

Estimating volunteer value

The economic value of volunteering can be calculated on the basis of the amount that it would cost to pay employees to do the work carried out by volunteers i.e. by multiplying the number of hours that volunteers give by the hourly rate of employing someone to do that work.

There are a number of widely accepted hourly rates that could be used, including: the national minimum wage*, the local median wage (the mid-point when wages are arranged from highest to lowest), the local mean wage (the average wage) and the reservation wage (the hourly rate associated with the actual role of a volunteer).

Although the most accurate option, the reservation wage can be difficult to identify and MVDA uses the national minimum wage* for people over the age of 21 (currently £6.70 per hour) as a conservative measure of the value of volunteers.

*From April 2016, the National Living Wage will apply and will be £7.20 an hour for workers aged 25 and over.

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