The Parish Giving Scheme in Chelmsford Diocese

Summary
The “Parish Giving Scheme” is a multi-diocesan approach to serving parishes with a professional donation management and Gift Aid service which combats the challenge of static giving by allowing donors to increase their giving in line with inflation. A quality launch alongside a stewardship review provides the opportunity for a step change in the level of giving.

Overview
The Parish Giving Scheme (PGS) is a direct-debit system developed by the Diocese of Gloucester to provide a professional, effective donation management system to support parishes fund their mission and ministry. It reduces the burden of work on parish volunteers and provides a professional service to our donors. It enables:

- The donor to sign up to inflationary giving, overcoming the static nature of cash and standing order gifts.
- The parish to improve cash-flow by receiving the gift by the tenth of the month. The Gift Aid will be sent separately once PGS has received it from HMRC.

It does all this at a lower cost than envelope schemes (and free for our parishes).

How it works

[Diagram showing the process of how the Parish Giving Scheme works, including steps such as donor signing up, gift being donated, and church receiving funds.]

The donor donates £50 by Direct Debit to PGS

Their total gift of £62.50 enables their church to continue to grow confidently

PGS sends Gift Aid of £12.50 to their church

Donation arrives in PGS account £50

PGS claims eligible Gift Aid + £12.50

Church receives donor’s gift of £50.00 from PGS

Once received from HMRC

1st of the month

3rd of the month

4th of the month

10th of the month
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 is then passed on to the specified church within ten days of collection. Gift Aid will be sent separately once PGS has received it from HMRC.

Another unique feature of the scheme is the option for the donor to commit in principle to increase their gift annually in line with inflation. This is entirely at the donor’s discretion on an opt-in basis but more than 60% of the cash received is index-linked.

Donors receive an initial letter confirming their details and welcoming them to the scheme. All those who have requested to inflate their giving annually will then receive a letter one month preceding the anniversary of their first gift informing them of their soon to be inflated gift (with the option to vary it).

The system uses the Advanced nfp CARE NG database (a professional system used by many large Charities such as Cancer Research UK). The scheme has been operating in Gloucester since late 2008, including a year long pilot, and is now in use in more than 14 Dioceses.

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.

Benefits to parishes and participating dioceses include:

- The scheme is delivered locally (parish), but administered centrally reducing the administrative burden on parishes.
- All parishes whose Diocese have signed up to the scheme can participate, and it suits regular and fringe donors. The degree of impact is linked with the quality of local execution, and being launched alongside a giving review.
- Regularly increasing giving through the majority of donors opting for index-linking.
- Anonymity for donors, if required.
- Direct Debit offers greater flexibility with regards to managing giving; increases and decreases can be made easily.
- Increased cash flow through faster recovery of Gift Aid, enabling more regular payments of parish share.
- Central system ensuring that Gift Aid is processed accurately.
- Professional, tried and tested materials for donors, and for parish treasurers. Monthly, Annual and Tax year statements are sent to each Parish.
- The PGS is complimentary to any stewardship programme both at the point it is introduced and in subsequent years.

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.

Retail Price Index

The current RPI amount published for January 2018 (the agreed date of the fixed annual inflationary increase amount) is 4.0%

Diocesan contact

To register a parish for the scheme (free) or for advice on how to launch the scheme in your parish, please contact The PGS Team pgs@chelmsford.anglican.org