

Guidance: paying participant expenses and compensating for time

Contents

1. Who this guidance is for	2
2. Key principles	3
2.1 Recognising and valuing the contributions made by participants.....	3
2.2 Inclusivity and ethics	3
2.3 No-one is out of pocket	4
2.4 Transparency and accountability.....	5
2.5 Participant choice	5
2.6 Prompt payment	6
3. Commissioned work	6
4. Deciding whether you should pay participant expenses.....	7
4.1 Step 1: Familiarise yourself with the expenses policy and templates	7
4.2 Step 2: If possible, book accommodation, travel and other costs in advance for participants.....	8
4.3 Step 3: Provide participants with expenses information ahead of their involvement.....	8
4.4 Step 4: Gather information of expenses incurred	8
4.5 Step 5: Pay any outstanding participant expenses	8
4.6 SEAS – the Scottish Government Finance system	8
4.6.1 One-off payments via SEAS	9
4.6.2 Recurring payments	9
4.6.3 Same-day payments via SEAS	10
4.7 Paying participants who do not have bank accounts	10
4.8 Record keeping	11
5. Deciding whether you should compensate participants for their time	11
6. Guide payment rates for compensating participant time	12
7. Modes of payment	13
8. Children and Young People.....	14
9. Compensating participants for their time: bank transfer payment	15
9.1 SEAS – the Scottish Government Finance system	15
9.1.1 One-off payments via SEAS	15
9.1.2 Recurring payments	16
9.1.3 Same-day payments via SEAS	16
9.2 Compensating participant time: participants without bank accounts	17
9.3 Record keeping	17
10. Compensating participants for their time: voucher payment.....	17
11. Impacts on tax and National Insurance.....	18

12.	Impacts on DWP benefits	18
13.	Refugees and asylum seekers.....	19
14.	Individuals held in custody	20
15.	Annexe A: Example invoice/Travel & Subsistence claim.....	21
16.	Annexe B: Service Users and Universal Credit	22

1. Who this guidance is for

This guidance is for Scottish Government staff who need to make decisions about paying the expenses and compensating people for time involved in research and participatory activity.

Participation and co-production are umbrella terms used to describe how people get involved in decisions which affect or are important to them, or jointly make decisions as partners in a government policy making process. Throughout this document, 'research' is used as a summary term for this range of methods – this is because within government, researchers tend to undertake this work.

This guidance provides:

- a set of key principles to follow as you plan and take decisions about paying participant expenses and compensating participant time
- a step-by-step guide for the process to follow when paying participant expenses
- examples of amounts to consider paying participants, depending on what is being asked of participants
- a step-by-step guide for the process to follow when compensating participants for their time
- information on tax and welfare benefits implications

This guidance asks that you can demonstrate that the issue of payment for participant time has been given proper consideration, for example through project management and decision-making documentation. This guidance supports you to consider carefully what it is you are asking from participants, and how best to recognise and support this.

This guidance has been developed by the Social Research Participation and Lived Experience Working Group, and should be read alongside Scottish Government's [Participation Handbook](#) and, where applicable, the [Scottish Approach to Service Design](#). Researchers, public bodies and third sector organisations have provided feedback on drafts of this guidance – we thank them for their input.

This guidance will be updated as required.

2. Key principles

2.1 Recognising and valuing the contributions made by participants

Government requires and benefits from evidence and expertise that is produced through engagement, research and collaboration with members of the public and stakeholders, who have insight and experiences that we need to understand in order to develop effective policies and services. Payment in the form of money or vouchers is an accepted and established practice that helps acknowledge this, and helps place expertise from experience on a more equal footing with professional expertise.

Some types of research ask a lot of participants. This is especially the case for participatory and co-production methods. These methods could ask participants to be a member of a panel that has meetings several times a year, which require preparation in advance and at which participants are expected to take decisions. Ensuring that all participants' time is compensated for can help minimise power imbalances between individuals whose employers are already paying them for their involvement, and those who do not have access to remuneration.

This guidance sets out guide payment ranges for different levels of contribution, to help you decide how to pay people in a way that is commensurate with the nature and demands of their involvement.

It is important that we recognise the extent of participant time and input. In this way, compensating participants for their time is distinct from incentivising participant involvement. For example, many surveys will offer small payments or prize draw entries to encourage completion – this guidance is focused instead on recognising the insight that participants have contributed, the time they have given over, and providing payment that is proportionate to that.

Please note, payment of participant expenses and time does not prevent participants from withdrawing consent for their involvement at a later stage. They should be paid for all expenses and time up to the date of their withdrawal.

Payment is also not intended to replace or minimise the importance of other key features of good quality participation. Participants should have a high quality experience, including a clear process by which officials will feedback and provide evidence to show participants that they have made a difference. Scottish Government's [Participation Handbook](#) provides guidance on how this can be achieved. It also sets out a spectrum of participation which can help you identify what level of contribution participants are likely to make to the work you have planned.

2.2 Inclusivity and ethics

Covering expenses and paying people for their time taking part in research and participation work is an important way to make this work inclusive. Payment can help us uphold [Government Social Research ethics](#) in our work, such as enabling participation of groups we're seeking to represent and minimising harm.

It is particularly important that we understand the perspectives and experiences of people in marginalised groups, so that we are equipped to develop policies and services which meet the fullest range of needs. Without payment of expenses and compensation for time, many people are not able to take part – their involvement may mean taking time off work or paying for childcare.

This guidance includes information on the tax and benefits implications of participant payments, and signposts to resources that can be used to prepare documentary evidence that may be needed.

We will be working with relevant government departments and agencies to establish a clear position on payments to marginalised groups such as refugees and asylum seekers, and groups where there is particular sensitivity regarding payment, such as those in the criminal justice system. This guidance will be updated when new information is available.

2.3 No-one is out of pocket

This guidance starts from the position that you will pay participant expenses if they do not have access to another way for these expenses to be covered – for example, via their employer if they are contributing in a professional capacity – so that no-one is ‘out of pocket’. Please note, this guidance does not replace the [Scottish Government’s Chairs & Members Daily Fee Framework](#), which continues to be applicable for Chairs, Board Members and Public Appointments.

Whilst payment is not the only way to recognise contributions, for many it is an important indicator of value.

There are instances where payment for participant time may not be necessary, may be inappropriate, or should be limited. These include:

- if a participants’ time or expenses are already paid for by an employer or other organisation e.g. if they are engaging in a professional capacity
- if the work is very small scale and/or is not using participatory methods e.g. participants are completing a survey
- if participants do not want to be paid
- if payment poses potential harm to participants e.g. if payment will have unwanted consequences for benefits they receive (there is information regarding impacts on benefits in section 12)
- if there is an agreed view with participants and stakeholders that payment is inappropriate given the nature or sensitivity of the work

You should also consider additional forms of recognition for participants e.g. offering an accreditation to recognise skills used in their involvement.

Decisions about participant selection should be made on the basis of applicability to project needs, not minimising spend on expenses or time. Organisations with the resources to pay participant expenses or compensate for time should not be prioritised for involvement over those who do not have access to these resources.

Section five of this guidance provides a flow chart to help you make decisions about whether you should compensate participants for their time. You should also consider the ethics of compensating participants for their time, using the [Scottish Government's Social Research Ethics Guidance](#). Where possible and appropriate, demonstrate that you have established participant views on this and have not made assumptions about the impact of payment.

2.4 Transparency and accountability

This guidance is publicly available so that it can be shared with potential participants, who may have questions about payments. It is important that people engaging with us do so with informed consent and can understand why they are being paid the amounts on offer, how payment will be made, what modes of payment are available, or why payment is not possible. A definition of informed consent is available in the [Scottish Government's Social Research Ethics Guidance](#).

You should offer participants clear information about the payment of their expenses and compensation for their time before their involvement commences. This should set out what they will be paid and why, when they will be paid, what payment mode options there are, and what if any actions they need to take.

Any payment compensating for time needs to be made after participant involvement has taken place – sometimes participants are unable to attend at short notice and we cannot pay people for involvement that does not take place. You should make clear to potential participants that these payments will be made after their involvement. It can be helpful to set out in advance what you are expecting of participants for payment to be made, for example if there are expectations that need to be followed.

This guidance aims to support consistent decision making and payment across our work, so that people are paid similar amounts for comparable involvement.

It is also important that we have an auditable record of payments made to participants - this guidance sets out the process you need to follow to achieve this.

2.5 Participant choice

Where possible and appropriate, consider how you can engage with participants to find out what type of payment or recognition is suitable for them. Some people may prefer vouchers or bank transfer, and it is important to understand whether participants' financial situations may be impacted on by receiving payment. There is information regarding impacts on tax and benefits in sections 11 and 12.

Make it clear to participants in advance of their involvement that in addition to payment, there are other types of recognition available. This can include:

- putting involvement in this work on their CV
- provision of a reference or certificate confirming their role and the skills they have used – please note that Scottish Government is not able to provide personal references, but can set out the activity that a participant has been involved in

- acknowledging their contribution in published reports

Asking participants questions like this demonstrates that their views are valued and that you are giving careful consideration to how to recognise that value.

Where it is practical to do so, discussing expenses with participants can be particularly useful in ensuring all needs are met. While the expenses process outlined here has tried to anticipate a range of circumstances, people may have legitimate expenses claims we do not foresee.

2.6 Prompt payment

Where possible, you should pay expenses in advance – for example, booking travel or accommodation on behalf of participants. If participants incur expenses that cannot be paid in advance, they can be immediately reimbursed using one of the payment methods set out in this document. This is important to support the inclusion of a wide range of participants.

While any payment compensating for time needs to be made after participant involvement has taken place, you should ensure that in advance of this involvement you have agreed and efficient processes in place to make bank transfer or voucher payments as promptly as possible. The payment methods that are set out in this guidance have detailed the timescales that are available within Scottish Government's current finance system. You can also provide participants with digital or physical vouchers immediately following their involvement.

It is recommended that in advance of making payments to participants, you identify your local Finance colleagues who will be involved in processing these payments and talk through this guidance with them. This is likely to be your ePC (electronic purchasing card) holder, local Finance Lead or BCLO (Budget Centre Liaison Officer). Early discussions will support their understanding of the process that needs to be followed for research payments and you can agree how best you can work together to deliver this.

3. Commissioned work

Much of this document is applicable to work that is being carried out in-house by Social and User Researchers and other officials. However, Scottish Government often commissions research and participatory engagements. For participants, the distinction between commissioned and in-house work is not always meaningful – many will simply regard themselves as being involved in a piece of Scottish Government research. It is important that we are consistent in our approach however a piece of work is being delivered.

If you are commissioning work for which you anticipate payment of participant expenses and time will be needed, in the Invitation to Tender (ITT) you should set out to prospective bidders what your requirements are regarding these payments. To do this, you can draw on the principles set out at the start of this document. It is generally the case that contractors will handle the payment of participant expenses

and compensation for time. As this will need to be budgeted for, you may also wish to specify minimum payment amounts in the ITT.

Contractors will often have their own approaches to paying participants. These are likely to be based on what they have found works well in terms of recruitment, encouraging involvement and recognising contributions. You may find that these approaches align with Scottish Government principles on this issue. You should discuss this with the appointed contractor and reach an agreement that maintains the principles set out at the start of this document.

4. Deciding whether you should pay participant expenses

You will need to offer to pay participant expenses if the following two criteria are fulfilled:

- taking part in research or a public engagement will cost the participant any money
- the participant's expenses are not covered by an employer or other organisation

We define 'expenses' as any cost that arises from people taking part in a piece of research or a cost that could act as a barrier to participation. This can include travel, accommodation, childcare (formal or informal receipts permitted), subsistence food and other associated costs, and support worker/Personal Assistant wages and expenses. The starting point for the rules for expenses is the Travel and Subsistence policy for Scottish Government staff, but you should be open to accommodating unexpected costs and barriers that participants might experience.

Individuals living with a disability, impairment and/or long lasting physical or mental health conditions may incur larger expenses and require additional support to be able to participate in research. For example, they may require a support worker to accompany them to a research engagement – in this situation, they will likely need research payments to cover both their own and their support worker's expenses and time.

When you have identified that you will need to pay participant expenses, you should follow the steps set out below. These steps are for internal projects. For commissioned projects, payment of expenses will likely be passed to the contractor after Step 1 - you should factor this in to your budget and spec for commissioned work.

4.1 Step 1: Familiarise yourself with the expenses policy and templates

Use the Scottish Government Travel and Subsistence policy and the templates in the Annexes of this guidance to set out clear criteria for participant expenses that are being paid. You will need to establish available budget for participant expenses.

You can tailor the templates to your local situation as needed, for example add local branding or headings.

4.2 Step 2: If possible, book accommodation, travel and other costs in advance for participants

Booking participant accommodation, travel and other costs in advance reduces participants' upfront costs and minimises the financial burden to participants. Your local Finance colleagues and Business Management Unit will be able to book participant travel and accommodation in advance. In the first instance, this should be done using the Corporate Travel Management (CTM) system. There will be situations where the CTM system may not be able to make the required bookings e.g. bus travel, accommodation that requires specific adjustments. In these instances, you can receive special permissions to use an ePC card for these bookings. To do so, the ePC cardholder should first contact CTM and discuss why required bookings cannot be fulfilled. CTM will advise and if appropriate give permission for the relevant 'merchant categories' to be made available for use via ePC.

It is recommended that you talk through this guidance with local Finance and/or Business Management colleagues well ahead of needing to make any bookings, so that they understand the process that needs to be followed for research expenses and you can agree how best you can work together to deliver this.

4.3 Step 3: Provide participants with expenses information ahead of their involvement

Using the information and templates in the Annexes this document, you should clearly set out to participants what expenses will be covered, and how and when these will be paid. In advance of their involvement, you should make sure that participants understand the process that will be followed, have access to support if needed, and that they are aware of their responsibilities, for example whether receipts will be required.

4.4 Step 4: Gather information of expenses incurred

For any expenses that it has not been possible to cover in advance, use the expenses forms in the Annexes of this document. You should make sure that where required participants are able to provide receipts, and that participants understand that they will be required to provide receipts in advance of incurring their expenses.

4.5 Step 5: Pay any outstanding participant expenses

When you need to pay outstanding participant expenses, you should follow one of the processes set out below.

To make bank transfer payments to participants you will need to use the Scottish Government Finance system (SEAS). For participants who do not have bank accounts, voucher payments will need to be made. At Divisional or Directorate level, teams will arrange, manage and cover the costs these payments.

4.6 SEAS – the Scottish Government Finance system

There are different ways to make payments on SEAS, depending on:

- whether this is a one-off or repeated payment
- whether a standard payment timeline can be followed (approximately four working days) or if a same-day payment needs to be made

It is recommended that well in advance of making these payments, you discuss this guidance with a Finance colleague that will be involved in payment processing e.g. your ePC (electronic purchasing card) holder, local Finance Lead or BCLO (Budget Centre Liaison Officer). This will help them be aware of the process that needs to be followed for research payments and you can agree how best you can work together to deliver this.

Please note that when the standard timeline is used to make payments, it will take approximately four working days for payment to be made to a participant. This is because Accounts Payable's processing of payments can take up to approximately 48 hours, after which two working days are required before the issued payment will be in a participant's bank account. If a participant cannot wait that length of time to receive either a one-off or recurring payment, you should follow the same-day payment option.

4.6.1 One-off payments via SEAS

If a participant is only being paid once for one set of expenses, you should complete a One-Off Payment form and send it to accounts.payable@gov.scot. Once this has been processed by the Accounts team, which can take up to approximately 48 hours, the payment will be transferred to the participant's bank account in two working days.

There is a maximum payment value of £500.

4.6.2 Recurring payments

If a participant is being paid several times for different sets of expenses and/or for expenses incurred through repeat involvements e.g. they are on a panel, they should be set up as a supplier on EASEbuy/PECOS and SEAS. They will need to invoice Scottish Government for each payment.

The participant will first need to complete a New Supplier form – this should be done well in advance of their involvement.

Your ePC (electronic purchasing card) holder, local Finance Lead or BCLO (Budget Centre Liaison Officer) can then create a Purchase Order (PO) and receipt on EASEbuy/PECOS. This PO should be referred to on each invoice for a participant's payments. You may need to support participants to prepare invoices – an example invoice is provided in Annexe A, which meets [HMRC](#) requirements. This invoice will need to be accompanied by expenses receipts. As above, participants should be informed in advance of their involvement about the receipts they will need to keep.

Invoices must be submitted to accounts.payable@gov.scot. No payment can be made without an invoice which contains:

- the information set out in the example invoice in Annexe A
- a PO number
- a receipt in PECOS/EASEbuy
- expenses receipts (if relevant)

Once an invoice and receipts have been received from a participant, these will be processed by the Accounts team (which can take up to approximately 48 hours), after which the payment will be transferred to the participant's bank account in two working days.

4.6.3 Same-day payments via SEAS

Wherever possible, you should book participant accommodation, travel or other costs in advance to avoid a participant being out of pocket. There will be some instances where this has not been possible and where you will want to make same-day payments, for example if a participant's involvement is dependent on payment being made more promptly than two working days.

There are additional costs associated with same-day payments. You will need to be able to demonstrate to the Treasury and Banking team that a same-day payment is the only available method – they can refuse to make a same-day payment if another method is available.

To make a same-day payment (also termed a CHAPS payment) two forms need to be completed:

- SEAS Sterling Manual Payment Authorisation form
- SEAS Sterling Manual Payment request form

These forms are available under the CHAPS payment heading of the Guidelines for Processing Manual Payments, and need to be signed by different signatories.

These forms should be submitted to sgmanualpayments@gov.scot before midday on the day that the payment is to be made. Full details of the process are set out under the CHAPS payment heading of the Guidelines for Processing Manual Payments.

4.7 Paying participants who do not have bank accounts

Wherever possible, individuals who do not have access to a bank account should have all expenses paid for by Scottish Government in advance. At present, participants who do not have access to a bank account will need to receive reimbursement for any outstanding expenses in vouchers - see section 10 of this guidance for further information. We are working to establish a government-wide approach to making use of platforms like I-Movo, which allow individuals without bank accounts to withdraw cash from local retailers.

4.8 Record keeping

You will need to keep a record of receipts for audit purposes, for example a spreadsheet or file confirming who payments have been made to, how much was paid and when the transfer took place. It is recommended that receipts are scanned or photographed and recorded in eRDM with an identifying code relating to the spreadsheet where payments are set out, so that an audit trail is possible. You can also keep the physical receipts if these can be stored securely over time.

You will need to ensure that you have in place appropriate data protection measures to process and securely store any personal data, including participant bank account details, in line with any Data Protection Impact Assessment (DPIA) you have in place.

5. Deciding whether you should compensate participants for their time

To decide whether participants should be compensated for their time, consider the following questions:

1. Will participants already be paid while taking part (i.e. are they taking part within their work hours in a professional capacity)? If yes, compensation is not required.
2. If no, consider how much time and effort is required from participants:
 - a. If minimal time and effort is required, for example taking part is short and one-off, such as completing a survey, then compensation is optional but recommended (e.g. as an incentive beyond expenses, or as a thank you)
 - b. If taking part is a commitment to a clearly defined series of interactions or tasks over a set or time period e.g. a Citizens' Assembly, series of co-design events, participants should be compensated at a standard rate proportionate to their level of involvement
 - c. If taking part is a commitment to undertaking a variety of activities on an ongoing basis alongside others who are being paid for similar input e.g. a long-term co-design process, participants should be compensated at a standard rate proportionate to their level of involvement

If the work is particularly sensitive and there is a view that forms of recognition other than payment may be more appropriate, discuss this with potential participants and key stakeholders. You may need to allow for different approaches for different participants.

The following sections of this guidance take you through the process of deciding on participant payment rates and methods, and a step by step process for making these payments.

6. Guide payment rates for compensating participant time

The amounts outlined in this section are a guide to help you decide what is most appropriate to compensate participants for their time. These have been prepared based on:

- the level of commitment, responsibility, and skills or experience asked of participants is recognised
- a review of existing payment practices across the public, third and private sector

The review of existing payment practices highlighted large variations in amounts that participants are paid for their contributions. The guide amounts set out below represent an estimate of current good practice and maintain rates at which participants can currently expect to be paid for their contributions.

There will be circumstances in which you need to adapt the amounts paid or their frequency to accommodate participant needs or the circumstances of the project. If the topic that you are discussing with participants is particularly sensitive you could consider options for recognising this in an increased amount and/or forms of payment – for example, in addition to being paid for their time participants may want a donation to be made to a relevant charity. Scottish Government is not able to make charitable donations on behalf of participants. If participants want a donation to be made to charity, they will need to receive the payment from Scottish Government and make a donation themselves.

If you are undertaking a programme of work that will require repeated input from participants over a period of time, it may be difficult to accurately categorise participant time. This can also be the case for preparation time, for which we have set out some approximate categories below. If you cannot accurately categorise participant time, you should be able to demonstrate that you are aware approximately how much time participants have given over and that as a minimum participants are being paid the [Real Living Wage](#) per hour.

Please note that the Real Living Wage is an amount below which payments must not go – it is not intended to be a starting point for payments. This is because our review of existing payment practices demonstrated that in all instances participant contributions are paid at a rate higher than the Real Living Wage, and it is not our intention to reduce what participants receive.

If this participant input is comparable to board membership you could refer to the [Scottish Government's Chairs & Members Daily Fee Framework](#), which is in the technical guide of each years' public sector pay policy.

Guide payment rates for each activity:

- participant involvement requires no preparation and equates to approximately one hour of activity or less: approx. £35
- participant involvement requires a small amount of preparation (less than one hour), plus approximately one hour of activity: approx. £50

- participant involvement requires a more substantial amount of preparation (1 – 2 hours) or responsibility, plus approximately one hour of activity: approx. £75
- participant involvement requires no or a small amount of preparation (less than one hour), plus approximately two hours of activity: approx. £80
- participant involvement requires a more substantial amount of preparation (1 – 2 hours) or responsibility, plus approximately two hours of activity: approx. £95
- participant involvement is approximately half a day's activity, which may require no or a small amount of preparation time (less than one hour): approx. £120
- participants are involved in an all-day meeting or engagement, which may require no or a small amount of preparation time (less than one hour): approx. £180
- participants are involved in an all-day meeting or engagement, plus substantial preparation (2 – 4 hours) and/or level of responsibility: approx. £280
- participants are involved in a diary exercise i.e. logging information on a routine basis over a period of time: approx. £70 per exercise (depending on the time period – suggested minimum payment of £25 per week)

These guide payment rates will be periodically updated to reflect inflation or developments in good practice.

We recognise that some areas of work may currently be using different payment rates that have been agreed with participants and budgeted for. We recommend that government moves to standardise payment rates for participation and research involvement, but understand that this may not be immediately possible.

7. Modes of payment

In keeping with the principles outlined earlier in this document, ensure that participants can make an informed choice about the mode of payment that will be used to compensate them. This will include making participants aware of any potential benefits implications – there is further information on this in section 12 of this guidance.

There are several modes of payment available:

- Bank transfer: the payment methods outlined in this document mean that no physical cash will be handled by officials or participants. Many participants will prefer to be paid by bank transfer, and where practical this option should be available to them. You will need to consider potential benefits implications for participants of bank transfer payments – there is further information on this in section 12 of this guidance.
- Vouchers: many projects offer payment in the form of voucher. This is often because vouchers will not impact on any benefits received by participants.

- Time Banks: some organisations offer participants the opportunity to deposit in Time Banks their hours spent being involved in a project. This means that participants can ‘withdraw’ an equivalent number of hours of skills and support from others who use the Time Bank.

This guidance provides information on how you can make bank transfer payments securely, accountably and promptly. It also provides an overview of how to pay participants using vouchers. If you are interested in making use of Time Banks to remunerate participants, please contact your local Finance team.

Some participants may wish to donate their payment to charity. Scottish Government is not able to make charitable donations on behalf of participants. If a participant wants their payment to be donated to charity, they will need to receive the payment from Scottish Government and make a donation themselves.

Some participants involved in the same project may prefer different modes of payment. Where it is practical to do so, discussing this with participants demonstrates that their views are valued and that you are giving careful consideration to how to recognise that value.

8. Children and Young People

If you are engaging with children and young people, you will need to consider the age of your participants and the extent to which it is appropriate or possible to recognise their contribution financially. Especially for younger children (e.g. those under 11), it is important that we do not restrict forms of recognition or reward to adult understandings of value. If young people are taking on a comparable role as an adult, payment should be considered in addition to other forms of recognition.

You should aim to design research and engagements that provide a range of types of recognition:

- have a clear feedback loop and demonstrate to participants that they have made a difference
- ensure that participants have a high quality experience
- include fun and rewarding methods like gamification and opportunities to socialise and meet new people
- offer financial recognition
- offer accreditation or similar formal recognition that could have educational or other benefits, for example a [Participative Democracy Certificate](#)

Discussing with participants and/or parents, carers or guardians what forms of recognition are most appropriate demonstrates that their views are valued and that you are giving careful consideration to how to recognise that value.

The Children and Young People’s Participation Framework Agreement, listed on [Public Contracts Scotland](#), will provide useful information on the process of engaging with children and young people and offers an efficient and quality assured route to procuring this work.

You may also find it useful to consult [FAQ 12 of the Scottish Youth Parliament's guidance on meaningful participation with young people](#).

If you decide to make bank transfer or voucher payments to compensate young people for their time, use the guide payment rates set out in this document. If you are making a payment to a parent, carer or guardian's bank account, you may need to consider possible impact on benefits they may claim. Section 12 contains further information on this.

9. Compensating participants for their time: bank transfer payment

When you have decided that you will be compensating participants for their time and have identified payment amounts, you should follow one of the processes set out below if you are paying participants via bank transfer.

To make bank transfer payments to participants you will need to use the Scottish Government Finance system (SEAS). At Divisional or Directorate level, teams will arrange, manage and cover the costs of these payments.

9.1 SEAS – the Scottish Government Finance system

There are different ways to make payments on SEAS, depending on:

- whether this is a one-off or repeated payment
- whether a standard payment timeline can be followed (approximately four working days) or if a same-day payment needs to be made

It is recommended that well in advance of making these payments, you discuss this guidance with a Finance colleague that will be involved in payment processing e.g. your ePC (electronic purchasing card) holder, local Finance Lead or BCLO (Budget Centre Liaison Officer). This will help them be aware of the process that needs to be followed for research payments and you can agree how best you can work together to deliver this.

Please note that when the standard timeline is used to make payments, it will take approximately four working days for payment to be made to a participant. This is because Accounts Payable's processing of payments can take up to approximately 48 hours, after which two working days are required before the issued payment will be in a participant's bank account. If a participant cannot wait that length of time to receive either a one-off or recurring payment, you should follow the same-day payment option.

9.1.1 One-off payments via SEAS

If a participant is only being paid once, you should complete a One-Off Payment form and send it to accounts.payable@gov.scot. Once this has been processed by the Accounts team, which can take up to approximately 48 hours, the payment will be transferred to the participant's bank account in two working days.

There is a maximum payment value of £500.

9.1.2 Recurring payments

If a participant is being paid several times for repeat involvements e.g. they are on a panel, they should be set up as a supplier on EASEbuy/PECOS and SEAS. They will need to invoice Scottish Government for each payment.

The participant will first need to complete a New Supplier form – this should be done well in advance of their involvement.

Your ePC (electronic purchasing card) holder, local Finance Lead or BCLO (Budget Centre Liaison Officer) can then create a Purchase Order (PO) and receipt on EASEbuy/PECOS. This PO should be referred to on each invoice for a participant's payments. You may need to support participants to prepare invoices – an example invoice is provided in Annexe A, which covers the information [HMRC](#) requires. As above, participants should be informed in advance of their involvement about the receipts they will need to keep.

Invoices must be submitted to accounts.payable@gov.scot. No payment can be made without an invoice which contains:

- the information set out in the example invoice in Annexe A
- a PO number
- a receipt in PECOS/EASEbuy

Once an invoice has been received from a participant, these will be processed by the Accounts team (which can take up to approximately 48 hours), after which the payment will be transferred to the participant's bank account in two working days.

Please note that research is VAT recoverable - participants will not need to add VAT to their invoices.

9.1.3 Same-day payments via SEAS

There will be some instances where this has not been possible and where you will want to make same-day payments, for example if a participant's involvement is dependent on payment being made more promptly than two working days.

There are additional costs associated with same-day payments. You will need to be able to demonstrate to the Treasury and Banking team that a same-day payment is the only available method – they can refuse to make a same-day payment if another method is available.

To make a same-day payment (also termed a CHAPS payment) two forms need to be completed:

- SEAS Sterling Manual Payment Authorisation form
- SEAS Sterling Manual Payment request form

These forms are available under the CHAPS payment heading of the Guidelines for Processing Manual Payments, and need to be signed by different signatories.

These forms should be submitted to sgmanualpayments@gov.scot before midday on the day that the payment is to be made. Full details of the process are set out under the CHAPS payment heading of the Guidelines for Processing Manual Payments.

9.2 Compensating participant time: participants without bank accounts

At present, participants who do not have access to a bank account will need to receive compensation for their time in vouchers – see section 10 of this guidance for further information. We are working to establish a government-wide approach to making use of platforms like I-Movo, which allow individuals without bank accounts to withdraw cash from local retailers.

9.3 Record keeping

You will need to keep a record of payments, for example a spreadsheet or file confirming who payments have been made to, how much was paid and when the transfer took place. You will need to ensure that you have in place appropriate data protection measures to process and securely store any personal data, including participant bank account details, in line with any Data Protection Impact Assessment (DPIA) you have in place.

10. Compensating participants for their time: voucher payment

If you are making voucher payments, it is possible to buy vouchers in bulk in advance and issue individual vouchers when needed. Your ePC (electronic Purchasing Card) holder will be able to make this purchase.

Any payment compensating for time needs to be made after participant involvement has taken place – sometimes participants are unable to attend at short notice and we cannot pay people for involvement that does not take place.

Once participant involvement has taken place, vouchers can be issued using participant email addresses and/or mobile phone numbers. If a participant prefers, physical vouchers can be provided in-person or posted to a suitable address.

You will need to keep a record of voucher payments, for example a spreadsheet or file confirming who payments have been made to and when. You will need to ensure that you have in place appropriate data protection measures to process any personal data. Any personal data should be stored securely and deleted at an appropriate time (generally after payment has been received), in line with any Data Protection Impact Assessment (DPIA) you have in place.

Many retailers provide gift vouchers. There are also a range of vouchers available that can be spent at multiple retailers. Some participants may request vouchers for specific retailers – if it is practical and cost effective to do so, try to accommodate these requests. If participants have accessibility requirements that limit their ability to use certain vouchers (for example visual impairments, restricted or no internet access), you must accommodate their needs.

11. Impacts on tax and National Insurance

HMRC have issued a [public statement](#) on payments for involvement in research:

“There will be no tax or NIC liability arising on the individual if the sums received do no more than reimburse the individual’s reasonable costs of participating in the trial or research, including costs of travel and subsistence... Under Section 16, Taxes Management Act 1970, HMRC is entitled to ask for details of payments to non-employees at their discretion; but they would not routinely ask for details for small payments such as these.”

Following discussion with HMRC, Scottish Government is content that this exemption applies to participants involved in research or participatory activities that we carry out or commission. The guide payment rates set out in this document are proportionate to an individual’s reasonable costs of participating in terms of a) their expenses and b) the time given over by the participant. As no employment relationship exists (i.e. participants are not on payroll), payment of any mode (bank transfer, vouchers, in-kind) are unlikely to have tax or National Insurance Contributions implications for participants.

12. Impacts on DWP benefits

DWP have provided the following position statement on how payments for research and participatory involvement interact with benefits:

“For individuals in receipt of Universal Credit expenses will not be treated as earnings but any cash payments like incentives will be treated as earnings and need to be taken into account when assessing entitlement to Universal Credit. Voucher incentives will not affect Universal Credit entitlement [see Annexe B]. Vouchers should always be used when if you are using incentives for people in receipt of benefits.”

Scottish Government has made representations to DWP to change their position on this. We are of the view that all participants, including those claiming benefits, should be able to choose the mode of payment for their time involved in research. We are concerned that restricting benefit claimants to conditional modes of payment (i.e. vouchers) communicates a lack of trust and risks discrimination. At present, DWP has not agreed to a change in their position. This document will be updated with further information when possible.

Whilst no current Social Security Scotland benefits are means-tested, many have eligibility based on receipt of DWP benefits. Receiving payment via bank transfer may therefore have consequences for an individual’s entitlement to Social Security Scotland benefits.

Participants who are claiming benefits from DWP may require a letter from Scottish Government to their benefits advisor, setting out that vouchers received as payment for their involvement in a piece of research or a participatory engagement do not represent payment for ‘work’ and should not be taken into consideration when calculating their benefit payments.

You should make participants aware that this letter is available to them and that it may be in their interest to present it to their benefits advisor. You should also allow sufficient time in advance of participant involvement and payment for them to obtain and follow any required advice from their benefits advisor.

There are template letters available which can be adapted:

- [Social Care Institute for Excellence template letter](#)
- [Welfare Benefits Jobcentre Letter | NIHR](#)

In addition to concerns regarding the impact of paid participation on state benefit entitlement, some participants who have been assessed as having limited capacity for work may be concerned about the impact of participation on their eligibility. In these circumstances, a [Permitted Work Form](#) (PW1) should be submitted to the DWP, and the participant should specify that they are engaging in “service user involvement”. A letter should be provided by Scottish Government stating that “service user involvement” is not the same as paid work, and detailing any measures taken to provide support for the participant’s mobility or care needs.

We recommend that where there is any uncertainty or concern about the impact on an individual’s benefits, a [Welfare Rights Advisor](#) is consulted. For longer term pieces of involvement, you may wish to consider providing participants with access to a Welfare Rights Advisor (for example, on retainer) so that individuals’ concerns and circumstances can be considered over time.

13. Refugees and asylum seekers

You should follow this guidance to ensure that refugees and asylum seekers receive payment for expenses incurred through their involvement, and that their time is compensated in line with the guide payment amounts set out in section 6.

Scottish Government has received confirmation from the Home Office that receiving these payments will not impact on refugees’ and asylum seekers’ immigration status. The Home Office has also confirmed that one-off payments will not affect an individual’s access to Asylum Support, but has noted that regular repeat payments may have an impact. Participants should be made aware of this as part of the process of informed consent

If an individual is detained in an Immigration Removal Centre (IRC) or ‘detention centre’, they can receive payments for research participation. You should follow this guidance to ensure they receive payment for expenses incurred through their involvement, and that their time is compensated in line with the guide payment amounts set out in section 6.

The information outlined in section 11 on tax implications applies to refugees and asylum seekers. The information outlined in section 12 on state benefits implications applies to those refugees and asylum seekers who are claiming benefits from DWP.

14. Individuals held in custody

In Scotland, the Scottish Prison Service (SPS) manages research which relates to those held in custody either on remand or on a convicted sentence. This can include decisions about research payments. Contact [James Carnie](#) or [Roisin Broderick](#) for further information.

15. Annexe A: Example invoice/Travel & Subsistence claim¹

Reference number: [SG to provide]

Date:

FAO Scottish Government, [relevant SG address]

Item	Amount
------	--------

TOTAL

Payee details

Name:

Address:

Contact information (email):

Bank name and address:

Account number:

Sort code:

¹ This template meets [HMRC invoice requirements](#)

16. Annexe B: Service Users and Universal Credit

The following information has been provided by DWP:

“General rules

Researchers also need to consider the potential impacts on benefit entitlement for people who participate in research.

Regulations provide that people who participate in research for the DWP and other similar organisations^[1] will be treated as Service Users for Universal Credit. This means:

- **All expenses^[2]** relating to Service User activity **should be ignored** and not treated as earnings.
- **Fees^[3]** made to Service Users **are treated as earnings** and need to be taken into account when assessing entitlement to Universal Credit.
- **If a fee is declined this will not be treated** as notional income

See [Advice for Decision Makers H3160 Service Users](#):

Non-cash vouchers

Although fees will be treated as earnings, there also certain payments which are excluded from being treated as earnings. This includes **non-cash vouchers, meaning they will not affect entitlement** to Universal Credit.

See also [Advice for Decision Makers H3083 Amounts excluded from being employed earnings H3080 - H3129 and Service Users H3160 – H3169](#) “

^[1] See Regulation 53(2)a, (ab) and (b) of the [Universal Credit Regulations 2013](#)

^[2] Expenses – include costs incurred by the individual and/or their carer to allow them to participate in the research. Expenses could include things like reasonable travel expenses, childcare costs and the cost of a carer or support worker where applicable.

^[3] Fees – include all other cash and voucher payments/or rewards for participation.



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