



# What is the point of PGS?

PGS helps us in Chichester Diocese by extending our reach to donors who prefer automatic direct-debit-based systems to the traditional ways of collecting money into the local church.

# How does PGS help donors?

PGS offers donors a convenient, elegant and secure method of making their regular donations to their local church by Direct Debit. In due course, it will be available online as well. Donors may have their donation automatically uplifted by inflation each year, if they so choose. Also, donors can remain anonymous to their local churches if they prefer.

#### Are some donors scared of Direct Debits?

Yes – and we need to overcome this fear! Donors are protected by the Direct Debit Guarantee which makes it a very safe system. More information is available on the website **www.directdebit.co.uk** or **www.financial-ombudsman.org.uk** (search for 'direct debit').

#### So why are we so keen to promote PGS in this diocese?

Because it helps local Treasurers and/or Giving Officers and, through them, the local churches in Sussex.

#### How does it help PCC Treasurers?

PGS remits money directly to the local church's bank account on the 10<sup>th</sup> of each month. The amount remitted is the total for all the PGS donors in the congregation. Gift Aid is automatically reclaimed and remitted either at the same time or as soon as it is received from HMRC. The Treasurer can download a report showing names and amounts for each donation, except where the donor has chosen to remain anonymous (see example report below).

Parish name: Dibley
Parish reference: 088-DIBY
Date of donation: 1st October 2011
Claim generated: 5th October 2011

Transaction Donor Ref		Contact ID	Donation Received	Gift Aid	Total	Freq.	Inflat.
Miss Scarlet	DBF THANK YOU-1158	4032	10.00	2.50	12.50	М	Ν
Revd Green	DBF THANK YOU-1150	4023	35.00	8.75	43.75	Μ	Y
Mrs White	DBF THANK YOU-1144	1257	15.00	3.75	18.75	Μ	Y
Colonel Mustard	DBF THANK YOU-1598	4591	8.00	2.00	10.00	Μ	Ν
Anonymous	DBF THANK YOU-1148	4018	40.00	10.00	50.00	Q	Y
Prof Plum	DBF THANK YOU-1143	4011	30.00	7.50	37.50	Μ	Y
Lady Peacock	DBF THANK YOU-1264	4988	1000.00	250.00	1250.00	Α	Y
Anonymous	DBF THANK YOU-1364	5203	25.00	6.25	31.25	Q	Y
Dr Black	DBF THANK YOU-1365	5204	25.00	0.00	25.00	Μ	Y
			1188.00	290.75	1478.75		

Joiners (Contact ID)		Leavers (Contac	ct ID)
5203 5204		3988	
Key:	Freq = Frequency		M = Monthly Q = Quarterly A = Annual
	Inflat = Annual Gift Infla	ntionary Increase	Y = Inflationary increase N = No inflationary increase

# How else does it help local churches?

As more and more donors 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 cashflow, since Gift Aid is paid each month, so there's no need to wait a long time for the reclaim. Furthermore, with the donor option to accept an inflationary uplift (which the majority of PGS donors go with), the church receipts should increase year on year.

#### What measure of inflation is used?

The system applies the most recently published January RPI on the anniversary of the donor's gift through PGS. It only applies this increase to those donors who have 'opted in' – which is the majority of donors. So far, it's about the same proportion in all participating dioceses.

# Why is inflation so important?

Because one of the biggest problems faced by churches is that of 'static giving'. If giving had kept track with inflation since the year 2000, it would have increased by over 50%:

Year	2000	2005	2010	2011	2012	2013	2014	2015
Gift Amount (example)	£40.00	£45.35	£52.32	£54.98	£57.14	£59.02	£60.65	£61.32

#### Who operates the PGS?

The scheme was devised by the Diocese of Gloucester. They have been running it for over ten years now, so it is well 'bedded in'. They managed and operated the PGS initially, but it is now active in many Church of England dioceses, with more 'in the pipeline'. With the backing of The Archbishops' Council, it became a church-run not-for-profit company in 2014 (Registered Charity 1156606).

#### What material is being provided?

A full range of well-presented material is being made available to churches in our diocese. This includes an Implementation Handbook for churches (A4 format), leaflets for enquirers (A5) and gift forms (A5) for those who are ready to sign up.

#### How much will it cost us?

The Diocese of Chichester pays the marginal costs of participating in a scheme already set up by the Diocese of Gloucester. There are NO additional costs to a participating parish in Chichester Diocese.

# How long does it take for the money to come through?

Money is collected from donors on the 1<sup>st</sup> of each month and remitted to PCC bank accounts on or before the 10<sup>th</sup> of each month. The Gift Aid reclaim reaches the PCC bank account as soon as it is received from HMRC – usually 25<sup>th</sup>.

# What are its strong points?

The strong points of PGS are:

- It's an efficient system offered for the benefit of all local churches, from the smallest to the biggest
- It has a positive effect on Parish cashflow
- It's easier to for the local Treasurer to reconcile than standing orders or cash donations, thus reducing the administrative burden
- Most donors are inclined to tick the box that automatically uplifts the donation each year, thus overcoming 'static giving'

#### What do PGS donors do as the bag or plate is passed round on a Sunday?

We can provide scheme participants with PGS tokens (as illustrated) 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.



#### What's the next step?

Local churches need to register for PGS. Full details are given in a handbook which is downloadable from **www.chichester.anglican.org/pgs**. You can download the registration form online via the same web address.

#### Where can I get more information?

Call your Parish Advisor on 01273 425797 or email **pgs@chichester.anglican.org**. The Church House switchboard number is 01273 421021. Or, if you prefer, go to the website where all the information about PGS is well laid out: **www.chichester.anglican.org/pgs**