

## INFORMATION SHEET

Volunteers are not employees. Volunteer involving organisations should be pro-active in ensuring that the policies and practices which define their relationships with volunteers are consistent with the voluntary, informal nature of volunteering. This information sheet looks at the relationship between volunteers and employment law and outlines some ways to help volunteer involving organisations get the balance right.

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### 1. Summary of the Main Issues for Volunteers and the Law

- A contract of employment can exist without a written document. For a contract of employment to exist there needs to be '**consideration**' (the individual and the organisation exchange something of material value) and '**intention**' (the individual and the organisation intend to enter into a legally binding contract).
- Case Law has provided examples of situations where policies and practices by an organisation has been deemed to be an employment relationship and therefore employment law relevant. There are also examples of where organisations have clear policies and practice differences for a 'volunteer' and 'employee', which has prevented a court from deciding that a contract of employment exists and therefore court proceeding unnecessary.
- While your organisation might be concerned about entering into a contract situation with volunteers it is still important that organisations manage volunteers well. There are some practical ways to minimise the risk of contract situation.
- Volunteers are not protected by anti-discrimination laws such as the Disability Discrimination Act in the way that a paid employee is.

- The 'services' and 'facilities' of Volunteer Centres come within the statutory provisions that prohibit discrimination when providing goods, facilities and services to the public. Therefore, it is essential for Volunteer Centres to ensure that they do not discriminate on the grounds of religion or political opinion, sex, disability, race or sexual orientation.
- Volunteer involving organisations by law must abide by data protection law. This includes the paper and computer based information they hold about volunteers.

## 2. General Legal Standing of Volunteers

The nature of the relationship an organisation has with its volunteers is usually examined in three circumstances. These are, when a volunteer has a grievance, when an existing volunteering relationship breaks down or when something changes in the relationship. What these three reasons have in common is that they are all reactive and bring the legality of the volunteer relationship into focus. In order to ensure good practice and protect volunteers and itself, an organisation should be pro-active in ensuring that the policies and practices which define its relationship with its volunteers are consistent with the voluntary, informal nature of volunteering.

Volunteers are not employees and should not be treated as such. Volunteers come to your organisation with very different motivations than employees. They are not concerned with a pay packet or financial gain. One of the strengths of volunteers is their flexibility and most volunteers prefer a more casual relationship with the organisation they are involved with, free from the obligations and bureaucracy that comes with employment. **Organisations should avoid entering into a situation where individuals who they regard as 'volunteers' are actually classed as 'employees' by law and therefore entitled to employment rights.** Yet organisations need to have structures and documentation to help them effectively manage volunteers. This information sheet looks at the relationship between volunteers and employment law and outlines some ways to help volunteer involving organisations get the balance right.

### 3. The Difference between Employment and Volunteering

An 'employee role' rather than a 'volunteer role' exists if any of the following conditions are met:-

**An individual has a contract of employment.** A contract does not have to be a written document. It refers to the relationship between the individual and the organisation. In order for a contract to exist there are two legal conditions which must be met. These are **consideration** and **intention**. Consideration, intention and other related concepts are explained below:

#### **Consideration**

The individual and the organisation exchange something of material value. The value of what is exchanged can be minimal.

#### **Intention**

The individual and the organisation intend to enter into a legally binding contract i.e. they can each go to court to enforce their rights. Intention is usually implied by looking objectively at all the circumstances.

#### **Obligation**

The employer has an obligation to provide work and the employee has an obligation to do the work.

#### **Employment Rights**

An employee has protection from unlawful discrimination across equality grounds, i.e. age, race, sex, religion, politics or disability. Employees also have protection against unfair dismissal and unfair redundancy. Employees have rights to sick pay, maternity leave, trade union activity, holidays and the national minimum wage.

### 4. Some useful Case Law

Under employment law an individual is deemed an 'employee' not a 'volunteer' if a contract of employment is seen to exist. The following cases are examples of how the relationship between an individual and organisation has been scrutinised and defined by a court of law. Examples have been provided for both cases where an employment relationship and therefore employment rights have been deemed to exist as well as not deemed to exist.

#### **Armitage v Relate 1994**

Mrs Armitage was a volunteer counsellor for Relate and claimed for racial discrimination. A tribunal ruled that she was an employee and allowed her case to be heard. The ruling was based on the facts that:

- Relate conducted a rigorous training process including a day long residential. Mrs Armitage was **required** to refund part of the training expenses if she did not provide a minimum of 600 hours of counselling;
- Mrs Armitage was **required** to provide a minimum amount of hours each week;
- After three years of training volunteer counsellors could become paid employees or hired for sessional work.

The tribunal based its ruling largely on the **requirement** to repay training, the **obligation** to work a minimum of 600 hours and the fact the training **led to paid work**. This was seen as a clear case of the exchange of something of value i.e. consideration.

### **Chaudri v Migrant Advice Service (MAS) 1997**

Mrs Chaudri did voluntary administrative work for MAS for two years and claimed for racial and sexual discrimination. A tribunal decided that she was an employee and allowed her case to be heard. The ruling was based on the facts that:

- Mrs Chaudri incurred no expenses during the course of her volunteering as she lived nearby, walked to the office and had lunch at home;
- Nevertheless she received a flat rate of £25 per week to cover expenses;
- This was increased to £40 and she was paid expenses when she was sick or on holiday.

The 'expenses' payments are clearly consideration. Regularly paying these amounts, including holidays and sick leave, meant they became wages for employment.

### **Gradwell v CVS Blackwell, Wyre and Fylde 1997**

The tribunal decided that an employment contract had not been created based on the fact that although volunteers all signed a written agreement:

- Volunteers were not obliged to attend training and monthly meetings.
- There was no other minimum time commitment required of volunteers.
- Volunteers were reimbursed for actual expenses only.

The tribunal decided that repayment of genuine expenses and the provision of training did not amount to a 'consideration'. They also decided that even though the agreement was written it was not intended to be legally binding.

### **Murray v Newham Citizen's Advice Bureau 2000 (EAT)**

Mr Murray had appealed a decision that his volunteering with Newham Citizen's Advice Bureau did not amount to a contract of employment. In this case the Appeals Tribunal found in his favour on this issue. The decision was based on a written agreement which in the view of the tribunal set out a range of obligations and commitments on both parties. The agreement included:

- Time commitments of a minimum time period;
- Time periods to complete basic training;
- Grievance and Disciplinary process;
- Expenses;
- Commitments such as the process for claiming holidays.

The Tribunal looked at the overall relationship between the organisation and the volunteer and concluded that while there was no one significant issue as in the *Relate* or the *Migrant Advice Service* case there was an agreement between the two parties which was enough to create a contract of employment.

### **South East Sheffield Citizens Advice Bureau (CAB) v Grayson 2004**

Mrs Grayson had brought a complaint under the Disability Discrimination Act that CAB had discriminated against her on the grounds of her disability. It is relevant to volunteering because at the time of the complaint the Disability Discrimination Act only applied to organisations with 15 employees (this has since changed). At the time the CAB had only 11 employees but the case was based on the claim that some of the volunteers engaged in the work of the CAB were also employees.

The original Tribunal ruled in Mrs Grayson's favour but on appeal the judgement indicated that the volunteers were not employees and so the Tribunal had no jurisdiction to hear Mrs Grayson's application. The decision was based on:

- The volunteer agreement was unsigned and stated only that it existed to "clarify reasonable expectations of both the volunteer and the bureau";
- The reasonable expectations in relation to the usual minimum commitment of time did not amount to a legal obligation; there was no sanction against volunteers who did not do it;
- The reasons for asking for this usual minimum commitment was to allow the bureau to make the most of its resources and it was reasonable for it to do so;
- The payment of expenses incurred was seen by the Tribunal as being "unsurprising" and it was impressed by the Bureau's commitment to do so. This did not amount to an obligation for the Bureau to provide or the volunteer to carry out work - a key issue in reaching the decision;

- The Tribunal regarded the provision of expenses and the agreement by the Bureau to indemnify advisors against negligence claims as evidence of a unilateral contract sometimes called an “if” contract. “If you do any work for the Bureau and incur expenses in doing so, and suffer a claim from a client you advise, the Bureau will indemnify you against your expenses and any such claim”. This contract still does not impose any obligation on the volunteer to do the work for the Bureau.

### **X –v- Mid-Sussex Citizen Advice Bureau 2009**

This was a case under the Disability Discrimination Act, but the issue applies equally to the other grounds and laws too. The ultimate finding was that volunteers are not protected by the Disability Discrimination Act, or by any of the other anti-discrimination laws.

In this case, the complainant, who was a volunteer for the CAB and was told her services were no longer needed. The complainant alleged that being a volunteer is an *occupation*, and so is covered by the EC Framework Employment Equality Directive, which prohibits discrimination in employment and *occupation* on the grounds of disability, age, religion and sexual orientation. The employment tribunal rejected this argument.

The complainant appealed to the Employment Appeals Tribunal. The president of the Employment Appeals Tribunal, Mr. Justice Burton, rejected the argument. He found that the use of the word “*occupation*” in the Directive is not intended to include unpaid employment of the volunteering type within its scope.

The complainant argued further that doing the work of a volunteer put her in an advantageous position to obtain paid employment with the CAB, and thus it could be said to fall within the *arrangements made by the CAB for determining who to offer employment*. These words appear in all the anti-discrimination laws to describe the recruitment activities in which employers must not discriminate (e.g. job descriptions, personnel specifications, advertising, shortlisting, interviewing, etc). The judge pointed out that this is mixing up *purpose* and *possible consequence*. A person who volunteers may get a paid job with the organisation later, but that is only a possible consequence of the experience and knowledge they gain in the course of their service. It is not the actual purpose of the service in the first place. This final argument was also rejected.

## **5. Practical ways to Minimise the Risk of a Contract Situation**

While your organisation might be concerned about entering into a contract situation with volunteers it is still important that organisations manage volunteers well. Structures and documentation form an important part of this process. The effective management of volunteers does not have to mirror your employment practices. There are some practical ways to minimise the risk of contract situation.

### **Reduce the formality of your documents**

It is good practice for volunteers to be provided with documentation to help them carry out their role. Look at the documents you give to your volunteers. Is the language used formal or similar to employment documents? Volunteers' documents should be less formal and more in tune with the voluntary nature of the relationship. For example, it is good practice for volunteers to have recourse if they have a complaint or to develop a structure to deal with a problem. However the process does not have to be as detailed as that you would use for employees.

### **Review the language you use**

Avoid using language that is indicative of employment e.g.:

- 'Volunteer agreement' not 'contract'
- 'Volunteer role' description not 'job description'
- 'Reimbursement' not 'payment'
- 'Arrangements if there are problems' not 'disciplinary procedures'
- 'Arrangements if you have a complaint' not 'grievance procedure'
- A *volunteer agreement* is the main tool for setting the nature of your organisation's relationship with each volunteer. When outlining what you would like volunteers to do, talk about 'expectations' and 'intentions' as opposed to 'requirements' and 'obligations'. For example, 'as you indicated you will be available to volunteer for 6 hours per week on Monday and Wednesday', rather than 'you will be required to work 6 hours per week on Monday and Wednesday'.

It is worthwhile stating on volunteer agreements that the agreement is binding in honour only and not intended to be legally binding. However this will not protect you if in practice an employment relationship exists. It is also important to consider whether or not the document is signed, in practice if it is intended to be binding in honour only then it does not need to be signed. For more information see the Volunteer Agreement Toolkit available on the Volunteer Now website (<http://www.volunteering-ni.org>).

### **Reimburse actual expenses only**

It is good practice to reimburse volunteers for out of pocket expenses. Reimbursing genuine out of pocket expenses is not a 'consideration', which is one of the conditions to assess whether an employment contract exists. For more information see the Volunteers and Expenses Information Pack available from Volunteer Now (<http://www.volunteering-ni.org>).

## **6. The Responsibilities of Volunteer Centres**

A key role of a Volunteer Centre is to match individuals seeking to do voluntary work with voluntary organisations who are seeking to recruit volunteers. These 'services' and 'facilities' clearly come within the statutory provisions that prohibit discrimination when providing goods, facilities and services to the public. In Northern Ireland protection from discrimination in accessing goods, facilities and services is bound by law (see appendix 2 for the anti-discrimination laws and the statutory equality grounds). Therefore, it is essential for Volunteer Centres to ensure that they do not discriminate on the grounds of

religion or political opinion, sex, disability, race or sexual orientation. For example, under the Disability Discrimination Act 1995, service providers have a duty to make reasonable adjustments to help disabled people to use the services in question.

This may require the service provider to change any practices, policies or procedures, or the physical features of premises, if they make it impossible or unreasonably difficult for disabled people to use or access a service. For example, if the Volunteer Centre provides written information, such as leaflets and brochures, to its service-users it should provide that information in alternative formats too, such as in large print or in Braille where it is reasonable to do so.

If a Volunteer Centre premises are open to visits from the general public then reasonable steps should be taken to ensure that they are accessible for all potential users. Volunteer Centres should take appropriate action to promote fair and equal access and an equality of opportunity to all. In addition, if the Volunteer Centre is part funded by a Public Authority then that Authority may seek to ensure that the Centre operates procedures consistent with its own duties in relation to Section 75 of the Northern Ireland Act 1998.

## **7. Data Protection**

Volunteer involving organisations must abide by data protection law. This includes the effective management of any paper or computer based information they hold about volunteers. See Appendix 1 for guidance.

**Thanks to the Equality Commission for Northern Ireland for their help in the production of this information sheet.**

**For further information on equality law in Northern Ireland visit**

**[www.equalityni.org](http://www.equalityni.org).**

Reasonable precautions have been taken to ensure information in this publication is accurate. However it is not intended to be legally comprehensive; it is designed to provide guidance in good faith without accepting liability. If relevant, we therefore recommend you take appropriate professional advice before taking any action on the matters covered herein. A Charity (Inland Revenue) No. XT22896 Company Limited by Guarantee No. NI602399 Registered in Northern Ireland

## 7. Appendices

### Appendix 1: Data Protection

Organisations have responsibilities to abide by the Data Protection Act. Many organisations hold information about their volunteers in paper and computer based records i.e. personal details, equality monitoring data. The following is an excerpt from some information on the Information Commissioner's website which relates to Data Protection.

#### Holding information about others

To determine what, if any, legal obligations you may have if you hold information about others, you must first consider why you are holding such information. An individual, public body or other organisation may hold information about other people for a variety of purposes.

#### Domestic purposes

If you are an individual and you hold information about others, but only do so for personal, family or household reasons (including recreational purposes) then neither the Data Protection Act 1998 (DPA) nor the Freedom of Information Act 2000 (FOIA) impose any legal obligations on you.

#### Non-Domestic Purposes

If you hold information about other people for non-domestic purposes, the DPA will usually impose legal obligations on you. Where information about individuals is held for the purposes of performing a public duty or function both the DPA and FOIA are likely to impose legal obligations upon you.

Further information about the obligations placed upon public authorities by the FOIA can be found on our web site.

#### Exemptions

There are some circumstances in which you will not face any legal obligations, even if you hold information about other people for non-domestic purposes.

To decide whether this is the case, you need to consider to whom the information relates and how is it held.

No obligations under the DPA arise where the information relates to businesses, companies or other organisations.

If the information you hold **relates to living individuals who can be identified** by the information, then the legal obligations contained within the DPA are likely to apply to you.

If information you hold does not in itself identify an individual but it could be used to identify an individual when combined with other information you hold, or expect to hold at some point in the future, then the obligations are also likely to apply to you.

If you hold such information electronically (e.g. on a computer), or in certain types of paper-based filing systems, then the information is 'personal data' and the DPA will impose certain legal obligations on you.

## **The Data Controller**

Compliance with the legal obligations in respect of the handling of personal data is the responsibility of the 'data controller'. That is the title given to the person (individual, company or organisation) who decides why personal data is held and the way in which such data is dealt with.

## **Examples of personal data**

A company collects information about its customers:

- where they buy
- how they paid for their purchase
- delivery address

If this information is kept on a computer or certain types of paper-based filing systems, then it counts as personal data.

## **Examples of information about others that does not count as personal data**

- information about companies or businesses
- information about individuals who are dead

## **Examples of a data controller**

A company that holds personal data that it uses for business means (e.g. customer addresses at a mail order company) is likely to be a data controller.

If you hold a list of your friends' addresses so that you can send them a Christmas card then you are, strictly speaking, a data controller. However, the legal obligations imposed upon data controllers by the DPA do not apply where the data is held solely for domestic purposes.

## Examples of where a party is not a data controller

If you hold or otherwise process data only in accordance with instructions from a third party then you are not a data controller, because you have not decided why or how the data is processed. e.g. If you received a list of names and addresses from a company with instructions to mail out promotional leaflets to the customers on that list.

## Legal Obligations

Data controllers face two obligations in relation to the personal data they hold:

### A) Compliance

Firstly, a data controller is required to comply with the eight principles of good information handling (the Data Protection Principles):

These principles require the data controller to:

1. Process personal data fairly and lawfully;
2. Obtain personal data only for one or more specified and lawful purposes and to ensure that such data is not processed in a manner which is incompatible with the purpose or purposes for which it was obtained;
3. Ensure that personal data is adequate, relevant and not excessive for the purpose or purposes for which it is held;
4. Ensure that personal data is accurate and, where necessary, kept up to date;
5. Ensure that personal data is not kept for any longer than is necessary for the purpose for which it was obtained;
6. Process personal data in accordance with the rights of the individuals to whom the information relates;
7. Ensure that personal data is kept secure;
8. Ensure that personal data is not transferred to a country outside the European Economic Area unless the country to which the information is to be sent ensures an adequate level of protection for the rights (in relation to the information) of the individuals to whom the personal data relates

## Your rights

The DPA says that individuals have certain rights with respect to personal data that someone else holds about them.

The most important of these rights is that an individual can require a data controller to say whether it holds personal data about that individual and if so, what that personal data is and to whom it may be passed.

Other rights include the right to go to court to seek correction of inaccurate personal data and/or seek compensation for damage or distress caused by a data controller's failure to comply with their obligations.

## **B) Notifying the Commissioner of your practices**

The second obligation data controllers face is that they are usually required to let the Information Commissioner know certain details about themselves including the types of information they hold and the purposes for which they process personal data. These details are entered into the public register of data controllers which is maintained by the Information Commissioner. A fee is charged for each notification and for the annual renewal of the notification. Not all data controllers are obliged to notify the Information Commissioner of their processing. Exemptions from notification do apply in certain instances. All data controllers holding personal data for non-domestic purposes must comply with the eight principles of good information handling. To learn if you are a data processor obliged to comply with the data protection principles visit the definition section of the Information Commissioner's website. **Further details can be found on the Information Commissioner's Office web site- [www.informationcommissioner.gov.uk](http://www.informationcommissioner.gov.uk)**

## **Appendix 2: The anti-discrimination laws**

In Northern Ireland protection from discrimination in accessing goods, facilities and services is provided in the following legislation:

- **Sex Discrimination (NI) Order 1976**  
These laws prohibit discrimination and harassment on the grounds of sex; Pregnancy; gender reassignment; marital or civil partner status.
- **Fair Employment & Treatment (NI) Order 1998**  
This law prohibits discrimination and harassment on the grounds of religious belief and political opinion.
- **Disability Discrimination Act 1995**  
This law prohibits discrimination and harassment against disabled persons.
- **Race Relations (NI) Order 1997**  
This law prohibits discrimination and harassment on the grounds of race; colour; ethnic or national origins; nationality; belonging to the Irish Traveller community.
- **Employment Equality (Sexual Orientation) Regulations (NI) 2003**  
This law prohibits discrimination and harassment on the grounds of sexual orientation.

Service providers who are public authorities are also subject to **Section 75 of the Northern Ireland Act 1998**. In carrying out their work, public authorities must have due regard to the need to promote equality of opportunity and good relations on a number of grounds. They must equality impact assess their policies and consult with those affected by their policies, including service users.