Handling Money and Payments for Shopping

Options for Volunteers and Groups Supporting individuals in the Community

**** Please note this is an evolving issue and so this document will be updated as we get new or different advice. Please refer to the Spark Somerset website for updated versions www.sparksomerset.org.uk**

Option	Description	Pros	Cons	Further info
1	Recipient/family member pays for shop online/over the phone – volunteer collects and delivers the shopping	• Secure • Possible where local suppliers/shops are offering this service and supports local business	• Requires online or telephone payment. • Works for large supermarket 'click and collect' services only where slots are available	May require family/friend support to set up online accounts with supermarkets which can be tricky remotely.
2	Payment by cheque – older people may still have access to cheque books and prefer this method	• Secure	• Relies on volunteers/groups having access to bank accounts in which to cash the cheques • Bank branches are not all open in which to deposit cheques	

			and not all banks allow electronic depositing of cheques yet. • Cheques take time to clear which will affect 'cash flow'	
3	Recipient/family member or community group set up local arrangements with nearby shops and supermarkets for them to accept payments over the phone when volunteer has completed shopping	• Secure	• Not many supermarkets offer this at present but small local shops are more likely to, depending on demand.	NHS – GoodSAM app follows this option.
4	Volunteer reimbursed directly by recipient by BACS or Paypal	• Secure • Likely to be most appropriate for younger or tech-savvy recipients	• Requires recipient to be registered with online or telephone banking and requires volunteer to have a bank account	
5	Volunteer expenses paid by a community group. The volunteer does the shopping and pays for it, then provides a copy of the receipt to the community group for reimbursement as expenses. The recipient pays the community group over	• Protects the volunteer from needing to handle cash or negotiating payment directly with the recipient. • Protects the recipient from handing over cash • Provides a transparent receipt-expenses	• Not all groups will have a bank account • Processing of expenses and balancing accounts can be time consuming and requires dedicated individuals to administer the process centrally.	Groups may need a source of cash in the account to begin with to reduce a lag in payment of volunteer expenses. Some parish and town councils may be prepared to assist with that 'float' and there are some funding options available for direct COVID-19 work which may allow for this use.

	the phone or by BACS before or after delivery.	process less vulnerable to fraud.		
6	Fiscal Hosting Volunteer expenses paid by a community group as above. The community group, with no bank account, sign up with a 'Fiscal Host' such as The Open Collective and The Social Change Agency. Volunteers submit expenses claims to the fiscal host and recipients pay into the hosting account directly over the phone or online.	• Secure • The Fiscal Host is a legally constituted organisation that enables a Collective to transact financially without needing to legally incorporate themselves. They can hold a Collective's funds in their bank account and generate invoices and receipts for Financial Contributors (i.e unincorporated community groups set up specifically for the Covid-19 response could use a fiscal host as an alternative to having their own bank account, allowing them to operate a volunteer expenses system safely and transparently	• Administratively time consuming in initial set up but easy to manage once established. • Relies on ready funds in account to allow cash flow for paying expenses. • Still relies on recipients having a bank card to make transactions over the phone or internet.	Further detailed info: https://docs.google.com/document/d/1zHArRkjHIstk8b_rMDhHGFnKLfWYCeVhLYLWHEEunlY/edit

		• Having a fiscal host also allows the Collective to receive donations from bodies that would not legally be able to donate to an individual's bank account, like foundations, councils, NGOs and organizations. It also protects against the risk of people donating directly into individual's bank accounts, with little to no accountability of where that money will go.		
7	Local Town or Parish Council holds funds and uses their systems to facilitate the group's expenses for volunteers. For example, some Parish Councils are supplying petty cash for volunteers to do shopping and then recipients are making payments over the	• Safeguards recipients from paying volunteers directly and removed the need for cash. • Ensures that volunteers are not out of pocket	• Relies on systems being in place within Councils to accept telephone payments etc • Will require councils administering to a certain extent and smaller parishes may not have sufficient resources for that.	

	phone or via the local council.			
8	Local Council or VCSE organisations bulk purchasing food and making up food parcels of key supplies at £30 for example and taking payments over the phone with volunteers delivering the parcels	• Limits visits to supermarkets/shops for volunteers as one central distribution point • Eliminates need for volunteers to handle money or incur expenses	• Administratively complex • Requires a venue to store, sort and pack the produce • Requires a significant number of volunteers to pack boxes • Parcels may not contain what is actually needed	
9	Vouchers from Supermarkets	• Can be purchased by family members and delivered or posted to those in isolation to give to volunteers to use. • Can be loaded with small sums to avoid fraud	• Requires some 'lead in time' and may not address an urgent need.	
10	Post Office Payout Now Scheme	• Cash can be withdrawn from the P.O by a trusted individual up to a specified limit. • Barcode sent by text, email or letter • No personal details need to be disclosed	• Requires a bank account • Recipient will need to contact bank by phone • Risk of transmission via cash	Further details; https://www.bbc.co.uk/news/business-52229698 https://www.postoffice.co.uk/post-office-payout

11 LAST RESORT OPTION	Payment between volunteer and recipient directly. Volunteer pays for shopping personally and recipient reimburses them by cash or cheque		• Lack of cash • Risk of infection transmission by handling money • Theft • Risk that a cheque would 'bounce' leaving volunteer out of pocket	It is not recommended that volunteers and recipients manage payment in this way unless there are absolutely no alternatives or in the case of there being an established relationship between them i.e. family or friends for whom this arrangement might be negotiated.