

University of Salford

A Penny for your Thoughts

The Practice of Rewarding Research Participants with
Shopping Vouchers

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A Penny for Your Thoughts....

A briefing note for researchers, academics and university students considering the use of shopping vouchers as recompense for research interviews with people in receipt of government benefits.

Purpose

This briefing will address the question of whether giving shopping vouchers to research participants in receipt of government welfare benefits will be harmful if they have to declare it to benefit entitlement officials or if it causes them to exceed the amount they are allowed to earn before losing benefits, otherwise known as their 'work allowance'. This guidance will aid researchers when writing proposals, methodological statements and completing ethics review forms.

Who is the briefing note for?

This briefing note is for researchers, academics and university students who intend to give shopping vouchers to research participants in receipt of state benefits. This briefing note will help researchers to plan their sampling strategy with increased confidence that it is an ethically acceptable practise and doing no harm.

Background

It became apparent whilst planning my PhD sampling strategy that no clear guidance exists for researchers with respect to giving rewards, compensation, or incentives to research participants (Boddy *et al.*, 2017). Financially rewarding participants is controversial because according to the 1947 Nuremberg Code of Ethics, participants should 'be able to exercise free power of choice, without the intervention of any element of force, fraud, deceit, duress, over-reaching, or other ulterior form of constraint or coercion' (Office of NIH History, 2017). Financial rewards, compensation or incentives can be argued to be tools of 'coercion', particularly if a participant is income constrained (Boddy *et al.*, 2017; Wiles *et al.*, 2005). The Office of National Statistics (ONS) offer incentive payments to research participants of between £15 and £30 (Wilmot, A., 2005, p.13) but they state that this is 'no more than a token of our appreciation' (Ibid., p.7) and they do not mention it to participants at the outset of the project to ensure that people do not try to take part in order to claim the payment (Ibid), a tactic which Wiles *et al.* (2005) suggest is one way to avoid the payment being an inducement, particularly for impoverished participants.

However, it is increasingly difficult to get participants to take part in research (face to face meeting with Marketing & Insight Manager, Moneyline, 25 April 2017; National Research Council (U.S.), Plewes and Tourangeau, 2013). There is evidence in favour of (Boddy *et al.*, 2017; Head, E., 2009) and against (Grady, C., 2005) the suggestion that payments to participants increases the number of respondents.

I elected to use shopping vouchers instead of cash payments to reflect the element of gratitude and appreciation that the voucher represents. It marks the difference between a gift of thanks and appreciation, and a payment or earnings (Zelizer, V. and Dodd, N., 2017). 'Thanking' research participants with financial payments for taking part in research could be problematic for them if they are in receipt of state benefits (Boddy *et al.*, 2017). At issue is whether receiving such payments could cause recipients to lose their eligibility, reduce the level of their benefits, increase their

administrative burden or cause problems for them in their dealings with job coaches at Job Centre Plus, or the Department for Work and Pensions (DWP). I was also concerned that the receipt of payments could put participants in an ethically compromising or illegal situation if they did not wish to declare the money to their job coach or to the DWP. Asking each potential participant to disclose personal financial circumstances such as if they are in receipt of benefits and working, what their total income is, and if they are aware of their work allowance in order to determine if they might be at risk of exceeding it, before they even agree to take part, could present an unnecessary barrier to participation and it was necessary to seek clarification on this issue.

The National Institute for Health Research stated that **“if you are receiving state benefits, receiving any form of payment may affect your benefit claim. It is vital that you get expert advice from a benefits advisor or from Jobcentre Plus regarding your personal circumstances”** (Involve, 2011, p.4, bold in original). But it still wasn't clear to me whether tokens of appreciation such as shopping vouchers constituted 'payment'. Boddy *et al.*, (2017) stated that using vouchers instead of cash presented a way to limit the dangers of creating problematic scenarios for participants in receipt of state benefits. But food, such as a free lunch and gifts can also be considered to be forms of 'inducement' (Wiles *et al.*, 2005; Truman, C., 2003). Truman (2003) cites the South Cumbria research ethics committee's (1997) definition of 'appropriate expenses' as being a payment which is suitable recompense for participation, but not enough to be deemed an 'undue inducement', although advice is not given as to what would exceed 'appropriate expenses' given that they also consider that a lunch in itself is sufficient inducement. However, Grady states that tokens of appreciation, which I consider shopping vouchers to be, 'expresses gratitude for contributions made', is 'not market dependent', 'avoids undue inducement', and is not likely to have an impact on recruitment (2005, table 1). Boddy *et al.*, (2017) and Involve (2011) warn that payments may affect entitlement to state benefits and allowances without stating whether shopping vouchers formed part of earned or taxable income. The matter needed to be resolved with complete clarity to ensure that this practise would not create an ethical dilemma for participants on benefits.

My university did not have any guidance on this matter, and my supervisors were not aware of any general guidance in academic literature at the time and encouraged resolution of this ethical issue as it is highly relevant for the wider academic community.

Evidence

The 'entitled to' website (<http://www.entitledto.co.uk/help/Work-allowance-Universal-Credit>, accessed 26 July 2017) gives an indication of peoples' 'work allowance' (see appendix 1). This is the maximum amount recipients of state benefits are allowed to earn before it impacts their benefit entitlement. A £20 shopping voucher was not enough to impact benefits as long as people were not already at their limit through other earnings and assuming that a shopping voucher is considered earnings. However, single claimants without dependents have a zero work allowance, and therefore a research payment could potentially cause them harm if they have to declare it and it subsequently impacts their benefit entitlement. A third issue is that this table is relevant for people in receipt of Universal Credit, but this has not yet been rolled out nationally, and people in receipt of other benefits may have different work allowances. The complexity of the details was growing and becoming unwieldy.

Because offering cash payments and shopping vouchers to research participants is a common practise in sociological research (Grady, C., 2005; personal correspondence with the Personal Finance Research Centre, 2017; Head, E., 2009), I felt that there must be researchers conducting this type of work who

had a definitive answer to this ethical dilemma which was being practiced so frequently. To this end I contacted various researchers and research centre managers by email and asked the question 'When conducting research with people on benefits, are there any legal impediments to giving participants shopping vouchers as a 'thank you' for their time?'

I received kind and generous responses from the Joseph Rowntree Foundation, David Collings who is the Centre Manager at the Personal Finance Research Centre at Bristol University, the DWP press office and Dr. Emma Head who is the Programme Director for Sociology at Keele University who has written a useful article on this matter called *The Ethics and Implications of Paying Participants in Qualitative Research* (2009). The general consensus from the replies received was that it was an appropriate and common practise to recompense research participants on benefits, that it needs to be ethically approved through the university to ensure that it would not be detrimental to participants, and it should not affect benefits entitlement if it is made clear in all documentation that the vouchers are a nominal token of thanks for taking part, and not a formal payment for services provided. But the DWP press office recommended that the individuals concerned should discuss it with their work coach so that a decision maker familiar with their case can make a proper recommendation as to the impact on their benefits. This was a cause for concern and I thought that it could create barriers to participation in addition to potential eligibility issues.

Furthermore, Involve (2011) stated that 'receiving payment of a fee for your involvement in research is likely to have implications for you whether you are currently employed, unemployed, receiving state benefits or retired. This is because the payment you receive will be treated as earnings. There are a number of ways in which receiving payment for involvement may affect your current financial situation: (i) If you are receiving state benefits. Benefit rules on part-time earnings are complicated. The rules set limits on the amount you can be paid and the number of hours you can do. Different benefits have different earnings limits and these limits change from year to year' (p.13). Yet they also stated that 'it is important to remember that you can receive payment for involvement as long as it falls within the disregarded amount or earnings limit that applies to your benefits' (Ibid, p.13).

A 'happy accident' (Glaser, B., Straus., A., 1967) led to a more definitive answer. I attended a UK Data Service conference in June 2017 at which a number of DWP research staff members were present. A conversation and subsequent email correspondence regarding the use of 'gifts' such as shopping vouchers in research took place. This resulted in an email reply from a DWP research staff member which directed me to guidance H3081 which was in the public domain. This defines 'Amounts excluded from being employed earnings', and implies that research 'gifts' are exempt from the definition of employed earnings according to section H3081 of the guidance. The following links to the guidance https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/618962/admh3.pdf (accessed August 2017) and states the following:

Amounts excluded from being employed earnings

Benefits in kind

- H3081 Employed earnings will **not** initially include certain amounts which HMRC treat as earnings and are known as benefits in kind¹. These are
1. certain expenses payments
 2. cash vouchers and credit tokens

3. living accommodation provided to an employee or a member of their family or household
4. cars, vans and related benefits
5. employment-related loans
6. notional loans in respect of the acquisition of shares
7. disposals of shares for more than the market value
8. employment-related benefits

H3082 – H3107 describe these amounts

1 UC Regs, reg 55 (2)(a): Income Tax (Earnings and Pensions) Act 2003, Part 3, Chapters 2 to 11

H3081 comes under a section titled 'Amounts **excluded** from being **employed** earnings' (emphasis my own). These are items which can be disregarded as employed earnings by HMRC, DWP, Job Centre Coaches, and researchers, and therefore will not affect benefit entitlement. However, I am not employing participants, their participation is entirely voluntary, they can withdraw at any time, and they retain the shopping voucher if they wish to withdraw from the study. It is not payment for time given, and there is no expectation of a certain standard of work to be carried out. It is a voluntary engagement with the research for which the shopping voucher is used to thank them with.

The shopping vouchers come under the second category of 'cash vouchers and credit tokens'. They are considered a 'benefit in kind' as that is the subheading beneath 'amounts excluded from being employed earnings'. The definition of benefits in kind are 'benefits which employees or directors receive from their employment but which are not included in their salary cheque or wages' (Citizensadvice.org.uk, 2017). It seems that they are a 'benefit in kind' to employees, but research participants are not employed by the researcher and have no contractual obligation to perform work. Furthermore, the 'benefits in kind' are not taxable if recipients earn under the tax threshold and if they are 'under £50 in value, not a cash voucher, not a reward for doing well in your job, not part of your employment contract, and not a 'salary sacrifice' (Ibid). They are not proof of being 'employed' because they are exempt from the understanding of 'employed earnings' and therefore, cannot be considered to be earnings that they have to declare to the DWP.

The DWP carry out research using benefit recipients and they use the practise of rewarding participants with shopping vouchers. When I asked them in an email, if this was a satisfactory practise and if it would be considered earnings, the answer I received gave the link to section H3081, see above. This section states that cash vouchers are not considered employed earnings, consequently, it does not appear to contravene benefit eligibility criteria.

Therefore, this evidence in the form of section H3081 from the DWP has satisfactorily explained that gift vouchers for participants are exempt from 'earnings', would not have to be declared and would not cause participants harm if they are in receipt of benefits.

Recommendation

Recompensing research participants who are in receipt of state benefits with shopping vouchers for their time and participation is not counted as 'earned income', does not have to be declared to official bodies such as JobSeeker Plus work coaches or the DWP, and does not count towards their 'work allowance'. Researchers can use shopping vouchers knowing that it will not cause participants financial or administrative harm, nor harm to their ongoing benefit eligibility.

Cautionary Notes

There are other ethical issues relating to compensating research participants which are not considered in this briefing note, for example, whether offering payments constitutes bribery. I have briefly discussed the role of shopping vouchers and whether or not they are considered to be an inducement. This is a grey area which each individual researcher needs to address within their own conscience, particularly when working with people on benefits. What is the difference between thanking and inducing? How can the researcher know the mind of the participant and what has caused them to agree to take part? In my own experience, I have taken part in detergent research because of the £7 'reward', with which I then used to purchase lunch. I didn't really need the £7, but I would not have given up half an hour of my time if that had not been offered. But if I had been offered £20, and I did need the money, then how can that be considered anything less than an inducement? The Citizens Advice webpage said that anything less than £50 is considered 'trivial' (Citizensadvice.org.uk, 2017). But consider this example from my PhD research. One interview participant is borrowing money at high rates of interest in order to purchase 'bits and bobs' such as pyjamas for Christmas presents. They budget approximately £30 per person but have many people to buy for. In this instance, £50 and indeed £20 vouchers no longer seem 'trivial' but could make an important contribution to their Christmas budget.

An alternative viewpoint is that people should be thanked for their time and knowledge and that £20 in shopping vouchers is indeed trivial when you consider the benefit that the PhD researcher will gain. The researcher will use the information for their personal benefit to secure an advanced qualification, promotion or publication. It would be much harder for the PhD candidate to complete their doctorate without access to this data. Qualitative researchers depend on the generosity and goodwill of strangers to tell them highly personal and sensitive information which could potentially be distressing. The PhD student will go on to achieve the highest level of education at their expense. This will help enormously in commencing an enjoyable career, securing interesting work and usually, higher levels of pay which most benefit recipients will never be in a position to achieve. PhD candidates researching poverty rely on the knowledge and time of their far less wealthy research participants to achieve this. Aside from the ethical considerations this raises, does a £20 shopping voucher really go far enough in thanking that low-income stranger for their help in your career advancement?

However, there are potential benefits that the participants may gain from the research. My particular research looks at the social impact of microfinance. If positive social impacts are found, then the sponsoring microfinance partner could use this information to attract cheaper on-lend capital. This could be used to reduce the cost of interest that is charged to the customer thereby making the loans more affordable. Additionally, this research is about challenging the damaging, yet highly pervasive and negative cultural narrative surrounding benefit recipients and their 'undeserving' nature. From these vantage points, the participants could benefit, even if indirectly, from participating in the research.

It is clear that there is no definitive answer regarding using forms of financial reward for research participation. The researcher needs to carefully balance the different factors, both for, and against using financial rewards in research when deciding whether or not to use them.

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Appendix 1

Work Allowances – (the amount a person may earn before losing benefit entitlement)

Higher work allowance		pre April 2016 (per month)	from April 2017 (per month)
Single claimant	- not responsible for a child or qualifying young person	£111	£0
	- responsible for one or more children or qualifying young persons	£734	£397
	- has limited capability for work	£647	£397
Joint claimants	- neither responsible for a child or qualifying young person	£111	£0
	- responsible for one or more children or qualifying young persons	£536	£397
	- one or both have limited capability for work	£647	£397
Lower work allowance		pre April 2016 (per month)	from April 2017 (per month)
Single claimant	- not responsible for a child or qualifying young person	£111	£0
	- responsible for one or more children or qualifying young persons	£263	£192
	- has limited capability for work	£192	£192
Joint claimants	- neither responsible for a child or qualifying young person	£111	£0
	- responsible for one or more children or qualifying young persons	£222	£192
	- one or both have limited capability for work	£192	£192

(Source: <http://www.entitledto.co.uk/help/Work-allowance-Universal-Credit>)