

Frequently Asked Questions

September 2022

What's the point of PGS?

PGS helps churches in the Diocese of Canterbury by enabling givers to donate via direct debit, rather than traditional ways of collecting money into the local church.

Who operates the Parish Giving Scheme?

The scheme was devised by the Diocese of Gloucester, and it is now an independent charity (Registered Charity 1156606), with trustees nominated from among the 29 dioceses that use the scheme.

How does it help local churches?

As more and more givers switch to the PGS, it will save many hours of administrative time at local church level. Donations are much easier for the Treasurer (or Giving Officer) to reconcile than standing orders or cash. It will improve cash flow, since Gift Aid is added each month, so there's no need to wait for the reclaim. Furthermore, with two thirds of givers opting to accept an inflationary uplift, the church receipts should increase year on year.

How does it help PCC treasurers?

PGS remits money directly to the local church's bank account on the 10th of each month. The amount remitted is the total for all the PGS givers in the congregation. The Treasurer receives a report showing names and amounts for each donation, except where the donor has chosen to remain anonymous. A payment with the gift aid from the donations is then given to the church a few days later.

How does it help givers?

PGS offers givers a convenient and secure method of making their regular donations to their local church by Direct Debit. Givers may choose to have their donation automatically uplifted by inflation each year. Givers can also choose to remain anonymous to their local churches, if they prefer.

Is a direct debit scheme secure?

Givers are protected by the Direct Debit Guarantee, which makes it a very safe system, safer than other forms of giving. See www.directdebit.co.uk or www.financial-ombudsman.org.uk (search for 'direct debit') for more information.

Why is the option to increase with inflation important?

Because one of the biggest problems faced by churches is that of 'static giving' (i.e. costs rising, but donations staying the same). A donation of £20 given in 2005 is worth less than two-thirds of that value now (£12.93 in Dec 2019, per ONS figures for RPI www.ons.gov.uk).

Why is RPI used to calculate inflationary increases?

RPI was the most popular choice amongst givers when the scheme was originally piloted in 2008. The difference between RPI and CPI only makes a slight difference on the increase in gift level. For example, in October 2017, someone who had given £20 a week would see their donation increase by 18p a week more with RPI than CPI. The system applies the most recently published January RPI on the anniversary of the giver's gift through PGS. Crucially, it only applies this increase to those givers who have 'opted in' – and the new amount is confirmed to the giver in writing.

How long does it take for the funds to come through?

Money is collected from givers on the 1st of each month and remitted to PCC bank accounts on the 10th of each month – or the subsequent working day. The gift aid is then given to the church a few days later.

What do PGS givers do when the offering plate is passed round during a service?

Scheme participants can be provided with PGS tokens, which can be placed on the plate or in the collection bag. This indicates that they participate in PGS and enables them to express an act of offering during the course of Sunday worship. Tokens are ordered from PGS at a cost of 5p/token (minimum order 100 tokens).

How much will it cost our church?

The Diocese of Canterbury is paying the costs of participating in the scheme.

What happens to my donation in the event of PGS "going bust"?

If insolvency were looming, the trustees would be bound to manage affairs to avoid restricted donations being placed at risk. The chances of this are extremely small. PGS is a successful and well-resourced organisation with a proven track record in efficiently administering the scheme.

What if donors cannot or do not wish to sign up to the PGS?

There is no obligation for donors to change their method of donation. For donations not received via PGS the parish will need to decide whether to claim Gift Aid direct from HMRC.

Why can the PGS not deal with one-off donations or plate collections?

The PGS team are currently system testing an option for one-off donations and expect to advise on progress in the near future. PGS claims gift aid as a charity in its own right and therefore is limited to the £8,000 Gift Aid Small Donations Scheme limit.

Are you going to assist any Gift Aid Offices to sign up with HMRC so that they can deal with one-offs and plate collections?

We will be providing further guidance and we are currently collecting feedback and screenshots from Gift Aid Officers who are in the process of signing up with HMRC. If a Gift Aid Officer has a particular question we are happy to work with them. Please contact us at parishgiving@diocant.org

Will there be a local point of contact if things go wrong?

We will be available to offer guidance and support on parishgiving@diocant.org and we are looking out for PGS and HMRC champions within each deanery. For technical support the most knowledgeable and expedient first contacts are:

- PGS helpline: 0333 002 1271
- HMRC charities helpline: 0300 123 1073

Where can I find out more?

More FAQs can be found on the [Parish Giving website](http://www.canterburydiocese.org/parishgiving) and further information and resources can be found at www.canterburydiocese.org/parishgiving. You can also contact the Finance team via email (parishgiving@diocant.org) or phone (01227 459401).



www.canterburydiocese.org/parishgiving