

PARISH GIVING SCHEME

The Parish Giving Scheme (PGS) is a centrally run professional donation system developed within the Diocese of Gloucester which seeks to provide an effective regular donation management system for our parishes. The PGS enables a donor to donate to any parish registered with the scheme. Donations can be made on a monthly, quarterly or annual basis. They are collected by Direct Debit on the first day of the month. The gift plus any related Gift Aid is then passed on to the specified parish by the tenth of the month. Gift Aid is prepaid to enable the gross donation to be returned altogether.

The main beneficiaries of this scheme are the recipient parishes; as it helps to take away a burden of administrative work from the parish volunteers; and the generous donors who benefit from a professional and flexible service. There are two unique features to this scheme:

1. The (popular) option for the donors to commit in principle to increase their gift in line with inflation annually. Static regular giving is a big concern for most parishes, if giving doesn't keep in line with inflation, a parish can easily find a gap develop between income and expenditure.
2. The PGS pre-pays the Gift Aid to the parish along with the gross donation (i.e. in advance of the PGS receiving it from HMRC; a process which would normally take four weeks)

Once an individual signs up to the PGS they receive a letter confirming their details and welcoming them to the scheme. Donors who have requested to increase their giving annually in line with inflation will then receive a letter one month before the anniversary of their first gift informing them of their soon to be inflated amount (giving them the option to vary it at this point).

Here are three examples of typical gifts given during 2012 and the impact inflation proofing can have
(RPI January 2012 = 3.9%)

<i>Frequency of gift</i>	<i>Initial gift</i>	<i>Increase in line with RPI – 3.9%</i>	<i>Increased amount</i>	<i>An extra...</i>
Monthly	£ 40	3.9%	£ 41.56	£ 1.56 a month
Quarterly	£ 150	3.9%	£ 155.85	£ 5.85 a quarter
Annual	£ 500	3.9%	£ 519.50	£ 19.50 a year

Whilst most people feel this extra is manageable and question what impact could it make, look at the impact for the church when more and more say YES to inflation-proofing their giving:

<i>Frequency of gift</i>	<i>Initial gift</i>	<i>Annual value to the church including RPI increase</i>	<i>Total if 30 donors said YES</i>	<i>An extra...</i>
Monthly	£ 40	£ 498.72	£ 14,961	£ 561
Quarterly	£ 150	£ 623.40	£ 18,702	£ 702
Annual	£ 500	£ 519.50	£ 15,585	£ 585
			TOTAL	£1848

By offering this scheme in a parish and through donors' generous commitments, churches can be assured of a **regular, tax efficient source of income** which has the capacity to increase with the cost of living, yet involves **virtually no administration**. With the help of the Parish Giving Scheme (PGS), donors benefit from a system that is **secure, confidential and easy to use**, while supporting the Church today and for the future.

Other benefits in offering the scheme include:

- The scheme is delivered locally (parish), but administered centrally (diocese)
- It is available to all parishes within the benefice
- All size of gifts are gratefully received however large or small the amount
- It can sit alongside other ways to give e.g. envelopes.
- The prompt return of Gift Aid improves parish cash flow and reduces parish administration
- Parishes are sent a monthly statement with a detailed breakdown of each gift given
- Donors can opt to remain anonymous to their parish an additional comfort feature for some.
- Direct Debit offers greater flexibility with regards to managing giving; increases and decreases can be made easily.

GIFT AID

For all UK tax payers who make gifts to charities, including the Church of England, the beneficiary charity can reclaim the tax paid on the gift. This is paid at 20 % and the donor has only to have paid more in tax during that tax year.