Reimbursing Volunteer Expenses

Why reimburse volunteer expenses?

► The gifts of time, talent and skill

Volunteers make a gift of their time, talents and skills and this has significant monetary value. There should not be a financial cost to your volunteers to volunteer for you. Volunteers claiming expenses reflect the true cost of the service being delivered so is important for future budgeting.

► Equal opportunities and reducing barriers to volunteering

The cost of traveling to your volunteering opportunity and of refreshments taken whilst volunteering, for example, could be quite challenging for someone who is on a low income or receiving state benefits. This cost may represent a barrier to some individuals wanting to volunteer with your organisation. Reimbursing volunteer expenses demonstrates your organisation's commitment to equal opportunities by reducing barriers to entry and thus encourages a greater diversity of volunteers to become involved with your organisation.

The Institute for Volunteering Research conducts regular surveys on volunteering. On each occasion being left 'out of pocket' has been cited as a reason why people either stop, or do not get involved in volunteering.

How should expenses be reimbursed?

► Only reimburse out-of-pocket expenses

It is important to only reimburse a volunteer's out-of-pocket expenses, against receipts, bus or train tickets etc. This avoids payments being regarded as income by HM Revenue & Customs, and thus potentially causing problems for both your volunteers and your organisation. Flat rate volunteer payments (e.g. £5 per day) in cases where the payment exceeds the actual costs can be construed as income and are not considered to be good practice. For the same reason one-off "honoraria" style gift payments are inadvisable. You might, however, wish to state that expenses can be reimbursed up to a maximum amount.

Expenses for all and volunteer friendly procedures

It is important that all volunteers are aware that they can claim their 'agreed out-of-pocket' expenses, so that there is no stigma attached to doing so. This reinforces your equal opportunities policy and gives your organisation a more accurate picture of costs, which can be used as evidence when

applying for funding. Volunteers can have the option of donating their expenses back to the organisation if they wish.

Which expenses do you reimburse?

The main types of volunteer expenses include:

► *Travel expenses:* to and from the volunteering location and whilst volunteering. It is reasonable to have guidelines on reimbursement here, such as asking volunteers to use the cheapest form of public transport, although some volunteers may need to take taxis, so this should be accounted for in your budgeting.

For volunteers using their own vehicles, HM Revenue & Customs approved mileage rates can be found at **www.hmrc.gov.uk/rates/travel.html**

► Any *extra insurance premium* paid by volunteers using their own vehicle.

► *Meals and refreshments taken whilst volunteering* – within reasonable agreed limits but should be at a level to allow your volunteers to have a hot meal and drink in local cafes. It is up to the organisation's discretion as to how long someone should be volunteering for on any given day before being reimbursed for a meal – more than half a working day is reasonable.

► *Cost of postage, telephone calls, stationery* etc.

► *Cost of protective clothing or equipment*.

► *Cost of attending training* relevant to the role.

► *Care costs for dependents whilst volunteering* – this covers the cost of childcare or the care of adult dependents whilst volunteering. It is good practice to reimburse these costs, but if your budget cannot stretch to this, look at adapting your volunteer role to accommodate volunteers with dependents.

And finally...

If you do not currently reimburse volunteer expenses, make it a priority to address this and include a budget for reimbursing volunteer expenses in funding applications. You may be missing out on valuable volunteers by not reimbursing expenses.

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