

Information for Givers

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What this booklet is for

This booklet is written to help you if you're wondering about joining the Parish Giving Scheme (PGS) as a regular giver to your local church. If you have any questions, your local PCC Treasurer or Giving Officer should be able to help – there may be some contact details on the back of this booklet.

When you picked up (or were given) this booklet, you may also have received a GIFT FORM. There's quite a lot of information on that document too – we've tried not to duplicate it here.

Why should I consider joining the PGS?

I already support the church financially

If you're already supporting the church financially, we're now asking you to consider 'changing method' to the PGS. If you do so, it will help to reduce the administrative work that your local church team have to do.

At the same time, it might be an opportunity for you to revise the amount you give (i.e. give more or less than currently) and consider whether the 'inflation option' is for you.



The 'inflation option' is described on page 10.

But I don't pay tax, so Gift Aid is irrelevant

If you don't pay tax, you can still use the PGS. By so doing you will make life easier for the local team, because there's less paperwork for them.

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But before proceeding, make sure of your tax status. Even if you're a pensioner you may still be paying income tax or capital gains tax and it may be appropriate

to 'gift-aid' your charitable donations. Check with your accountant or the local church treasurer if you're unsure.

I'm new to this church, or new to the idea of planned giving

If this idea is new to you, then we are simply encouraging you to be part of the support network that keeps the local church alive.

This network includes, of course, a number of regular financial supporters. We call this income 'planned giving'.

The church likes planned giving because it gives the church something to plan with. Unless we have a reasonably good idea of our income in the future, we can't budget or plan effectively.



*Therefore I tell you, do not worry ...
Matthew 6:25*

Why is the church no longer 'free'?

Once upon a time, it seemed, the Church of England provided ministry for 'free'. Now, despite having fewer clergy, it needs ever increasing donations.

Why is this?

Firstly, over the last 60 years, the cost of clergy has gone up by more than inflation. This is a good development – without private means or wealthy benefactors, clergy in the 1950s often lived in dreadful conditions. A series of national measures through the second half of the twentieth century sought to ensure a fairer treatment of clergy, addressing stipend levels and ensuring an appropriate level of housing provision.

Secondly, the cost of maintaining our church buildings has increased. Rather than abandon or neglect them, local congregations usually strive to keep buildings open and accessible (which includes keeping them warm and well lit – an expectation these days, rather than a luxury).

Thirdly, the 'national pot', which funded so much Church of England activity, is drying up. In the latter part of the 20th century, the Church of England's assets were reduced and income fell.

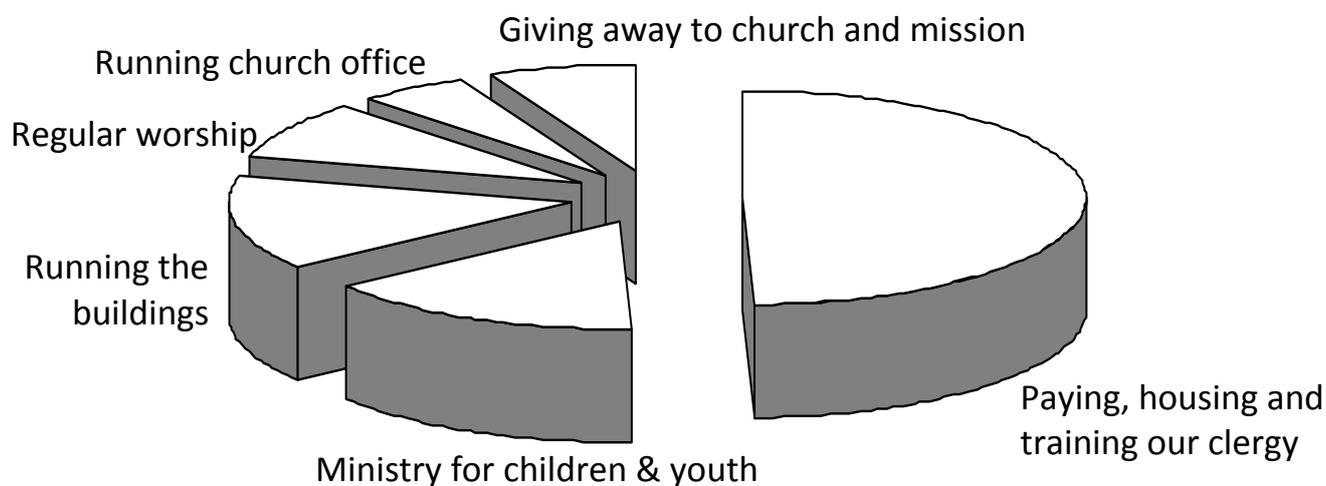
So who pays for our churches now?

Local churches are now funded by local people, and these days a church operating in any locality has to find ways of funding itself. There are some exceptions where the Bishops have decided to give a special subsidy or grant to churches that cannot support themselves, and for a period, these organisations may receive financial help from the whole regional church, working together as a diocese.

Most churches need to find several thousand pounds a month to operate. Finding this money can cause local church councils and leaders to worry. It helps them if as many people as possible participate in 'planned giving' – so they know what the regular month-by-month income will be.

Can you imagine trying to operate with an uncertain monthly income? It's very hard!

Here is a typical expenditure chart for a local church. Your individual situation will be different – ask your PCC Treasurer or Giving Officer for more detail about your parish if you would like to have it.



Is there any good news?

Of course there is! Here are three important facts:

1. Local churches are incredibly generous. Around England, church councils (PCCs) collectively give away to charity more each year than BBC Children in Need.
2. Central administration costs continue to be contained through efficiencies and the use of new technologies.
3. Local congregations have embraced the challenge to support their local churches financially. Some other parts of the Christian church never enjoyed a nationally subsidised existence, so they've always had to fund their activities. The Church of England is getting better and better at this.

How can I help?

If you're already part of a planned giving scheme – THANK YOU!

If you're not, would you consider joining one? The more people involved in planned giving, the easier it is for our local church to budget.

What is the best way to contribute financially?

We would encourage you to use the PGS – for the reasons set out below. But there are other methods of regular giving and it's up to you. Whatever method you choose, a regular gift is greatly appreciated by the local church.

The chart on the next page goes through the different regular giving methods. Not all of them may be on offer at your local church. The numbers in the chart refer to the notes below.

Notes for the chart on the next page

1. An envelope system can usually be organised by your local church. The process is quite labour-intensive to administer, but your church may be able to provide you with a numbered envelope for use each week of the year.
2. Using the Parish Giving Scheme (PGS), the church's reclaim of Gift Aid on your gift is handled automatically, so long as you are an eligible taxpayer.
3. If you use an envelope system or standing order, the church's reclaim of Gift Aid will be handled by your local Treasurer, so long as you are an eligible taxpayer AND you have completed the necessary forms.
4. If you simply put cash into the offering plate or bag, the church can only reclaim a certain amount of Gift Aid – up to an annual limit – using the 'Gift Aid Small Donations Scheme'. Otherwise you will have to use a Gift Aid envelope or form when you make your gift.

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Different ways of making regular gifts

A	Put something in the plate or bag when you go to church
B	Use an envelope system (see note 1)
C	Donate by Standing Order
D	Donate using the Parish Giving Scheme

ADVANTAGES for you and the church:

You maintain complete control over how much you give	✓	✓	✓	✓
The church can receive Gift Aid on every gift (currently an extra 25%)	✓ ²	✓ ³	✓ ³	✗ ⁴
The church can plan using a budget forecast of income	✓	✓	✓	✗
The church receives 52 weeks' worth of gifts from you each year	✓	✓	✓	✗
Cash gifts do not need to be sorted and counted after the service	✓	✓	✗	✗
The church always gets the Gift Aid back within a few days	✓ ²	✗	✗	✗
Your gift can be automatically uplifted by inflation each year, should you so choose	✓	✗	✗	✗

You can see from the chart above that the PGS offers the most advantages, but you may have good reasons for preferring a different method! Whatever method you choose, the local church team are extremely grateful for your regular gift.

How much should I give?

Giving is essential to secure our church's future ability to serve our communities. It's impossible to be prescriptive about individual responses, but here are some thoughts:

Consider proportionate giving

Circumstances differ enormously and your gift will not simply reflect your willingness to give, but also your ability to do so. As a basic starting point, Christians believe that in giving to others we should give in proportion to what we receive; i.e. in proportion to our income.

This practice, known as tithing, has Biblical origins and 'tithe' literally means a tenth.

The General Synod of the Church of England encourages church members to assess annually their financial giving as a proportion of income and to take as an initial target 5% of after-tax income to and through the church, and a similar amount to other charitable work, thus making up a tenth in all.

Should I base my calculations on pre-tax, post-tax or disposable income?

Do what you feel is right. A tenth is very easy to calculate – whatever you take as your base figure. If you are a taxpayer, it probably makes sense to use your post-tax income as a base, and then (so long as you Gift Aid your gift) the church will be able to reclaim the tax as well.

See the chart on the next page for a useful table to help you calculate the level of proportionate giving that is right for you.

Be aware of the church's financial needs

The PCC Treasurer or Giving Officer will be able to give you a summary of the church's financial needs, and that may help you decide the appropriate amount for your regular contribution.

Giving Guide

If you would like some help to reflect on proportionate giving, you will find below a 'Giving Guide' that illustrates what giving would be for various levels of income at 10%, 5% and 1%.

Your after-tax income is probably easiest to determine as a monthly figure from your bank statement, where you should find your earnings from employment, or pensions, dividends and interest, etc. Go down the 'after-tax income column' below until you find the nearest figure, then look across to the 'monthly giving' columns, to assess whether you are able to meet the Church of England target of 5%, or to scale a gift that feels right for you.



After-tax Income		Monthly Giving		
<i>p.a.</i>	<i>p.m.</i>	10%	5%	1%
6,000	500	50	25	5
12,000	1,000	100	50	10
18,000	1,500	150	75	15
24,000	2,000	200	100	20
30,000	2,500	250	125	25
36,000	3,000	300	150	30
42,000	3,500	350	175	35
48,000	4,000	400	200	40
54,000	4,500	450	225	45
60,000	5,000	500	250	50

*Each person should give ... not reluctantly or under compulsion,
for God loves a cheerful giver
2 Corinthians 9:7*

Special features of PGS

The inflation option

Over time the cost of living keeps increasing. This is as true for the church as it is for other areas of society: paying clergy stipends and maintaining buildings all cost more over time.

Over the past 50 years the reliance of the church on personal gifts has increased enormously. Until the arrival of PGS, the church has relied on these regular gifts being made either through standing order or by cash in the collection plate. The difficulty with gifts made in this way is that they tend to be fixed: trends suggest that a regular giver who puts £10 in the collection plate each week, or sets up a standing order for £50 per month is unlikely to increase their gift on a yearly basis by (say) 3% – putting £10.30 in the plate or changing their standing order to £51.50 a month.

Although this problem may seem small, collectively its effect on the church is enormous. If giving to the church had been tracking inflation since the year 2000, look how it would have increased:

Year	2000	2005	2010	2015
Gift	£40.00	£45.35	£52.32	£61.32

The PGS makes it easy for you to agree, in principle, to increase your gift in line with inflation each year. Just tick the box on the form. So far, most PGS givers have opted for this annual increase.

You can be reassured that if your circumstances change it is also easy to decline the increase when the annual inflationary letter or email arrives.

The anonymity option

You can remain anonymous to your local church.

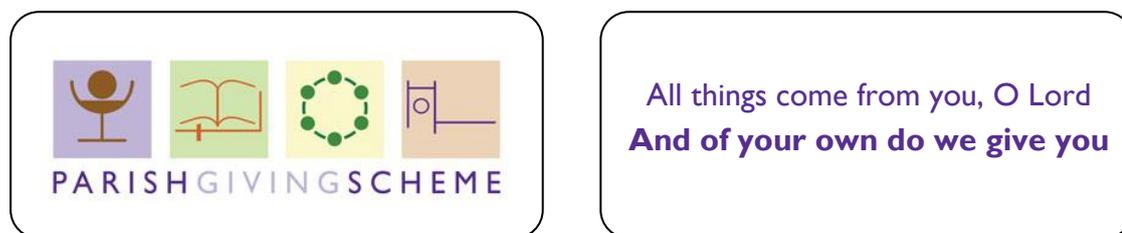
While the PGS will know who you are (they need to know in order to reclaim Gift Aid) you can ask them not to pass your name on to the local church. There's a box on the Gift Form – just tick it if you wish to remain anonymous.

Cash flow advantages for the local church

Your local church will receive your gift, along with all the other gifts made via PGS, on or before the 10th of each month. They will also get the month's Gift Aid, as soon as it comes from HMRC (usually within a few days). Gone are the days of waiting months for a Gift Aid reclaim.

Tokens

Depending on the custom in your local church, you may be given some PGS tokens (illustrated – front and back – below).



If it is customary for a bag or plate to be passed around to receive money during the service, then (if you wish) you can simply place one of your tokens in the bag or on the plate. You thus have the opportunity to express an act of giving, even though the process is taking place 'behind the scenes' automatically.

If you use a token in this way, the tokens collected will be separated out as the collection is counted. You will then be able to pick up a token the next time you enter the church for a service.

The second token is a spare – or you can place it where you will see it every day – at home or where you work.

It will serve as a reminder that "All things come from you, [O Lord] and of your own do we give you." (1 Chronicles 29).

Somebody may ask you about it, giving you an opportunity to explain why you value your membership of your local church.

What happens next?

1. **Read the notes on the GIFT FORM carefully as you fill it in.**
2. **Cancel any existing Standing Order**

The PGS Gift Form needs you to specify the starting date for Direct Debit collections. Don't forget also to contact your bank (online, by phone or by letter) and instruct them to CANCEL any existing Standing Order to the local church. Ideally, keep your existing Standing Order going until the month before the Direct Debit starts.

3. **Send the form off to the PGS**

Don't send it to the local church, or to the Diocese, but send it to:

**Parish Giving Scheme, Church House, College Green
Gloucester GL1 2LY**

Keep the left hand part of the form. It tells you what to expect next.

To consider ...

What we do with our money proclaims who we think we are – whether we know it or not, whether we like it or not. All our actions in some degree reveal us; why should our economic life be different?

Archbishop Rowan Williams

...when we seek to raise funds we are not saying, "Please, could you help us out because lately it has been hard."... rather we are declaring, "We have a vision that is amazing and exciting. We are inviting you to invest yourself through the resources God has given you – your energy, your prayers and your money – in this work to which God has called us."

From The Spirituality of Fundraising by Henri Nouwen

Questions?

More information can be found at www.chichester.anglican.org/pgs

Your local contact is :