry. **The University has no responsibility for the individual and their rights to benefits, each individual is responsible for the reporting / acknowledgment of any University activity and how it might affect any benefits involved.**

Sums received by a lay member may do no more than reimburse their reasonable costs of participation, which may include costs of travel and subsistence. However, if the sums paid exceed what may be deemed reasonable, then the excess may be viewed as breaching the conditions of their benefit and sanction applied, accordingly.

Rewarding lay members through alternative methods to cash or bank transfers (e.g. with gift vouchers) will not avoid the issues of paying people for involvement and may create a consequence of benefit sanction.

Notional Earnings Rule

If people ask to be paid a lower amount or turn down an offer of payment to be involved on a voluntary basis, the '**notional earnings**' rule may be applied. This is where the Job Centre Plus offices treat them as if they had accepted the higher offer or been paid. This situation is called 'notional earnings' because it may be judged that a person has refused income so that they keep their entitlement to state benefits.

Tax and National Insurance

Reimbursement for expenses is generally not subject to tax or NI contributions as it is not counted as income, but they may need to be declared if the person is self-employed or receiving taxable benefits. Payments for time, skill and expertise, except for one-off events (see section 2.3), are usually subject to tax and National Insurance (NI).

Tax consequences for the individuals receiving the payments

There will be no tax or NI liability arising on the individual if the sums received do no more than reimburse the volunteer's reasonable costs of participation, which may include costs

of travel and subsistence. However, if the sums paid exceed what may be deemed reasonable, then the excess may be chargeable to tax as Miscellaneous Income, potentially giving rise to personal tax liabilities for the individuals which should be notified to the Inland Revenue under Self-Assessment.

HM Revenue and Customs have issued the following in respect of involving people in research programmes:

EIM71105 - Research volunteers, lay participants and participants in clinical trials

In the circumstances above, HMRC agrees that the amounts paid to those concerned are unlikely to fall within the definition of “earnings” for PAYE or NI purposes. No employment relationship exists and as such PAYE and NIC would be inappropriate.

It should be noted that under Section 16, Taxes Management Act 1970, HMRC is entitled to ask for details of payments to non-employees at their discretion; but they would not routinely ask for details for small payments such as these.

All lay members must remember that it remains the individual’s responsibility to consider remuneration and its impact on personal circumstances.

For further information, the following websites may be useful:

www.gov.uk - search on HM Customs and Excise

www.gov.uk - search on Jobcentre Plus

www.disabilityrightsuk.org

For further information, lay members are urged to contact the University link responsible for the lay role.

For further information generally related to these Guidelines, please contact:

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Or:

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