

Paying people who receive benefits: Co-production and involvement





social care
institute for excellence

About SCIE

The Social Care Institute for Excellence improves the lives of people of all ages by coproducing, sharing, and supporting the use of the best available knowledge and evidence about what works in practice. We are a leading improvement support agency and an independent charity working with organisations that support adults, families and children across the UK. We also work closely with related services such as health care and housing.

We improve the quality of care and support services for adults and children by:

- identifying and sharing knowledge about what works and what's new
- supporting people who plan, commission, deliver and use services to put that knowledge into practice
- informing, influencing and inspiring the direction of future practice and policy.

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Introduction

This briefing for local authorities, charities and organisations that support people who use services and their carers, looks at how people and carers who receive state benefits can get involved in paid co-production, involvement, participation in health and social care, highlighting what they need to be aware of to avoid any loss of benefits.

Universal Credit work allowances and Permitted Work rates are revised annually in April. This briefing details benefit rates and rules between April 2022 and end March 2023 including updates for the year April 2023 to end March 2024. The briefing now includes recent legislative changes to the treatment of a mortgage interest loan paid through Universal Credit from next Spring.

Organisations paying people for their time as part of co-production, involvement and participation activities **have a responsibility to ensure that people who receive benefits are supported with independent welfare rights advice.**

Organisations can introduce measures to prevent misunderstandings with Jobcentre Plus that can lead to benefits being stopped.

NB: While the term 'service user' is not SCIE's preferred terminology to refer to those that draw on care and support, the term 'service user' has been retained throughout this document to accurately reflect the terminology used by DWP and related legislation.

Key terms used by the Department for Work and Pensions (DWP)

The Department for Work and Pensions uses specific terms in helping it to decide whether someone is taking part in paid co-production, involvement and participation, as there are two benefit rules which are different to part-time work. The following sets out the DWP guidance.

'Co-production, involvement and participation may be:

- in research
- in education
- with charities
- with the NHS
- with local authorities.

The services are delivered by a body that has a statutory duty to provide services in:

- health or social care, or
- social housing, or
- social security, or
- child support.

The person is consulted to improve services through user involvement by these bodies or by an alternative body (for example, educational establishments and charities) who conduct:

- research, or
- monitoring, or
- planning

Service users may also be described as:

- experts by experience
- patients, or potential patients
- clients
- carers
- focus groups.

A body that seeks to improve services through user consultation may describe the process as:

- service user and carer involvement or
- public involvement or

- participation or
- co-production or
- Local Involvement Networks (LINks).'

Source: [Advice for Decision Making: Chapter H3 Universal Credit Earned income – employed earnings](#)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1087474/admh3.pdf) (Department for Work and Pensions).

Key benefit rules for service user involvement or co-production

- Guidance for Jobcentre Plus staff refers to 'service users and carers', stating that 'a service user is a person who has used or is using or may potentially use or is otherwise affected by (for example, a carer) services'.
- Payment for a person's time is always treated as earnings regardless of how it is described (e.g. vouchers, honorarium).
- People who use services and carers will not have their benefits affected by repayment of out-of-pocket expenses.
- People who use services and carers may decline an offer of a payment, ask to be paid a lower amount, or ask for the payment to be made to a charity and will not be treated as if they had been paid the full amount on offer. This is referred to as 'notional earnings' in the rules and regulations.
- People who receive Employment and Support Allowance can earn less than £152 a week with no time limit, provided they follow DWP procedures, and work for less than 16hrs a week. Employment and Support Allowance and Housing Benefit are not affected. This increases to £167 a week from April 2023.
- People who receive Universal Credit which includes the costs of rent, who are responsible for a child or have limited capacity for work/work-related activity have a work allowance of £344 a month, shared with a partner if applicable. This increases to £379 a month from April 2023. Earnings over the work allowance will lead to Universal Credit being reduced the following month by 55 pence for every £1.
- People who receive Universal Credit which **does not** include the cost of rent who are responsible for a child or have limited capacity for work/work-related activity have a higher work allowance of £573 a month, shared with a partner if applicable. This increases to £631 a month from April 2023. Earnings over the work allowance will lead to Universal Credit being reduced the following month by 55 pence for every £1.
- People who receive Universal Credit (other than the above groups) do not have a work allowance. All earnings lead to Universal Credit being reduced the following month by 55 pence for every £1.
- People who receive Carer's Allowance can earn up to £132 a week. If they also receive a carer's premium, and/or Housing Benefit and/or Council Tax Support/Reduction these are reduced when earnings exceed £20 a week. This increases to £139 a week from April 2023.
- People who receive Jobseeker's Allowance or Income Support or Pension Credit have an earning disregard of £5 or £10 or £20 a week depending on their individual circumstances. Earnings over the disregard leads to a reduction of the benefit £1 for each £1 earned.

DWP procedures for people who receive Universal Credit

A **person** who receives Universal Credit can start work or involvement at any time and does not need to get permission before starting.

The **organisation** that is paying the **person**, should provide [a letter explaining that 'service user involvement is not the same as work'](#) (see template example letters section), and about the support provided for mobility or care needs.

If the **person** is attending Jobcentre Plus for interviews they should tell their Work Coach about the **service user involvement** they are taking part in, and if possible take [a letter from the organisation](#) (see template example letters section) that is paying them that explains how involvement is different to work.

Once a **person** has been paid for involvement, they should report this to Jobcentre Plus before the end of the monthly benefit payment period. They should do this in their online journal. It is important to specify that this is a payment for **service user involvement** so that Jobcentre Plus knows that reimbursed expenses must be ignored and notional earnings do not apply.

The earnings of a **person** receiving Universal Credit will always be treated over a calendar month as it is paid monthly (whereas other benefit rules treat earnings on a weekly basis).

Universal Credit work allowance

Universal Credit is paid for living costs and housing costs. It allows some people to earn up to a certain amount in a month before it is reduced. This is called a '**work allowance**'. Different groups of people have different amounts of a work allowance. Some people do not have a work allowance.

All payments for involvement (or work) will lead to Universal Credit being reduced by 55 pence for every £1 earned when the amount is over the 'work allowance'. This does not affect entitlement. There is no limit on the number of hours of paid involvement (or work) that is allowed.

Some examples:

- **Person** qualifies for Universal Credit work allowance AND claims Universal Credit for rent costs

People who have responsibility for a child or have limited capacity for work/work-related activity have a work allowance of £344 a month shared with a partner if applicable, if Universal Credit is claimed for the rent. Work allowance increases to £379 a month from April 2023.

- **Person** qualifies for Universal Credit work allowance AND **does not** claim Universal Credit for rent costs

People who have responsibility for a child or have limited capacity for work/work-related activity have a work allowance of £573 a month shared with a partner if applicable, if Universal Credit is not claimed for the rent. Work allowance increases to £631 a month from April 2023.

- **Person** does **not** qualify for a Universal Credit work allowance

People who are not responsible for a child or have limited capacity for work/work-related activity do not have a work allowance. They have Universal Credit reduced the following month by 55 pence for every £1 they earn. (Example: earn £100 in a month, the following month Universal Credit is reduced by £55, they are better off by £45.)

DWP procedures for people who receive Employment and Support Allowance

A **person** who receives Employment and Support Allowance may earn less than £152 net a week without any time limit. NB If they earn more, their benefit is stopped pending a review which may take months. Rate increases to less than £167 a week from April 2023.

Employment and Support Allowance, and Housing Benefit are not affected by these earnings providing the **person** has followed mandatory benefit procedures and has notified DWP about their Permitted Work. The amount of paid involvement must be under 16 hours a week.

The **person** who receives Employment and Support Allowance is required to inform Jobcentre Plus before earning any money. They must download the form [PW1 for Permitted Work](#)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1064087/permitted-work-form-pw1.pdf), complete it and return it to the DWP/Jobcentre Plus office that administrates their benefit. They should state that they are doing '**service user involvement**' so that Jobcentre Plus is informed and made aware that reimbursed expenses must be ignored and notional earnings should not be applied.

They should ask the organisation that is paying them, to provide a [letter explaining that 'service user involvement' is not the same as work](#) (see template example letters section), and about support provided for mobility or care needs.

It is advisable to send the PW1 form by recorded delivery and to keep a copy.

DWP procedures for people who receive the new style contributory Employment and Support Allowance claimed with Universal Credit for rent costs

This benefit may be claimed when a person falls ill after two years of employment with National Insurance contributions. It is paid for one year after which the person will be transferred to Universal Credit.

The earning rules and procedures for both Employment and Support Allowance and Universal Credit must be followed.

This means that although a person can earn **less than-£152 a week** without affecting the element of Employment and Support Allowance, **earnings over £344 a month** will lead to the element paid for the rent from Universal Credit being reduced the following month by 55 pence for every £1 over. The earnings rate per week for Employment and Support Allowance increases to less than £167 per week from April 2023.

For people who are transferring from Employment and Support Allowance to Universal credit

People who are earning **less than £152** a week as allowed by the Permitted Work rule, should reduce this amount before they are transferred to Universal Credit. This is because, unless certain exceptions apply, earnings of **less than £152 a week** when in receipt of Universal Credit, may lead to loss of the limited capacity for work/work-related activity status, which may lead to loss of additional benefits. The **person** will be required to look for work and apply for jobs 35 hours a week regardless of their health condition.

Weekly earnings must be less than the relevant national minimum wage rate of £9.50 per hour x 16 hours = £152 up to April 2023.

The relevant national minimum wage rate increases to £10.42 per hour from April 2023. 16 hours x £10.42 = £166.72 up to April 2024.

The work allowance in Universal Credit is in any case much lower than Permitted Work. People working part-time will see a significant reduction in their final income from earnings.

Mortgage interest loan payments from Universal Credit: legislative change to be introduced Spring 2023.

Previously people who received mortgage interest loan payments as part of their benefits had to consider stopping their earnings before they were transferred to Universal Credit. This is because any earnings at all, even £5, would result in the mortgage interest loan payments being stopped for nine months. This was unless the amount they were earning as allowed by the higher work allowance, was sufficient to reliably pay for their mortgage interest payments instead of benefits.

Legislative change: from Spring 2023 people who receive mortgage interest loan payments will be allowed to have earnings without their mortgage interest payments being affected. The Government have not yet provided an exact date.

DWP procedures for people who receive Income Support, Jobseeker's Allowance or Pension Credit

People who receive Income Support, Jobseeker's Allowance or Pension Credit are only allowed to earn £5, £10 or £20 a week before their benefit is reduced by £1 for every £1 they are paid over the relevant limit.

People who **in addition** also receive Disability Living Allowance (DLA) or Personal

Independence Payment (PIP) or Attendance Allowance (AA) or are a lone parent have the £20 a week disregard. See 'Measures that your organisation can introduce to support people who receive benefits' section below.

People who attend the Jobcentre because they are looking for work must obtain prior permission from their Work Coach to earn some money through service user involvement. They should ask the organisation that is paying them, to provide a [letter explaining that 'service user involvement' is not the same as work](#) (see template example letters section), and about the support provided for mobility or care needs.

DWP procedures for people who receive Carer's Allowance

People who receive Carer's Allowance can earn up to an absolute limit of £132 net a week. However, if they also receive carer's premium or Housing Benefit, or Council Tax Support/Reduction, earnings over £20 a week will lead to reductions of the benefit.

The person does not need permission to start paid involvement but must notify the Carer's Unit as soon as possible after starting. They should ask the organisation that is paying them to provide a [letter explaining that it is 'service user and carer involvement'](#) (see template example letters section), so that expenses are ignored and notional earnings do not apply.

DWP procedures for people who receive Disability Living Allowance

Personal Independence Payment or Attendance Allowance

People who receive Disability Living Allowance (DLA) or Personal Independence Payment (PIP) or Attendance Allowance (AA) will not have these benefits for mobility and/or care needs affected by earnings or by savings. However, in recent years Jobcentre Plus and DWP have queried the continued entitlement of people who have started involvement but who did not explain about the support they have received for their mobility needs and/or care needs.

The organisation that is paying for service user involvement should provide a [letter that explains about the support provided for mobility and care needs](#) (see template example letters section). This may include the provision of an alternative to public transport and/or the provision of a support worker. This letter can be given to the Work Coach at the Jobcentre and also sent by the **person** receiving the benefit to the relevant DWP administration office for DLA or PIP or AA. **This is important.**

Council Tax Support/Reduction and earnings

The official name is Council Tax Reduction but most councils call it Council Tax Support.

Each local authority makes its own rules on charging for Council Tax for people of working age. The organisation that is paying the person, should provide a [letter explaining that 'service user involvement' is not the same as work](#) (see template example letters section), and about the support provided for mobility or care needs. A person may be charged if they have earnings from involvement, although the local authority may average payments over several weeks. People should contact their council and find out about the local arrangements.

Measures that your organisation can introduce to support people who receive benefits

Enable earnings to be treated as averaged over a month or three months

Your organisation can introduce a helpful measure for people with a low weekly limit on their earnings.

Where people receive any of the above benefits for living costs, the Department for Work and Pensions can decide to average out payments for involvement (or work) over the organisation's payment period if there is more than one paid involvement event in the period.

For example, a payment of up to £60 for two involvement events over a 12-week payment period may not lead to a reduction of Jobseeker's Allowance even if the person can only earn up to £5 a week (£5 x 12 weeks = £60). Jobcentre Plus will look at each situation to decide if this applies or not. See DWP guidance Advice for Decision Makers on 'Calculation of weekly amount', in '[Further reading](#)' section below.

Ensure that reimbursed expenses are ignored by Jobcentre Plus and are not treated as earnings

A repayment of the exact costs of out-of-pocket expenses incurred for paid or voluntary involvement will be ignored providing the Jobcentre has been told that it is '**service user involvement**'.

If a reimbursement is made via a bank transfer the organisation can make this separately to the payment with a reference such as EXP SUI. Or alternatively provide a pay slip showing the expenses separately to the payment.

Expenses can include:

- travel costs
- child care costs
- replacement carer

- personal assistant, support worker, facilitator, communicator
- overnight accommodation, where necessary
- subsistence, where necessary
- stationery, phone costs, etc.

Expenses that are covered

Expenses that are 'covered' or paid for directly by the organisations involved do not affect benefits. Many organisations provide travel tickets and pay personal assistants, support workers, replacement carers directly, so that people who use services are not left out-of-pocket while repayments are processed.

Where people may be receiving payments for involvement from another organisation

If a person who receives payments from another organisation as well as from your organisation, they are required to notify Jobcentre Plus/DWP about both activities and the amounts paid in total.

Your organisation can ask the person to advise on the amount of money they can accept from your organisation having taken into account the amount paid by the other organisation(s).

Where your organisation is using PAYE for payments

If your organisation plans to use PAYE, you will need to send a person's details to your HMRC Tax Office to obtain a tax code.

HMRC and Jobcentre Plus now share information.

It is important for the person to have notified the Jobcentre of their plan to accept payments for service user involvement, **before** your organisation sends their details to the Tax Office.

This is because the tax forms do not allow a person to say that they will be doing service user involvement. When the Jobcentre sees an application for a tax code they will assume the person has found employment. They will stop their benefits.

Provide a letter addressed to Jobcentre Plus from your organisation

The letter explains how service user involvement is different to work, and about the support you provide for mobility and/or care needs.

Use of letter

To provide to people who are being invited for service user involvement, and who are in receipt of any state benefits. They can give or post the letter to the Jobcentre/DWP when either obtaining permission for earnings and involvement or when notifying earnings.

Purpose of letter

Although DWP benefit conditions may be followed exactly, benefit entitlement may be reviewed or stopped, for six possible reasons:

- Involvement and a high rate of pay being mistaken for evidence of capacity for work. This may lead to a review of benefit entitlement (Employment and Support Allowance, Universal Credit for limited capacity for work or work-related activity)
- Paid involvement being mistaken for a commitment that prevents a person from fulfilling Jobcentre Plus requirements to attend an interview or work experience, or to continue their caring responsibilities
- Payments which exceed weekly limit being treated weekly rather than monthly
- Reimbursed expenses being wrongly treated as earnings leading to benefits being reduced or stopped (all the above listed benefits)
- An offer of payment that is declined being treated as if it had been received (notional earnings) (all the above listed benefits)
- Participation in involvement being mistaken for a reduction in care or mobility needs (Disability Living Allowance, Personal Independence Payment, Attendance Allowance) leading to a review of entitlement.

Note: DWP main legislation refers to '**service user involvement**' and therefore the letter should contain this phrase.

See SCIE's [example letter](#) in the template example letters section.

Template example letters

Explanation for the person providing involvement about the use of the template letter

[Your organisation's headed paper]

Address line 1

Address line 2

Postcode

Contact details

Dear [name of person providing involvement],

[name of your organisation] are committed to paying people who use service and carers for their involvement in our work.

We are aware that there can be particular complications when accepting a payment from [name of your organisation] for people who receive benefits.

For most benefits it is essential to inform Jobcentre Plus of any payment you have been offered. Some people may need prior permission from their Work Coach at the Jobcentre before they can agree to paid involvement.

It is important to be aware of how much you are allowed to accept. This can be complicated as there are different rates for different benefits. Information on the DWP earning limits and disregards and benefit procedures are set out on the SCIE website at:

<https://www.scie.org.uk/co-production/supporting/paying-people-who-receive-benefits>

People who are in receipt of benefits because of health issues or disability must take care to prevent any misunderstandings with Jobcentre Plus. It is important to tell Jobcentre Plus that **service user involvement** is different to work and cannot be used to determine capacity for work.

If you receive a benefit such as Disability Living Allowance or Personal Independence Payment or Attendance Allowance it is important to explain about the support provided for your mobility and/or care needs. This is so that DWP do not misunderstand and think that you have recovered from your mobility needs and/or care needs.

Below we have included a template letter that you can show to your Work Coach at the Jobcentre or post to the Jobcentre when you are advising about your plans for involvement or asking for permission.

If you receive a benefit for mobility and/or care needs you should also post the letter to the DWP office that administrates the relevant benefit.

[name of your organisation] wishes to confirm that we will not communicate with Jobcentre Plus or DWP directly about your personal involvement.

Yours faithfully,

[Signed by member of staff]

Organisation provides to person taking part in involvement for them to send to DWP/Jobcentre Plus

[Your organisation's headed paper]

Address line 1

Address line 2

Postcode

Contact details

To Jobcentre Plus,

[Name of person providing involvement] has been requested to assist [name of your organisation] with service user and carer involvement and/or co-production. We wish to ensure that the purpose of service user and carer involvement and/or co-production is understood and is not mistaken for work.

What is [name of your organisation]?

[Describe what your organisation does]

We involve people who use health and social care services because of ill-health or disability or their personal life experiences in developing and improving services/research/monitoring services/guidance [as relevant]

What is service user involvement and co-production?

People who can offer a service user perspective because of their personal experiences of using health and social care services are requested to assist in our work.

DWP have a full description of service users that applies to all benefits and can be found in Advice for Decision Makers Chapter H3: paragraph 3161.

The difference between service user involvement and work

Involvement activities should not be mistaken as capacity for work, and recruitment for service user involvement and co-production should not be confused with recruitment for employment. People are recruited because of their personal experiences of using health and social care services.

Service user and carer involvement activities:

- are intermittent and people can withdraw at any time
- vary in length and in frequency, and usually last for a few hours (or less) in any one week
- are individual activities and do not imply future involvement
- may include attendance of quarterly or annual meetings
- may include contributing to intermittent meetings or telephone conferences

- may include helping to prepare for meetings, telephone conferences or events
- may include some follow-up activities after meetings or events.

Any payment that is offered for service user and carer involvement is intended to cover preparation, attendance and appropriate follow-up activities.

Support provided for mobility and care needs

[Name of your organisation] provides support measures that are appropriate for each individual, so that people can attend and contribute to our meetings and events. Some people who we involve may be in receipt of benefits for mobility or care needs. Involvement in activities should not be interpreted as a reduction in the care or mobility needs of service users involved.

Support for care or mobility needs is offered as required by the service user or carer and may cover preparation, alternative transport options for travel to and from a venue, and personal individual support both during and after the activity. For example, support may include provision of a personal assistant or a support worker.

Payment for service user and carer involvement

Good practice guidance for service user and carer involvement and co-production recommends that people should be offered payment for activities such as attending meetings and events, and that reasonable out-of-pocket expenses should be covered or reimbursed. Please note that:

- [name of your organisation] offers service users and carers who receive welfare benefits which have earnings limits or disregards, the options of involvement on a voluntary basis, or for a lesser payment, if requested.
- [name of your organisation] pays monthly in arrears.
- The [name of your organisation] payment period is over a month or more, and so we anticipate that Jobcentre Plus will treat these payments as averaged over the payment period. See Decision Makers Guide Chapter 48 paras 4080-81 and for a cycle of work para 48094.
- The Department for Work and Pensions legislation exempts 'service users and carers' from the application of notional earnings and treats reimbursed expenses for service user involvement as ignored. See Advice for Decision Makers Chapter H3, paras 3160 and 3241.
- Service users and carer can withdraw from involvement activities at any time to attend 'employment-related' activities if required by Jobcentre Plus.

Please do not hesitate to contact me if you require further information.

[Signed by member of staff]

Examples

Example: Employment and Support Allowance and Housing Benefit

Jenny Thomas is in receipt of Employment and Support Allowance and Housing Benefit. She is asked to get involved with a University Research Hub study of integrated personal budgets. She is asked to attend three planning meetings over a three-week period and is offered £50 for each meeting plus her travel expenses. Jenny decides to accept and advises the Hub that she has to send in the Permitted Work form to DWP/Jobcentre Plus before she can start. Jenny fills in a PWI form and explains that she will be doing service user involvement and will be paid £50 a meeting once a week. She asks the University for a letter explaining that she is being consulted as service user involvement and this is not work. Jenny completes the PW1 form and takes a copy of the PW1 form to keep for herself. She sends the form and the letter from the University by recorded delivery and keeps the receipt. She may not hear back from Jobcentre Plus so this is her proof.

Her earnings are within the Permitted Work limit and her expenses are ignored, so her benefits are not affected.

Example: Universal Credit with Personal Independence Payment and expenses

Jake Driver is in receipt of Universal Credit for limited capacity for work-related activities and Personal Independence Payment for mobility needs and care needs. His Universal Credit has a work allowance of £344 a month. He has been asked to join a regular meeting which is supporting the development of services run by a charity to support people with a learning disability into work. The group meets every two weeks for four hours. The charity offers him payment of £100 a session. £200 is paid monthly. Jake has a learning disability and cannot use public transport or find his way to a new place without assistance. He needs help with understanding discussion in meetings. The charity offers Jake a support worker to accompany him to the meetings and to support him during the meetings. The support worker will be paid for their time from leaving Jake's home to returning with him. This is six hours at £15 an hour = £90 a session. £180 is reimbursed monthly.

Jake is paid £200 and is reimbursed £180 = £380 monthly. His Universal Credit is not affected as the amount he is paid of £200 is less than his work allowance. The costs of the support worker of £180 are treated as expenses so do not affect his benefits.

Jake gets help to fill in his Jobcentre Plus online journal. He puts the amount he will be paid for his time and the amount he will be reimbursed as expenses for his support worker. He puts that he is doing 'service user involvement' on the journal so that expenses are ignored. Jake sends the Jobcentre the letter from the charity explaining that service user involvement is different to work. Jake also sends the letter from the charity about the support he is getting for his mobility needs and care needs to the DWP office that administrates his Personal Independence Payment.

Example: Carer's Allowance with carer's premium

David Cohen is a full-time carer for his wife who is disabled. He receives Carer's Allowance, carer's premium and Housing Benefit. David is invited to participate on a national steering group that is developing good practice guidelines for respite care. David is allowed to earn up to £132 a week for Carer's Allowance. He is offered £50 for each weekly meeting but decides to ask for £20 instead as this will not affect his carer's premium or his Housing Benefit. He is reimbursed his travel expenses of £90 and £60 for the cost of a replacement carer for the time that he will be away. David notifies the Carer's Unit, as is required, sending the letter that explains it is service user and carer involvement. His benefits are not affected.

Example: Notional earnings are not treated as income

Amina Patel receives Employment and Support Allowance and Chris Feathers receives Universal Credit with no work allowance. They are asked to help with improving discharge and aftercare services at their local NHS trust psychiatric hospital. Amina and Chris both have experience of being admitted as an in-patient and of using aftercare services. The trust invites them to participate in a one-day planning seminar at short notice and offers them each a payment of £120 as a fee plus repayment of their travel expenses.

Amina explains that she has to inform Jobcentre Plus of her plan to do Permitted Work before she can be paid for involvement. The meeting is planned for the next day so there is not enough time for her to download the PW1 form, complete it and post it by recorded delivery to Jobcentre Plus. Amina offers to attend on a voluntary basis and to be reimbursed her travel costs. Her benefits will not be affected as notional earnings are not applied to the payment that was offered but declined. She notifies the Jobcentre that she is doing service user involvement so that the repayment of her travel expenses will be disregarded.

Chris will have his Universal Credit reduced by £66 the following month if he accepts. He decides that he does not want to be paid at all. He asks the trust to donate £120 to a charity instead. Chris accepts a repayment of £9.80 for travel expenses. He notifies Jobcentre Plus as required that he is doing service user involvement so that his travel expenses are ignored and notional earnings are not applied.

Further reading

[Welfare benefits Jobcentre/DWP letter](https://www.nihr.ac.uk/documents/welfare-benefits-jobcentre-letter/27407) (https://www.nihr.ac.uk/documents/welfare-benefits-jobcentre-letter/27407) (National Institute for Health Research)

Another example of a letter addressed to the Jobcentre about service user involvement.

[Employment and Support Allowance: Permitted Work form](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1064087/permitted-work-form-pw1.pdf)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1064087/permitted-work-form-pw1.pdf)

NB: SCIE is aware, at time of publication, February 2023, that there is a discrepancy between the **DWP factsheets** (https://www.gov.uk/government/publications/employment-and-support-allowance-permitted-work-form/permitted-work-factsheet) and PW1 form. The PW1 form states that earnings that are 'less than' £152 a week are allowed. This contradicts the statement on the DWP factsheet that says earnings of 'up to' £152 a week are allowed. DWP have been made aware of this discrepancy. SCIE is also aware that the fact sheet suggests that Housing Benefit may be affected by Permitted Work earnings. SCIE understands that this is not the case, but advises you obtain confirmation in an individual case from DWP. Similarly DWP have been informed about our concerns on this wording.

[Advice for Decision Makers](https://www.gov.uk/government/publications/advice-for-decision-making-staff-guide) (https://www.gov.uk/government/publications/advice-for-decision-making-staff-guide) (ADM) - DWP guidance for Jobcentre Plus staff

[Vol 3 ESA - Effect of work](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/959415/admv3.pdf)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/959415/admv3.pdf)

Exempt work:

- V3070 Community Interest Company
- V3075 Permitted Work
- V3081 Calculating hours of Permitted Work
- V 3091 Voluntary Work

[Vol 4 ESA and employed earners](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1067588/admv4.pdf)

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1067588/admv4.pdf)

- V4119 Service user groups payment and expenses
- V4120 Meaning of service user calculation of weekly amount:
- V4800 Period of a month
- V4801 Period of three months
- V4811 Averaging of amounts

Chapter H3 Universal Credit earned income – employed earnings

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1087474/admh3.pdf)

- H3160 Service users – expenses
- H3161 Meaning of service user (full description that applies to all benefits)
- H3225 (3) Notional earnings
- H3241 Service users (applies to all benefits)

Chapter F4 Universal Credit and support for owner occupiers

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/864905/admf4.pdf)

- F4020 Circumstances where no amount of Housing Costs Element will be included in an award of Universal Credit where owner occupier has earned income

Universal Credit work allowance rates

(<https://www.gov.uk/government/publications/universal-credit-work-allowances/universal-credit-work-allowances#work-allowance>)

Housing Benefit

(https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/426944/g2-2015.pdf)

- The Social Security (Miscellaneous Amendments) Regulations 2015 (SI 2015/67)
- 36 and 37 Service users



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