

Guidance for people who are in receipt of state benefits and considering involvement in research

Are you in receipt of state benefits and considering involvement in research?

This guidance answers your questions:

- What do I need to do before deciding to get involved?
- How much can I earn without affecting my benefits?
- Do I have to fill in any forms before I start?
- Can I be reimbursed my expenses without affecting my benefits?
- Where can I get more advice?

Step 1

Give yourself time to check things out before you agree to any involvement. Explain to the Health and Care Research Wales Public Involvement and Engagement Team that you must make an informed choice about involvement rates and terms so that your benefits are not affected. Some people may need up to two weeks to read this guidance and decide what to do. Some people need to fill in a form for permission to earn some money whilst being in receipt of benefits. Some people need to get permission from their Personal Advisor or Job Coach.

Step 2

Check out how much you are allowed to earn before your benefits are affected. Go to the page about the benefits you receive:

- Employment and Support Allowance - go to [page 4](#).
- Jobseeker's Allowance, Income Support - go to [page 7](#).
- Carer's Allowance, State Retirement Pension, Pension Credit - go to [page 10](#).
- Universal Credit – go to [page 12](#).
- Or are you a young person who is not in receipt of benefits? – go to [page 17](#).

Step 3

Have you decided to volunteer for involvement? Then go to [page 18](#) and check out voluntary involvement for all benefits.

Step 4

Are you going to have your expenses reimbursed? Then go to [page 19](#).

Step 5

Are you going to decline an offer of payment? Then go to [page 20](#) and check out the good news. All reimbursed expenses for involvement are ignored. Notional earnings will not be applied for involvement.

Step 6

Have you heard about ways to ease benefit rules? Then go to [page 21](#) and check out some myths about benefit rules.

Step 7

Some helpful benefit rules are described on [page 22](#).

Step 8

If you are still uncertain about getting involved, go to [page 23](#). Find out about completing a Permitted Work (PW1) form and how the Public Involvement and Engagement Team can help, and about access to free welfare rights advice on involvement.

Step 9

When could earnings from involvement be taxable? Go to [page 26](#).

Step 2: How much can I earn from involvement before my benefits are affected?

Different benefits have different rules on earnings.

This section is for people who must follow Permitted Work rules because they are in receipt of:

- Employment and Support Allowance (from April 2017 the one year time limit on higher earnings was removed)

See what you might be able to earn without affecting your benefits on the chart on the next page.

You might like to ask to be paid less than you have been offered, so that your benefits are not affected.

If you are offered involvement that will be intermittent and on at least two occasions, Jobcentre Plus may agree to treat your earnings as averaged over the period. (For instance: a payment of £40 once a fortnight may be treated as £20 a week.) See [Step 7](#) for more information.

Remember!

You must complete the Permitted Work form (PW1) from Jobcentre Plus, take a copy and send it by recorded delivery to the Jobcentre before you start paid involvement.

Watch out!

There is an absolute limit on how much you can earn. If you earn more in a week than allowed, your benefits can be stopped.

Benefit type	Up to £131.50 a week limit for as long as you choose (the one year time limit was abolished for Employment and Support Allowance in April 2017)	Effect of earnings on the benefit or on Housing Benefit /Local Housing Allowance
Employment and Support Allowance	Up to £131.50 a week at any time after sending in a PW1 form	No effect on Employment and Support Allowance or Housing Benefit /Local Housing Allowance

Remember, any involvement that is paid must always be less than 16hrs a week on average. Council Tax Support may be reduced. Each local authority has a different rule. You should check if your earnings may lead to a reduction of Council Tax Support.

When you have read all the advice on earnings, perhaps got further advice from the Benefits Advice Service for Involvement and decided how much you can earn without affecting your benefits, ask for two letters from the Health and Care Research Wales Public Involvement and Engagement Team:

- a standard letter of support addressed to the Jobcentre that explains you are being asked to help with service involvement because of your experience of using health services and says you can stop involvement at any time if the Jobcentre expect you to do 'work related activity';
- an offer of payment in a letter that explains about involvement when you liaise with Jobcentre Plus OR if you prefer an offer of voluntary involvement.
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See [page 23](#) for more advice on getting and filling in a Permitted Work form (PW1).

See [page 26](#) for taxable benefits.

Has the Jobcentre told you that you are going to be transferred from Employment and Support Allowance to Universal Credit?

Planning ahead for involvement:

If you are earning up to £131.50 a week for involvement as allowed by Permitted Work rules you need to plan ahead for the different benefit rules on earning that will apply when you start receiving Universal Credit.

You should read up the leaflet about Universal Credit and the new system for earnings.

There are some potential catches to think about:

- If you are earning £131.50 a week or the equivalent on a monthly basis, when you start on Universal Credit, the Jobcentre will review your entitlement to the extra amount that you receive because of your health problems. It is best to reduce your earnings to less than £130 a week before you start on Universal Credit as you will be less likely to be reviewed. You should write to the Jobcentre and tell them that your earnings have been reduced. Send this by recorded delivery. Keep a copy of your letter.
- If you receive **mortgage interest** payments for a loan with your Employment and Support Allowance you must reconsider your earnings. This is because when you start getting Universal Credit and you receive ANY MONEY AT ALL your mortgage interest for a loan **will be stopped for 9 months!**
- The amount that you can earn before your Universal Credit is reduced, is much lower than the Permitted Work limit. There are two rates of the 'work allowance' for people with limited capacity for work or are in the support group.

If you are getting your housing costs for rent paid through Universal Credit your 'work allowance' will be £287 a month. If you earn more than £287 a month, the following month Universal Credit will be reduced by 63p for every extra £1 you have earned.

If you are not claiming any housing costs for rent your 'work allowance' is higher at £503 a month before Universal Credit is reduced the following month by 63p for every extra £1 you have earned. And your Council Tax Support might be reduced as well. You have a decision to make about your future level of earnings.

Step 2 continued: How much can I earn from involvement before my benefits are affected?

Different benefits have different rules on earnings. This section is for people who are in receipt of:

- Jobseeker's Allowance, or
- Jobseeker's Allowance with Disability Living Allowance or Personal Independence Payment,
- Income Support (not with disability premium), or
- Income Support as a lone parent.

See what you might be able to earn without affecting your benefits on the chart on the next page.

You might like to ask to be paid less than you have been offered so that your benefits are not affected.

If you are offered involvement that will be intermittent and on at least two occasions, Jobcentre Plus may agree to treat your earnings as averaged over the period. (For instance: a payment of £40 once a fortnight may be treated as £20 a week.) See [Step 7](#) for more information.

Remember!

You must get permission from your Personal Advisor or Job Coach BEFORE you start earning any money from involvement. You must promise to prioritise any requirements of the Jobcentre about looking for work and training. If you refuse the Jobcentre may reduce (sanction) your benefits.

Some earnings are disregarded!

This chart shows the amount of earnings that are disregarded. If you earn more, your benefits will be reduced by 1p for every 1p over.

Watch out! Housing Benefit/Local Housing Allowance and Council Tax Support may be affected if your Jobseeker's Allowance or Income Support is reduced to nil. See [page 20](#) for taxable benefits.

Benefit type	Earnings per week that are disregarded before benefit is reduced	Effect of earnings on the benefit or Housing Benefit (HB) OR Local Housing Allowance (LHA) & Council Tax Support
Jobseeker's Allowance (JSA)	£5 a week or £10 for a couple is disregarded (either partner can use).	Earnings over the disregard JSA is reduced by 1p for every 1p over. No effect on housing cost benefits until JSA is reduced to nil.
Jobseeker's Allowance (JSA) with Disability Living Allowance or Personal Independence Payment	£20 a week is disregarded.	Earnings over the disregard JSA is reduced by 1p for every 1p over. No effect on housing cost benefits until JSA is reduced to nil.
Income Support (IS)	£5 a week or £10 for a couple is disregarded (either partner can use).	Earnings over the disregard IS is reduced by 1p for every 1p over. No effect on housing cost benefits until IS is reduced to nil.
Income Support as a lone parent (IS) or with Disability Living Allowance or Personal Independence Payment	£20 a week is disregarded.	Earnings over the disregard IS is reduced by 1p for every 1p over. No effect on housing cost benefits until IS is reduced to nil.

If you get Jobseeker's Allowance or Income Support you are allowed to earn over the disregard but your benefits will be reduced by 1p for 1p over the disregard amount. For example: if your earning disregard is £20 a week, and you earn £40 one week, your Jobseeker's Allowance or Income Support will be reduced by £20.

The Health and Care Research Wales Public Involvement and Engagement Team can provide you with an offer of payment in a letter that explains about involvement being different to work and a letter making an offer of payment for when you liaise with Jobcentre Plus OR if you prefer an offer of voluntary involvement. The letters will say that you can stop involvement at any time if you get a job or if the Jobcentre expect you to do some training or work related activity.

Has the Jobcentre told you that you are going to be transferred from Jobseeker's Allowance to Universal Credit?

Planning ahead for involvement:

If you are earning up to £5 or £20 a week from involvement as may be allowed you need to plan ahead for the different benefit rules on earning that will apply when you start receiving Universal Credit.

You should read up the leaflet about Universal Credit and the new system for earnings.

WARNING if you are receiving mortgage interest for a loan with your Jobseeker's Allowance:

- If you receive **mortgage interest** payments for a loan) with your Jobseeker's Allowance you must reconsider your earnings. This is because when you start getting Universal Credit and you receive ANY MONEY AT ALL your mortgage interest for a loan **will be stopped for 9 months!** If you have permission for earnings you must tell the Jobcentre that you have stopped any earnings at all. Put this in writing and keep a copy. Give the letter to your Personal Advisor or Job Coach when you next sign on.

Step 2 continued: How much can I earn from involvement before my benefits are affected?

Different benefits have different rules on earnings. **This section is for people who are in receipt of:**

- Carer's Allowance, or
- Carer's Allowance with Income Support top up (carer's premium) or
- State Retirement Pension and maybe
- Pension Credit (paid with a State Retirement Pension)

See what you might be able to earn without affecting your benefits on the chart on the next page.

You might like to ask to be paid less than you have been offered so that your benefits are not affected.

If you are offered involvement that will be intermittent and on at least two occasions, Jobcentre Plus may agree to treat your earnings as averaged over the period. (For instance: a payment of £40 once a fortnight may be treated as £20 a week.) See [Step 7](#) for more information.

Are you in receipt of Carer's Allowance?

Remember!

You must notify the Carer's Allowance Unit in writing BEFORE you start earning any money from involvement. (This does not apply to State Retirement Pension, see the next page.)

Watch out!

Carer's Allowance has an absolute limit of £123 net a week of earnings (after tax). If you earn more than allowed in just one week, this benefit can be stopped.

Benefit type	Earning limit per week or earning disregard before benefit is reduced	Effect of earnings on benefit or Housing Benefit OR Local Housing Allowance, Council Tax Support or mortgage interest if these are received (housing cost benefits)
Carer's Allowance (CA)	£123 net a week limit (after tax).	Earn over the limit and CA is stopped that week. Effect on housing cost benefits depends on a number of factors such as the person you are caring for. Get advice!
Carer's Allowance with Pension Credit /Income Support top up (carer's premium)	£20 week is disregarded from IS.	Earn over the disregard and carer's premium is reduced by 1p for 1p over. No effect on housing cost benefits until Income Support reduced to nil.
State Retirement Pension (RP)	Earnings do not affect State Retirement Pension.	No effect on RP but earnings may be taxable. See page 26. Housing cost benefits will be reduced when your total income reaches a certain amount. This varies according to your circumstances. Get advice!
Pension Credit (PC)	May be £5 or £10 or £20 disregard.	Earn over the disregard and PC is reduced by 1p for 1p over. Earnings may be averaged over a year. Effect on housing benefits depends on a number of factors. Get advice!

If you get carer's premium (Income Support top up) you are allowed to earn over the £20 disregard but your Income Support will be reduced by 1p for 1p over the disregard amount. You must notify Jobcentre Plus.

If you are in receipt of State Retirement Pension you do not have to notify anyone unless your income exceeds the tax threshold. See [page 26](#). If you are in receipt of Pension Credit you must notify earnings in due course to the Pension Service. You can ask for your earnings to be treated as averaged over a year. The Pension Service has agreed this for other people who receive Pension Credit.

The Health and Care Research Wales Public Involvement and Engagement Team can provide you with an offer of payment in a letter that explains about service user involvement when you liaise with the Carer's Allowance Unit OR if you prefer an offer of voluntary involvement.

Step 2 continued: How much can I earn from involvement before my benefits are affected?

Different benefits have different rules on earnings. This section is for people who are in receipt of:

- Universal Credit

If you are unemployed and in receipt of Jobseeker's Allowance you will be transferred to Universal Credit in due course. If you are in receipt of Employment and Support Allowance and have a change of circumstances you will be transferred to Universal Credit. The Dept. for Work and Pensions has delayed transferring others for the time being (latest news April 2019)

NB The Dept. for Work and Pensions acknowledge that they are experiencing teething problems with administrating Universal Credit at this time. For the time being it is best to remain on Employment and Support Allowance if you can.

Are you in receipt of Universal Credit? Good news for involvement!

- You can start work or involvement at any time. You do not need permission to start earning money.
- Your earnings will always be treated as averaged over a calendar month. This is because Universal Credit is paid monthly.
- When you have been paid you must tell Jobcentre Plus before your next payment of Universal Credit is due. You can do this online if you want. In the box for 'any other information' tell them that it is a payment for service user involvement. This is important as reimbursed expenses for service user involvement are ignored.
- If you are receiving Universal Credit because of your limited capacity for work you should take the letter that explains that service user involvement is different to work and the letter offering you payment to the Jobcentre and ask them to give the letters to the person dealing with your claim.

That's it! Easy!

Universal Credit has different rules about earnings

- Universal Credit is different to other benefits. It is reduced if you earn any money (for some people) or for others it is reduced if they earn over their work allowance, but it is not stopped. If you earn over your work allowance amount, Universal Credit is reduced by 63pence for every £1 over. But your entitlement remains.

- As Universal Credit is paid monthly any payment for involvement is automatically spread over the calendar month work allowance. This is good news for involvement which is not every week. Also there is no limit on the number of hours of involvement that you can do.

If you have rental costs, Universal Credit will include an amount that replaces Housing Benefit/Local Housing Allowance. If you have mortgage interest payments for a loan Universal Credit will include an amount that replaces Income Support. **But you must stop earning any money at all. See the warning below.**

Council Tax Benefit has been replaced by Council Tax Support paid through your local council. You should contact your local council to find out if your earnings could affect Council Tax Support. Each local authority has different rules on earnings.

Some people have a Universal Credit ‘work allowance’

The following groups of people have a work allowance:

- single parents responsible for one or more children or qualifying young persons,
- joint claimants responsible for one or more children or qualifying young persons,
- people who have a limited capacity for work.

A ‘work allowance’ means that people can earn up to a set amount per calendar month before Universal Credit is reduced. See below for the rates.

Work Allowance rates for people who are in receipt of Universal Credit

There are two rates of work allowance for Universal Credit. The lower rates are for people who are in receipt of Universal Credit for the costs of their rent.

The higher rates of work allowance are for people who are in receipt of Universal Credit that does not include any amount for housing costs (rent only).

Universal Credit lower work allowance		
People who are in receipt of Universal Credit that includes rent costs	Work allowance rates per calendar month	Effect on Universal Credit including the costs of rent (but not mortgage costs)
Single people		
Responsible for one or more children or qualifying young persons	£287.00	No effect on Universal Credit including the costs of rent
Limited capability for work	£287.00	No effect on Universal Credit including the costs of rent
Joint claimants		
Responsible for one or more children or qualifying young persons	£287.00	No effect on Universal Credit including the costs of rent
Limited capability for work	£287.00	No effect on Universal Credit including the costs of rent

Universal Credit higher work allowance

People who are in receipt of Universal Credit that does NOT include rent	Work allowance rates per calendar month	Effect on Universal Credit including the costs of rent (but not mortgage costs)
Single people		
Responsible for one or more children or qualifying young persons	£503.00	No effect on Universal Credit including the costs of rent
Limited capability for work	£503.00	No effect on Universal Credit including the costs of rent
Joint claimants		
Responsible for one or more children or qualifying young persons	£503.00	No effect on Universal Credit including the costs of rent
Limited capability for work	£503.00	No effect on Universal Credit including the costs of rent

Will you be receiving reimbursed expenses for involvement?

No problem! Reimbursed expenses for involvement are ignored. You must tell the Jobcentre that the payments are for service user involvement. When you fill in the online form there is a box for 'any other information'. Explain about service user involvement in this box. The Health and Care Research Wales Public Involvement and Engagement Team can provide you with an offer of payment in a letter that explains about involvement when you liaise with Jobcentre Plus. Take a copy of these letters to the Jobcentre and ask them to be given to the person dealing with your claim.

Warning! Will you claim Universal Credit for the costs of mortgage interest?

If you are in receipt of mortgage interest as part of your Universal Credit you will lose this entirely if you earn ANY MONEY AT ALL. Even just £5. The mortgage interest or loan element will be stopped for nine months.

Another warning: Are you being transferred from Employment and Support Allowance to Universal Credit? Have you got permission for Permitted Work earnings of up to £131.50 a week?

If you appear to be earning £131.50 a week or the equivalent on a monthly basis, when you start on Universal Credit, the Jobcentre will review your entitlement to the extra amount that you receive because of your health problems. It is best to reduce your earnings to less than £130 a week before you start on Universal Credit as you will be less likely to be reviewed. You should write to the Jobcentre and tell them that your earnings have been reduced. Send this by recorded delivery. Keep a copy of your letter.

Step 2 continued: How much can I earn from involvement before my benefits are affected?

Different benefits have different rules on earnings. This section is for young people aged 16-17:

- **Are you in receipt of any benefits?**

If you (or your partner) are in receipt of any of the benefits that are listed in this guidance then go to the relevant page to see how much you might be allowed to earn.

- **Are you living at home with your parent(s) or guardian?**

If you are living with your parent(s) and they still receive Child Benefit for you, this Benefit will not be affected by your earnings.

- **Are you a care leaver?**

If your living costs and housing costs are provided by your local authority (you receive no benefits at all) you can earn what you want. Local authorities must ignore earnings when they provide care costs.

- **Are you in receipt of a Training Allowance or a Bursary?**

If you are in receipt of a Training Allowance or a Bursary or other source of funding for further education costs then you should check any attached conditions should you earn some money from involvement.

The Health and Care Research Wales Public Involvement and Engagement Team can provide you with an offer of payment in a letter that explains about involvement when you liaise with Jobcentre Plus OR if you prefer an offer of voluntary involvement.

Step 3: I have decided to volunteer for involvement (not get paid)

Different benefits have slightly different rules on volunteering:

- **Are you in receipt of Employment and Support Allowance?**

You can do any amount of voluntary work providing you notify Jobcentre Plus. Involvement is treated the same way as voluntary work.

If you are in receipt of Employment and Support Allowance it is best to keep your hours of voluntary involvement to less than 16 hours a week. This is in case Jobcentre Plus think you may be able to work. If the Jobcentre ask you to attend interviews or to undertake work related activity you must agree to this as a priority.

The Health and Care Research Wales Public Involvement and Engagement Team can provide you with a letter of support that explains about voluntary involvement when you liaise with Jobcentre Plus.

- **Are you in receipt of Jobseeker's Allowance?**

You will have a contract with Jobcentre Plus about looking for work. You must not do anything that prevents you looking for work.

You must get Jobcentre Plus to agree to your plan for voluntary involvement before you start. Speak to the Personal Advisor at Jobcentre Plus. They are likely to agree providing the involvement does not prevent you from looking for work.

The Health and Care Research Wales Public Involvement and Engagement Team can provide you with an offer of voluntary involvement in a letter that explains about involvement when you liaise with Jobcentre Plus.

- **Are you in receipt of Carer's Allowance, or a State Retirement Pension and Pension Credit?**

If you receive Carer's Allowance (with or without carer's premium top up) you can do any amount of voluntary work as long as you are still caring at least 35 hours a week. You must notify the Carer's Allowance Unit or for carer's premium notify Jobcentre Plus.

If you receive State Retirement Pension and Pension Credit you can do as much voluntary work as you like. You do not have to tell the Pension Service.

The Health and Care Research Wales Public Involvement and Engagement Team can provide you with an offer of voluntary involvement in a letter that explains about involvement when you liaise with Jobcentre Plus.

Step 4: Are you going to have your expenses reimbursed?

Good news!

Jobcentre Plus has abolished the tricky rules on reimbursed expenses for paid involvement.

Reimbursed expenses for paid service user involvement will be ignored and not affect your benefits.

Jobcentre Plus will ignore reimbursed expenses providing you tell them that you are doing 'service user involvement'. You should make sure that you have a letter from the organisation explaining that you are being paid for service user involvement. The letter should set out the payment for your time and the reimbursement of your expenses separately. You may need this to show to Jobcentre Plus when they ask to see a copy of your bank statement every three years so keep a copy. They will ask for evidence that the payments are reimbursements for expenses for service user or carer involvement.

You can be reimbursed for the exact costs of your travel, subsistence, accommodation, and a replacement carer, a support worker or personal assistant if you need this help. These reimbursed expenses for service user or carer involvement will not affect your benefits.

Reimbursed expenses for voluntary involvement

If you volunteer for involvement all your exact expenses can be reimbursed and your benefits will not be affected.

Step 5: Are you planning to decline an offer of payment for involvement? Are you going to ask to be paid less than the amount offered? Are you going to ask for the payment to be donated to a Charity instead?

Good news!

Jobcentre Plus has abolished the tricky rules on notional earnings for paid involvement.

Notional earnings are not applied if you decline a payment for involvement or ask to be paid a lesser amount regardless of the organisation that has asked for your help and regardless of the benefit you receive.

If you decline an offer of payment for involvement, or ask to be paid less than offered, or ask for the organisation to donate the amount to a Charity instead, the notional earnings rule will not be applied. Your benefits will not be affected.

Jobcentre Plus will not apply notional earnings providing you tell them that you are doing service user involvement. You should make sure that you have a letter from the organisation explaining that you are being paid for service user involvement. The letter should set out the payment for your time and the reimbursement of your expenses separately. You may need this to show to Jobcentre Plus.

Step 6: Have you heard about ways to ease benefit rules?

Watch out! There are some myths going about.

Did you hear that?

- **Payments for involvement on one day can be spread over several weeks to keep within benefit limits. This is not true!**
If Jobcentre Plus find out they will treat you as if the whole amount was paid on one day.
- **Payment for involvement that is described as expenses, an attendance allowance, a therapeutic allowance or an honorarium does not count as earnings. This is not true!**
If you receive money in return for involvement Jobcentre Plus will treat this as earnings.
- **Payments for involvement that are diverted to third parties will be ignored by Jobcentre Plus. This is not true!**
If you ask the organisation to make the payments for your involvement to a relative or a service user group or a Company or other third party, instead of you, Jobcentre Plus will treat the payment as if you received the amount.

Step 7: Some helpful benefit rules

Disability Living Allowance, Personal Independence Payment and Attendance Allowance are not affected by earnings.

Disability Living Allowance or Personal Independence Payment are paid because you have mobility needs and/or care needs. Attendance Allowance is paid because you have care needs. Disability Living Allowance, Personal Independence Payment and Attendance Allowance are paid regardless of income.

Do you receive Employment and Support Allowance or Jobseeker's Allowance (as well as Disability Living Allowance or Personal Independence Payment) and are planning to notify Permitted Work to Jobcentre Plus on the PW1 form or to speak to your Personal Advisor or Job Coach?

Tip: You should ask The Health and Care Research Wales Public Involvement and Engagement Team for a letter that explains about any extra support you are getting to help you with the involvement. This is to provide to Jobcentre Plus in order to prevent a misunderstanding of your situation. You do not want to give the impression that your mobility or care needs are less than before.

Earnings can be treated as averaged over several weeks

If involvement is intermittent & on at least two occasions over a five week period, or over a cycle, (every fortnight, every three weeks etc) or over a pay period Jobcentre Plus MAY agree to treat earnings as averaged over the period. Get their OK in advance.

For instance: if you are allowed to earn up to £20 a week, Jobcentre Plus may agree that you can earn up to £40 every fortnight without affecting your benefits.

Tip: You should ask The Health and Care Research Wales Public Involvement and Engagement Team for a letter of offer of involvement if this is to be on more than one occasion. This is to provide to Jobcentre Plus to support the case for treating your earnings as averaged over several weeks.

Do you receive Pension Credit?

If you are in receipt of Pension Credit, the Pension Service may treat your earnings as averaged over the year. This may mean that your Pension Credit is not affected by earnings from involvement. Phone the Pension Service and ask them first.

Bad news!

Previously payments for one-off involvement were ignored. This no longer applies. DWP have removed guidance on this helpful rule. This means that you cannot expect a one-off payment to be ignored as before.

Step 8: Still uncertain about getting involved and your benefits?

Advice on completing a Permitted Work (PW1) form to send to Jobcentre Plus

If you are in receipt of Employment and Support Allowance you will need to fill in the form PW1.

The PW1 form is now available online from

www.gov.uk/government/publications/employment-and-support-allowance-permitted-work-form

When you fill in the form it is important to tell them that you are doing 'service user and carer involvement' to help with health and social care research studies and that this is not work. It is important to say that you can stop service user involvement at any time if the Jobcentre expect you to do some 'work related activity'.

Where the PW1 form refers to 'work' you can cross this out and put instead 'service user and carer involvement'.

NB:

Page 6 Part 3 Supported Permitted Work is now redundant for people who are in receipt of Employment and Support Allowance. You can put a line across this page.

Do you want to see if the averaging rule could be applied to your earnings? Say if you will be involved intermittently (every two weeks or monthly or quarterly). Add a separate note and ask if your earnings will be treated as averaged.

Ask the Health and Care Research Wales Public Involvement and Engagement Team for a letter making you the offer of involvement on more than one occasion that you can copy and send to Jobcentre Plus.

Important: take a copy of the PW1 form when you have completed it and keep this safely. When you post the PW1 form send it by 'signed for' recorded delivery. This is because the Jobcentre sometimes lose PW1 forms. You can start paid involvement once you have posted the PW1 form but you must be sure to have a copy and sent it recorded delivery.

Letters that can help for liaison with Jobcentre Plus

1. **The Health and Care Research Wales Public Involvement and Engagement Team can help by providing you with a standard letter that explains about service user involvement being different to work.** You can enclose this letter with the PW1 form when you notify Jobcentre Plus.

Letter 1 explains that:

- People are recruited for involvement because of their experiences of using health and social care services, not because they are able to work.
- That people can stop involvement at any time if they get a job or are required to do training or work related activity by Jobcentre Plus
- About the support people are offered to participate if they have mobility or care needs, and that their mobility or care needs have not reduced
- The Memo sent out to all Jobcentre Plus staff in April 2007 explains that service user involvement must not be treated as evidence of capacity to work.

Letter 2. An offer of payment for involvement. When you have decided how much you can accept as payment speak to an Involvement Team Member. They can then provide a letter making you an offer of payment at a rate you can accept. If involvement is to be on more than one occasion this letter will set out the frequency of payments. The Jobcentre may be able to treat intermittent payments for involvement as averaged.

OR if you prefer to volunteer and not be paid you can ask for **Letter 3. Making you an offer of voluntary involvement.**

Free confidential and personal help with the benefit rules and systems from trained welfare rights advisors on the telephone

The Health and Care Research Wales Public Involvement and Engagement Team has subscribed to a specialist advice service the **Benefits Advice Service for Involvement** run by Bedford Citizens Advice Bureau.

The Benefits Advice Service for Involvement is a free confidential service for individuals registered to get involved seeking professional advice and for researchers seeking general advice. Health and Care Research Wales is paying for this service where advisors can answer all your questions about benefit rules and earnings before you decide on involvement and the payments you can accept. Network members who are interested in using this free service should contact 01234 330604 quoting code PIEW and that they are an individuals registered to get involved Network member.

The welfare rights advisors at Bedford CAB can help you liaise with Jobcentre Plus.

Step 9: When could your earnings from involvement be taxable?

If the annual total of your taxable income and earnings from involvement exceed your Personal Allowance (for tax) then you must contact your local tax office for advice on paying the tax due.

The Personal Allowance for tax from April 2019 – 2020 is £12,500. If you are blind or in receipt of a State Pension check out the higher rates with HMRC.

Some state benefits are taxable

The following state benefits are taxable. If you are in receipt of any of these benefits you should calculate the amount you received in the year as part of your taxable income.

- Carer's Allowance (but not Income Support paid as a carer's premium)
- Jobseeker's Allowance
- State Retirement Pension (but not Pension Credit)
- Contribution based Employment and Support Allowance (but not income based Employment and Support Allowance)
- Adult dependant additions paid with the above benefits
- Statutory adoption, maternity, paternity and sick pay
- Bereavement allowance, widowed mothers /parents allowance and widows pension

Other state benefits are not taxable. If you are not sure of the name of the benefits you receive you may wish to check with the Benefits Advice Service for Involvement.

END

This guide is written for the use of the Health and Care Research Wales Public Involvement and Engagement Team. The information does not aim to cover all possible circumstances.

Due to the complexity of the benefit system it is always advisable to obtain personal welfare rights advice.

Benefit rates on earnings that are allowed are correct to April 2020.

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