

Giving money and gifts to people who take part in your activities

A guide for local groups



**Easy
Read**

Easy Read



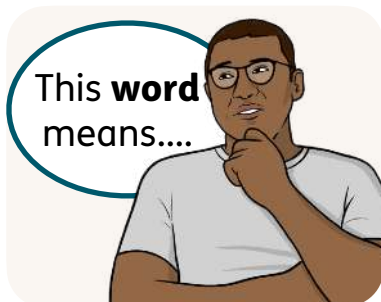
This is an Easy Read version of some information. It may not include all of the information but it will tell you about the important parts.



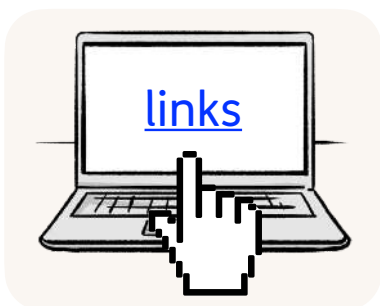
This Easy Read booklet uses easier words and pictures. Some people may still want help to read it.



Some words are in **bold** - this means the writing is thicker and darker. These are important words in the booklet.



Sometimes if a bold word is hard to understand, we will explain what it means.



[Blue and underlined](#) words show links to websites and email addresses. You can click on these links on a computer.

What is in this booklet

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You can fill in a quick survey to say what you think about this Easy Read booklet: info.easy-read-online.co.uk/easy-read-feedback-survey

About this booklet



This booklet is from LocalMotion.



It is a guide for local LocalMotion groups about how they can give people money or gifts for taking part in activities.



This is to give information on the rules local groups need to follow.



Local groups should use this information to make their own rules about giving money or gifts.

Why your group might give someone money or gifts



When people give their time to take part in your group's activities, you may want to give them some money or a gift.



This can help people who might not be able to afford to take part.



It can show that your group wants to tell the person taking part how important they are.



It is a way of saying thank you to the person for taking part and giving their time.

Making rules about giving money or gifts



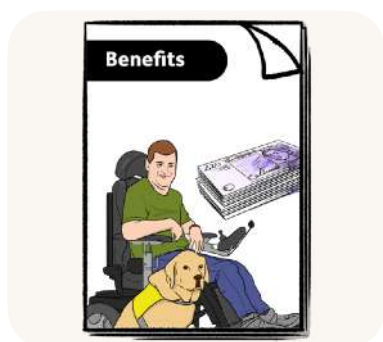
Your local group needs to agree on the rules about giving money or gifts.



This will make sure everyone is treated fairly.



You should write down the rules and share them with anyone who needs to see them.



Sometimes, when people are given money, it might affect their **benefits**.

Benefits is money the Government gives to some people to help pay for the things they need to live.



If you choose to give both money and gifts for different types of activities, you may want to have a set of rules about each one.



It is important to say clearly which activities people will get money for and which people will get gifts for.



It is important not to call the gifts **payments**.



A thank you gift is just a gift, it is not a payment.

How much your group might want to give

How much?



If you are giving people money for taking part, you should decide how much it will be.



Your group can decide how much it will give.

Examples



You might find these examples from the National Institute of Health Research helpful when you decide.

They suggest:



- £12.50 for taking part in something like reading that takes less than 30 minutes.

They also suggest:



£25.00

- £25.00 for taking part in something like a group discussion that takes 1 hour or less.



£50.00

- £50.00 for something that they might need to get ready for, and that lasts less than 2 hours.



£75.00

- £75.00 for something that takes around half a day, and the person needs to do things beforehand to get ready for it.



£150

- £150 for taking part in meetings that last a whole day.



£300

- £300 for taking part in meetings that last a whole day, and the person needs to do lots beforehand to get ready for the meeting.

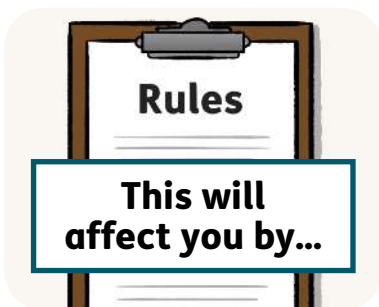
How money or gifts might affect people's benefits



If someone gets benefits, getting extra money can affect their benefits claim.



It may mean they get less money in benefits.



You should clearly explain that accepting money might affect people's benefits in your group's rules.



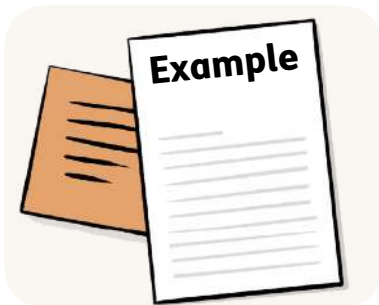
You should make sure that people understand how accepting money from your group might affect them.



If someone on benefits gets money from your group, they should tell their benefits office before taking part.



You may want to write an example letter to the jobcentre that people can use to help them explain the money they have been given.



We have included an example letter in this booklet that the person can send to their benefits office.

Universal Credit



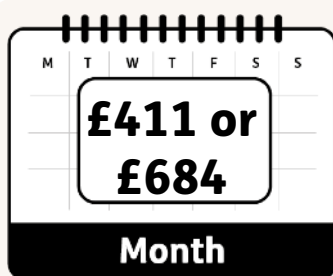
People who get Universal Credit will have a limit on how much money they can get without their benefits being affected if they:



- Are in charge of looking after a child, or,



- Have a long-term health condition like cancer or heart disease, which the DWP has agreed affects their ability to work.



The limit is £411.00 a month if they get help with housing costs, or £684.00 a month if they do not.



These amounts are correct as of June 2025.



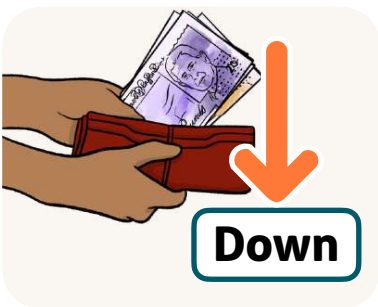
The government checks and sometimes changes the limit on how much money someone can get without their benefits being affected.



You should check the limits on this website:
<https://www.gov.uk/universal-credit/how-your-wages-affect-your-payments>



If someone is working more than 1 day a week, they will likely already be using all of this limit.



So if they got money from your group, their benefits would probably go down a bit.



But the person would have more money than if they did not take part.



Someone on Universal Credit can write an entry in their journal to say they will be getting money but not starting a job.



Their work coach may be able to give them more information about this.



Their work coach may have questions for your group about the type of work the person is doing.

Employment and Support Allowance (ESA)



Anyone who gets ESA can get the same amount as 16 hours of work at minimum wage every week before their benefits go down.

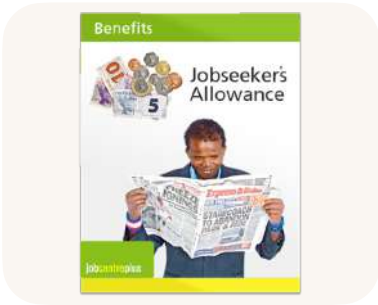


Anyone getting ESA needs to tell the jobcentre they are getting any extra money.



Someone getting ESA will need to fill in a **Permitted Work Form** before they start taking part.

Jobseeker's Allowance



Someone who gets Jobseeker's Allowance should contact the Jobcentre Plus directly.



People working with your group may be at 1 or 2 local jobcentres.

So you may want to contact your local jobcentres directly to tell them about:



- Your group's work.



- What you might be giving money for.

Carers Allowance



It is difficult to know if getting money from your group would affect someone getting Carers Allowance.



They should get special advice about this from one of the groups below.

Getting advice

These services can help you



You should tell people about the benefits advice services that can help them.



You may have connections with local services that you can tell people about.



Every area should have a Citizens Advice Bureau that can give advice about benefits.



But there may be a long wait to get advice.

Advice services you could tell people about



You should try to use local services when you can.



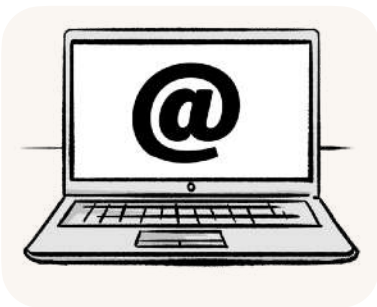
These are some services that you can use wherever you are in the country.

Bedford Citizens Advice Bureau



They offer a paid service to give detailed benefits advice.

You can buy a ticket for the person, and they can then contact the service directly by:



- Email: benefitsadvice@bedfordcab.org.uk



- Phone: 01234 346 543

Citizens Advice National Helpline



They can give good advice about benefits.



You might have to wait for a long time to get the advice.



You can contact them by phone on 0800 144 8848.

Scope



They can give advice to disabled people if they are worried about their disability benefits being affected.



You can contact them by phone on 0808 800 3333.

Carers UK helpline



They can give advice to carers who get benefits to support them in caring for someone else.



You can contact them by phone on 0808 808 7777.

Advice about paying tax



People who earn more than £1000 a year might need to register to pay tax.



This means £1000 extra on top of any money they get from a regular job they have.



The £1000 limit is the money the person earns from anywhere, not just your organisation.



People can check if they need to do this on the government's website:
[www.gov.uk/government/
organisations/hm-revenue-customs/
contact/self-assessment](http://www.gov.uk/government/organisations/hm-revenue-customs/contact/self-assessment)

Other advice about benefits



For more advice about benefits, you can go to this website:

www.england.shelter.org.uk/housing_advice/benefits/where_to_get_benefits_advice



A service called Lightning Reach can give people lots of advice about benefits they may be able to get. You can find out more on this website:

www.apply.lightningreach.org

Types of money or gifts your group could give

Expenses



Expenses are the costs that someone has to pay to take part, like paying for travel or food.



Paying people's expenses should not have any effect on their benefits.



You should keep receipts for what people have spent.



Keeping the receipts will help you to prove that you got this money for your expenses.

Thank you vouchers



You can thank people for taking part by giving them vouchers to spend in shops.



You should give people a choice of different vouchers or shops to spend them in.



You may want to write a thank you note with the vouchers.



These will not affect people's benefits.



It will not affect people's benefits because it is a gift and not a payment.

Payment for service user involvement

The government says **service user involvement** is any activity that



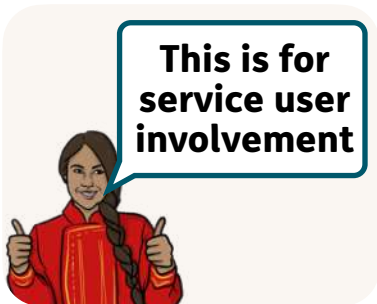
- Helps to improve services that give them care or support.



- Helps to find out new information, this is called doing **research**.



If your group is running a project about improving support or care services, you should pay people to take part.



It is important to always say the payment is for **service user involvement**.



People who get ESA may need to fill in a Permitted Work Form before getting this payment.



People who get Universal Credit should be able to write in their journal that they are taking part and will get payment for this.



You should write a letter to the jobcentre before the start of your project.

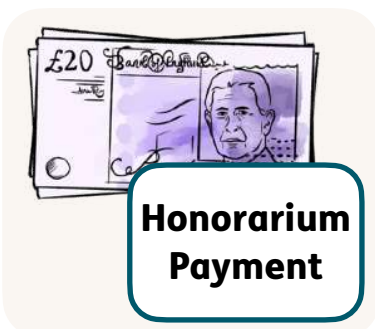


We have included an example letter with this booklet.

Honorarium Payment



Sometimes it is hard to prove that a payment would be for service user involvement.



When it is, you can give an **Honorarium Payment** instead.

An **Honorarium Payment** is a one-off amount of money for the time someone gives to help your group.



People who get ESA may need to fill in a Permitted Work Form before getting this payment.



On the Permitted Work Form, the person should say they are working as an **unpaid worker**.



This is not like having a job, and the person only gets the payment if they take part in your group's activity.



People who get Universal Credit but do not have to look for work would not need to fill in the Permitted Work Form.

What activities can your group give money or a gift for?



It will be helpful for your group to decide which activities people will get money for and which they will get a gift for.



This advice is about small payments for one-off activities, rather than large payments that are given for work, like having a job.



The activities are different to having a job because:

- They happen every once in a while, and people can stop doing them at any time.



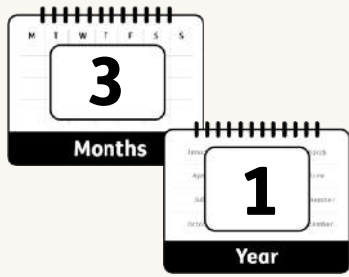
- They only last a few hours or less in any week.

The activities are also different to having a job because:

1 time



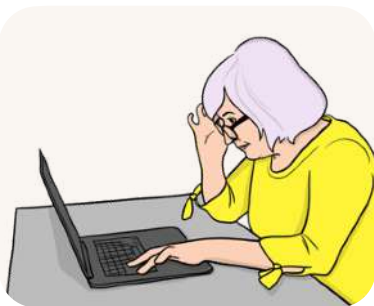
- They are one-off activities, and the person does not need to do anything after the activity.



- They might be going to meetings every 3 months or every year.



- They might include going to meetings or taking part in phone calls every now and again.



- They might include getting ready for meetings, phone calls or events.



- They might include some work after meetings or events.

The activities might be things like:



- Going to meetings or events.



- Taking part in making decisions about how your local group should work.



- Activities that need certain skills, but are not something you would hire someone to do.

Paying people for their work



Sometimes it might make more sense to pay people for their work, like a job.



This will need the agreement of your group's **Local Fiscal Host**.

A **Local Fiscal Host** is an organisation that supports your group with money and following the law.



You should already have a system for paying staff, so it would not be very different from that.



You may need to show people where they can get advice about tax and benefits.



People's benefits may be affected, so they should check before taking any paid work.



If you are paying someone as a **freelancer**, they may need advice about paying their taxes.

A **freelancer** is someone you pay for certain work, but they are not a member of staff.

Who can get a payment?



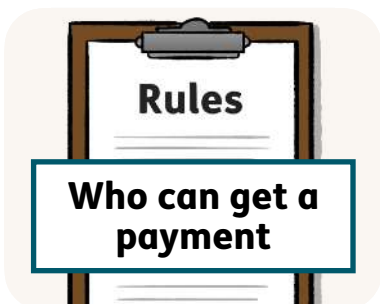
Sometimes people might take part while they are getting paid by their employer.



They might be a support worker who is paid to support someone else taking part.



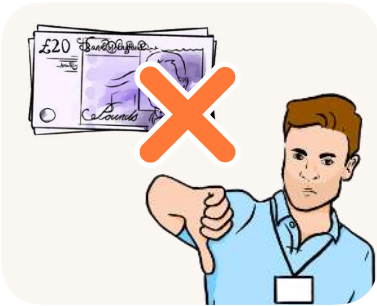
These people would not be able to get a payment.



It is helpful to make this clear in the rules about payments that your group writes.



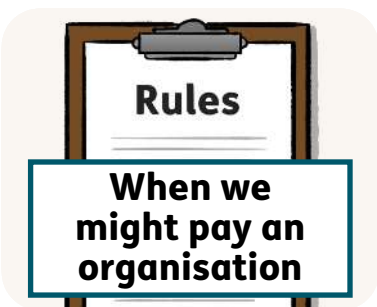
Sometimes, someone working for a small organisation might be taking part.



But the organisation might not be able to afford for them to take part anymore.



If this happens, you could pay the organisation the same amount of money as other people who are taking part.



You should write down clearly in your rules how and when this might happen.



For example, you might have a maximum amount of money that the organisation can make before it cannot get a payment from you.

How are the payments different from full-time paid work?

These rules are not about anyone who is a member of staff at:



- Any LocalMotion group.



- An organisation that gives money to a LocalMotion group.



It is about small payments to people who take part in one-off activities.



There is no official contract like with a paid job.



But you may want to have a **participation agreement** with the person taking part.

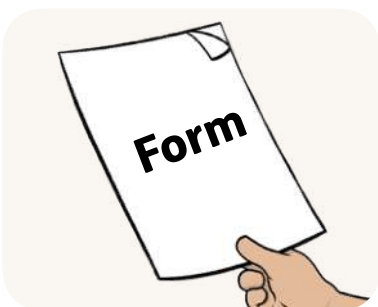
The **participation agreement** would be signed by the person taking part. It would include things like:



- People taking part can stop at any time.



- People taking part would not get any payments that members of staff get, like sick pay or holiday pay.



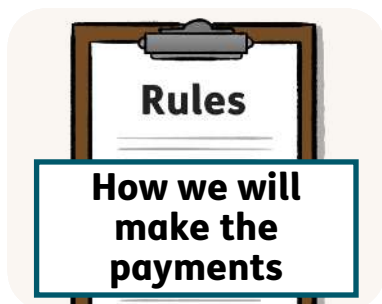
The participation agreement can be given to the person's benefits office with the Permitted Work Form.



You might want to have a participation agreement for payments for other **volunteer** work.

A **volunteer** is someone who gives their time to help out without getting paid.

How your group will make the payments



You should say how you will make Honorarium Payments in your group's rules.



They are usually paid by bank transfer. Sometimes this is called BACS.



If someone would like to get their payment in vouchers instead of money, you should try to do this for them.



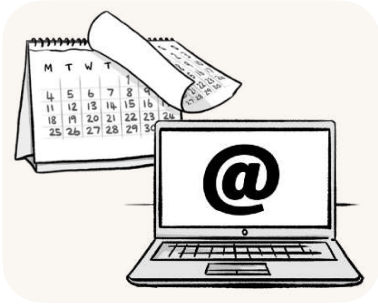
You should also make it clear that getting a payment in vouchers instead of money would not change how their benefits would be affected if they got their payment in money.



This is not the same as when you give vouchers as a gift. Giving vouchers as a gift will not affect someone's benefits.



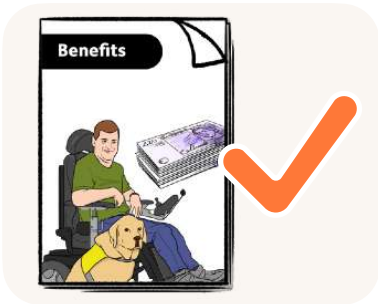
The person should keep a record of how much someone has been paid and the date they were paid.



The person should send this record to their benefits office every month.



The person should tell their benefits office about all of the money they get from your group.



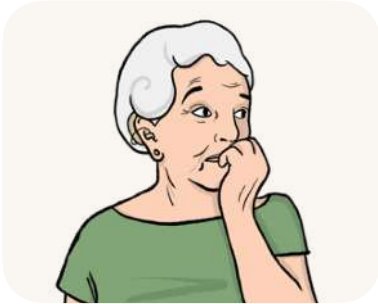
Telling their benefits office will mean that they will get the right amount of benefits.



So if their bank account is checked, it will be correct.



You should write this in your rules or tell the person directly about this.

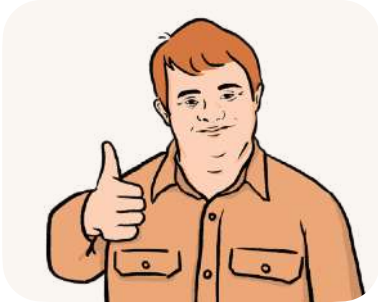


Some people might feel nervous about contacting the benefits offices, but it is always better to tell them.



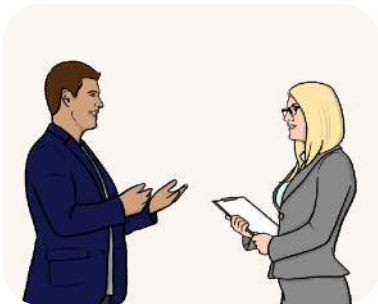
You should tell them where they can get support with this.

Other good things about taking part



Taking part in LocalMotion activities can give people new skills.

This might help them to:



- Have a say in how services are run.



- Find a job in the future.



- Have a say in what happens in their local area.

Everyone who takes part will get support to:



- Work on their skills.



- Show how they have these skills when they apply for a job.

You might be able to offer people extra support, like:



- Telling them about other support services they can use.



- Offering chances to be **mentored** in your LocalMotion group.

Mentored means being given guidance on how to do a certain job.

You might also be able to offer people extra support, like:



- Supporting people to work on certain skills they are interested in.



- Offering work experience.



You could talk about the extra support in your rules and guidance, so people know about it.



Telling people about the other ways that your group can help them will make taking part not just about getting money.

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