



Implementation Handbook for Local Churches 2019/20 Edition

Updated: February 2020

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1 Contact details and changes

Here are the contact details for any questions you may have about PGS:

1.1 The PGS Office in Gloucester

The PGS office handles the processing of all donations, so if your query is anything to do with donation processing or donors already set up, contact them direct:

PGS Office, 76 Kingsholm Road, Gloucester, GL1 3BD

Tel: 0333 002 1260

Email: info@parishgivingscheme.org.uk

1.2 The Diocese of Chichester

If you are wondering about registering or need any of the PGS resources, contact Chichester's diocesan office at Church House in Hove:

Diocese of Chichester, 211 New Church Road, Hove, East Sussex, BN3 4ED

Tel: 01273 421 021

Email: pgs@chichester.anglican.org

1.3 Copyright notices

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- The PGS logo can only be used in articles or posters relating directly to the Parish Giving Scheme
- No changes are made to the logo, other than resizing (please make sure its aspect ratio is preserved)

If you wish to use the PGS logo please write requesting permission to info@parishgivingscheme.org.uk agreeing to the above conditions.

1.4 Amendments to this handbook

This handbook, although in its fourth edition, is still a work in progress. The version you are looking at is identified by the digits at the bottom left hand corner of this page.

If you would like to suggest amendments, please send an email to pgs@chichester.anglican.org suggesting your amendment, along with the version number from the bottom of this page.

Thank you!

2 Benefits of the PGS

2.1 PGS makes it easy for the donor

In our modern ‘convenience’ culture, making things easy and simple is important. There’s no point in putting unhelpful steps in the path of somebody who wants to support their local church financially. The PGS makes it very easy for anybody to become a regular donor to their local church.

2.2 PGS encourages regular giving

People who go to their local church ‘every week’ in fact go about 46 times in the year. If they are invited to become 52-week givers the church may see a 13% increase in giving levels. When compounded with the 25% uplift that the Gift Aid reclaim process currently enables on regular gifts, the combined effect is an astonishing 41%, as shown in Figure 1 below:

Each visit	46 church services	52 weeks	Increase
£10	£460	£520	13%
Gift aid	£575	£650	13%
Increase	25%	25%	41% !

Figure 1: A substantial difference is made if donors are invited to give a full 52 weeks’ worth of gifts each year, and to ‘Gift Aid’ their donations

So, it’s very helpful to get congregation members into the habit of regular giving, even if they’re not at church each and every week. Of course, regular giving can occur in many ways, such as weekly envelopes or standing orders. But the PGS offers the most advantages.

2.3 A crucial difference

Many people get confused about the difference between Standing Orders (sometimes called Banker’s Orders) and Direct Debits. They are quite different, although both result in money moving from one bank account to another. Here is a brief explanation of the difference, and why it’s important.

2.3.1 Standing Orders (SOs) – sometimes called Banker’s Orders

SOs are initiated by the donor or payer. They are an instruction to a bank to make a regular payment of a fixed amount. They’re good, but the amount often remains fixed for several years.

2.3.2 Direct Debits (DDs)

These are initiated by the beneficiary or payee. Donors (payers) sign a mandate allowing money to be collected from their account. There are two key advantages over Standing Orders:

1. DDs collect 'odd amounts' e.g. £141.37 – amounts that no donor would ever think of donating via Standing Order. Cumulatively, these 'odd amounts' make a huge difference.
2. DDs are actually safer for the donor than SOs, because of the 'Direct Debit Guarantee'. If you're not sure of this, search online.

2.4 PGS benefits local churches

In many places in Sussex, the PGS applies a credit for several thousand pounds to the PCC bank account each month. In these places, the PGS is automatically collecting the regular gifts of congregants, adding the Gift Aid, and then transferring the money electronically through to the local church.

As shown in Figure 2, PGS remits money directly to the local church's bank account on the 10th of each month (or the first business day thereafter). The amount remitted is the total for all the PGS donors in the congregation, automatically uplifted by Gift Aid where applicable.

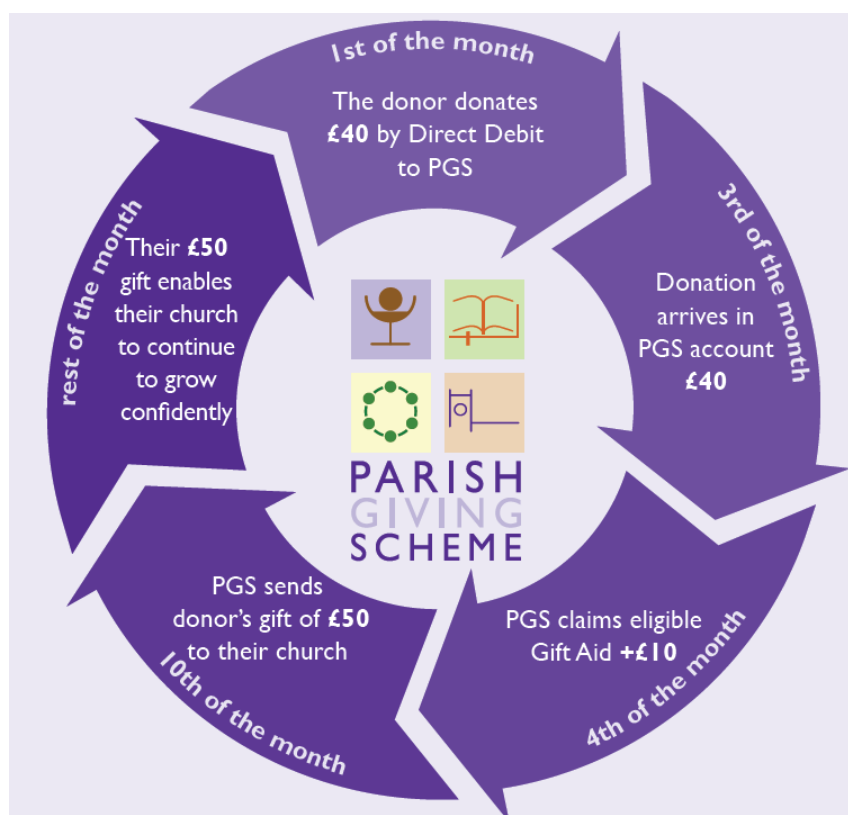


Figure 2: The PGS operates on a 10-day cycle, collecting from donors on the first of each month, and then sending a consolidated remittance (including Gift Aid) back to the local church on the tenth of the month.

The PCC treasurer (or designated statement receiver) receives a monthly summary of all donations. This is accessed through a secure electronic portal. The format of the statement is illustrated on the Frequently Asked Questions sheet. (If you don't have a sheet to hand, it can be found at www.chichester.anglican.org/pgs).

As more and more donors switch to the PGS, it saves 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. The PGS also helps with cash flow, since Gift Aid is added each month. Furthermore, with the donor option

to accept an inflationary uplift (which most people tend to go with), the church receipts automatically increase year on year.

2.5 Benefits for donors

Many donors are accustomed to automatic direct-debit-based systems and think the traditional ways of collecting money into the local church are a bit out of date! The PGS, by contrast, offers them an efficient, modern system, with a clear narrative on their bank statement each month.

If they wish, donors may have their donation automatically uplifted by inflation each year. Many donors, on receipt of the letter informing them of the changed amount, increase it even more.

PARISH GIVING SCHEME

Title: Mr Mrs Miss Ms Other

First name(s):
Surname(s):
Full home address:
Postcode: Telephone:
Email:

I wish to donate per month quarter year

to the Parish Giving Scheme
Registered Charity Number: 1156606
Starting on the 1st* of (month) (year)
*Please allow one month from today
NB: Only you can cancel your existing Standing Order

I wish to remain anonymous to my parish's Planned Giving Representative

YES I wish to give a regular donation for my church

I wish my donation to be used solely for the benefit of:
Church / Parish name
PGS Parish code
In the village / town / city of
In the Diocese of

I wish to support my parish in the future by agreeing to an annual inflationary increase on my gift. Please tick Yes

I understand that the new amount will be communicated to me by letter 30 days prior to the gift donation date. I have the right to opt out of this arrangement at any point in the future by communicating my wishes by letter, email or phone to the Parish Giving Scheme.

I wish to Gift Aid my donation
Gift Aid makes every £1 worth £1.25 *giftaid it*

Please treat as Gift Aid donations all qualifying gifts of money made from the date of my first gift on this declaration and in the future.
I am a UK tax payer and understand that if I pay less income Tax and/ or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference.
I understand the charity will reclaim 25p for every £1 that I give.

Signature Title:

Figure 3: the form enables a donor to sign up for an annual inflationary uplift and, if they choose, to remain anonymous to the local church

2.6 Other benefits

- PGS has a good pedigree. It started life in the Diocese of Gloucester, where it has been running for several years. In 2014, with the backing of the Archbishops' Council, they transferred the scheme to a new not-for-profit company and its use is fast spreading nationwide. Many dioceses are active in the scheme.
- Being a direct debit scheme, PGS enables the church (the beneficiary) to maintain control over the mechanics of payment. Significantly, it means that an inflationary uplift can be automatically applied each year, if the donor 'opts in' by ticking the appropriate box on the form.
- Another unique benefit is that a donor can choose to remain anonymous to the local church. This can be helpful in encouraging those who for various reasons feel more comfortable with their regular donations being kept anonymous, whilst still enabling the church to benefit from Gift Aid.

3 Questions people ask

3.1 Operational issues

3.1.1 How much will it cost us?

The Diocese of Chichester is paying the marginal costs of participating in a scheme already set up by the Diocese of Gloucester, and now transferred into an independent charity. There are no additional costs to a participating parish, and there is no deduction from the donor's gift.

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

Money is collected from donors on the 1st of each month and remitted to PCC bank accounts on the 10th of each month – or the subsequent working day.

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

We can provide scheme participants with PGS tokens (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. Tokens, if included in the offering, may be received and blessed by the priest or minister with the rest of the collection. After the service they should be separated out from the rest of the money and stored somewhere safe until the next occasion a collection is taken, when they should be made available to worshippers who like to use them.



3.1.4 What statements does the PGS send to Treasurers/Giving Officers?

The PGS provides monthly statements (as illustrated on the Frequently Asked Questions sheet), as well as annual statements for both calendar and tax years.

3.1.5 Can donors choose which day of the month their donations are collected?

No. All direct debits are drawn from the donors' accounts on the same day – the 1st of each month – or the next working day. This is essentially to keep administration costs low – but also following the principle of 'first fruits'; that we give first from what we receive.

3.1.6 Can we have multiple PGS funds for our church?

The PGS trustees are reluctant to have too many funds registered for one church. They have agreed that they will sign off additional registrations where they are satisfied that there is significant and additional giving to be processed. Their preference is for funds to be allocated locally.

3.1.7 We have several churches within our parish. Do we have to register separately or as one parish?

You can join the PGS as one parish if the bank account is the same for each church, or (if they prefer) churches can register separately. Subject to PCC approval, it is possible for the DCC of one church within the parish to opt into the PGS without the other(s).

3.1.8 What happens if there is negative inflation?

If inflation is negative the PGS's working proposition is that the inflationary letter will note this and suggest the gift is therefore left unchanged. This on the assumption negative inflation will be very small and short term. If there is an elongated period of deflation the PGS trustees will revisit this.

3.2 Objections sometimes raised

In the course of advocating the system you will meet many objections, and we have included the most common here, together with some thoughts that may or may not convince doubters!

3.2.1 Our existing systems work fine

Possible response: While our advice is often “if it ain’t broke, don’t fix it”, it’s worth thinking about the PGS’s ability to collect ‘odd amounts’ (see page 4). Additionally, both envelope giving and standing orders have issues about frequency of review and uplift, and cash gifts (whether enveloped or not) all have to be painstakingly counted and banked. Finally, there is the vital question of succession planning: how much do existing systems rely on the expertise of one individual?

3.2.2 We don’t trust Direct Debits

Possible response: Direct Debits are in fact the safest means of money transfer in so far as they are instantly reversible by the donor: this is not the case with standing orders, cheques or cash. Donors are protected by the Direct Debit Guarantee which makes it a very safe system – search for more information about this online. Many people from whom you might expect to hear this worry are in fact using PGS and find it perfectly satisfactory.

3.2.3 Our donations increase annually by more than inflation anyway

Possible response: Fantastic! It’s good practice to encourage an annual review of giving. But we have found, in every congregation, that there are some who prefer the increase to be handled automatically. Of course, if a donor giving through the PGS wishes to increase by more than inflation, they are free to do so, and many do. It just takes a telephone call or an email.

3.2.4 If people realise how much they’re giving, they may reduce the amount

Possible response: There is a slight risk of this, but in our experience overall giving never reduces. But it’s always a good idea to give donors ‘permission’ to reduce their giving, as an encouragement towards proportionate giving and in recognition that parishioners’ incomes both rise and fall. Of course, when some people realise the proportion of their income they are retaining, they may be motivated to increase the amount they give.

3.2.5 Gifts should be given, not ‘taken’ by Direct Debit

Possible response: Other charities use a Direct Debit system to collect donated money. Because of the efficiencies offered by PGS, more of each donation ends up being used to support the mission of the church. The key thing is the decision by the donor as to how much they will give to the mission and ministry of the church – how the money moves from the donor to the church is less important. Above all, using a reliable and efficient system reduces ‘worry’ at local church level.

3.2.6 It won’t work for team or multiple churches

Possible response: Yes, it will. If each church is separately registered, then PGS will send a statement for each church. There are several examples of it working very well for multiple churches – even when the gifted money all ends up in the same bank account.

3.2.7 Few of our donors are tax-payers, so Gift Aid is irrelevant

Possible response: The PGS still offers the ability to collect ‘odd amounts’ (see section 2.3.2 on page 3) even if they are not uplifted by a Gift Aid reclaim.

3.2.8 We're replacing a free volunteer-run process with a paid-for professional process

Possible response: This cannot be contradicted. However, the PGS is (a) highly efficient and (b) well presented – possibly better presented than a local church could achieve on its own. The modest costs are borne centrally, not by local churches.

3.2.9 The taking up of our offerings is part of our liturgy

Possible response: Scheme donors can be provided with PGS tokens to be placed on the plate or in the collection bag, as some churches already do for those giving by Standing Order. This indicates that they participate in PGS and enables them to express an act of offering during the course of Sunday worship. The tokens are received by the minister/priest along with the rest of the offering. A simple method needs to be devised by the parish to recycle the tokens back to PGS donors ready for use at another service. The tokens are described in more detail in section 3.1.3 on page 6.

3.2.10 We already do Direct Debits

Possible response: You almost certainly do Standing Orders, but we're pretty sure you don't do Direct Debits. There's a subtle difference, fully explained on page 4. The PGS demands much less effort for the local church Treasurer, because PGS does a lot of the accounting work automatically – including the reclaim of Gift Aid. From the donor's perspective, changes can be made simply by phone call or e-mail to the PGS office.

Explaining the difference between Standing Orders and Direct Debits may take up a lot of time, but it's vital to be able to distinguish them quickly and articulately, focusing on the fact that the Direct Debit system (i.e. the PGS) makes life much easier for the local church team.

4 What does the local church need to do?

4.1 Critical Success Factors

There isn't a shortage of wealth (meaning both assets and income) in Sussex. Of course, there are many areas of deprivation and individuals who are far from wealthy, but generally our problem in Sussex is not a shortage of money: it is that money is not channelled where it is needed. The result is distressed church councils, treasurers and clergy, who often see needs increasing while income seems to decline.

So why have churches that have implemented the PGS seen such significant improvements in the level of regular income?

4.1.1 Explain your needs well

It's partly to do with good communication. Church supporters (both regular churchgoers and the wider community) like to know what the church's financial needs are and the introduction of the PGS gives us an opportunity to explain the financial picture in detail.

4.1.2 Efficiency

Local income growth is also about efficiency. The Parish Giving Scheme is a highly efficient system, effectively 'outsourcing' the processing of regular donations (as well as the associated Gift Aid reclaim) to a trusted third party. The inflation increases alone are worth well over £30,000 per annum to Sussex churches, and PCC Treasurers are experiencing this efficiency measured in fewer hours each month spent reconciling individual donations.

Mere efficiency is not of itself a motivator. But some people are impressed by well-run organisations, and church communities can use the PGS to show that money is being handled well. The introduction of the PGS to a local church community, appropriately coupled with other motivational programmes, can help people reflect on financial priorities. As one PGS adopter put it “it’s a comfortable way into an uncomfortable conversation”.

4.1.3 Be realistic

The PGS will not solve all your financial problems with one ‘magic bullet’.

You’ll probably want to run some kind of Stewardship or Generosity project – either at the same time as you introduce PGS, or soon afterwards. As already explained, PGS is a good **mechanical** tool to help your church to process incoming donations and administer Gift Aid, but it is not of itself a **motivational** tool to elicit more giving.

4.1.4 Pray

We need to seek God’s guidance before we make any significant decision affecting our church.

4.2 Pass a PCC resolution

Some donor money will flow to the PCC through the PGS, rather than directly from the donor to the church. It’s important therefore that the trustees of the local church (the Church Council) pass and minute a resolution. Also decide, at this stage, if you want to be supplied with the ‘PGS tokens’ (see section 3.1.3 on page 6). The resolution can be as simple as:

We the PCC of ... request the Chichester Diocesan Board of Finance to commence operation of the Parish Giving Scheme on our behalf and authorise ... *name...* to be the main **contact/statement receiver****. We also request a batch of PGS tokens be provided for users of the Scheme** (***delete as appropriate*).**

Aide-memoire:

Write here the date the PCC resolution was passed

4.3 Register your church

Use the form sent with this booklet to get your church registered. If the form’s missing, you can download one from www.chichester.anglican.org/pgs.

One side of the form collects data about church officers and destination bank account details. The other side asks for some statistics about your current patterns of giving, to give us a base from which to measure the effectiveness of the system. **We need you to complete both sides.**

Aide-memoire:

Write here the date the form was sent off to Church House

4.4 What the admin team at Church House will do when you register

On receipt of your Church Registration Form, the team at Church House will send you some packets (or a box) of PGS materials. If someone’s passing near, we’ll deliver by hand.

You can preview all the different materials at www.chichester.anglican.org/pgs. There's a low-cost give-away leaflet called 'A better way to help your local church' which you could leave at the back of the building – all we ask is that you add a local contact on the back of each leaflet, so that enquirers know whom to contact if they want to go further. Don't make it difficult for an enquirer to get more information!

Then there are the actual Gift Forms, and an 'Information Booklet' similar to this booklet, to answer many of the questions that donors often have. They too need you to add details of a local contact on the back of each, before you give them out. You could give out one with each Gift Form, although printing costs may be an obstacle to doing that.

We'll also send tokens if the parish has specifically asked for them. Their use is explained in the Donor Information Booklets. See section 3.1.3 on page 6 of this handbook.

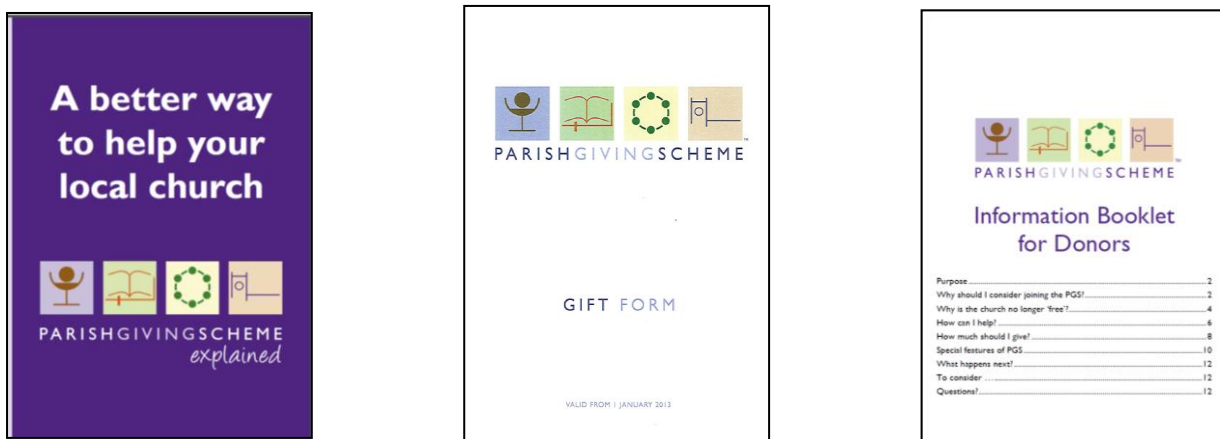


Figure 4: the team at Church House will send you suitable quantities of donor materials.
You can preview everything at www.chichester.anglican.org/pgs. All donor materials are A5-sized.

We suggest that you talk to the PGS Team about some of the example 'asking' letters which can be used. You'll obviously want to do something specific to your own church situation, and maybe even have different letters according to who is being written to.

www.chichester.anglican.org/pgs

4.5 What you (the local church) now need to organise

You will now have all the principal resources we can offer to help you. We recommend that you:

Get a few donors signed onto the scheme to gain experience, then

Gather a team

Appoint a 'project leader to co-ordinate all the activities, because what is needed now is a campaign requiring a lot of local input and energy, for which you may need a team.

5 Summary of steps to get started with the PGS

5.1 Be realistic

The PGS will not solve all your financial problems with one 'magic bullet', but it should be a real help.

5.2 Pray

We need to seek God's guidance before we make any significant decision affecting our church.

5.3 Discuss in PCC

Prayerfully, the PCC should discuss and (if appropriate) resolve to use the PGS. A helpful fact sheet can be downloaded from www.chichester.anglican.org/pgs. The resolution we recommend is in this booklet on page 9. Another PCC decision is needed about the use of the tokens – also described on the fact sheet and on page 6 of this booklet.

5.4 Register your church

Use a registration form to get your church registered. This will need signatures of various people. The back of the form asks for some figures about your current patterns of giving, to give us a base from which to measure the effectiveness of the system. **We need you to complete both sides.** On receipt of this form at Church House we send out everything you need to get started.

5.5 Get a few 'champions' on board

Once a small number of donors (e.g. some PCC members) are comfortable with the way the PGS operates, it will be much easier to convince others!

5.6 Roll it out to the whole congregation

The word will quickly spread – the PGS is very efficient for both church administrators and for donors. Some churches have even given or sent the gift forms to wedding and baptism guests, with positive results! Local churches know what will work within their communities.

5.7 Any more questions?

The PGS team at Church House (01273 421021) will try to answer any other questions you might have or email pgs@chichester.anglican.org. Our postal address is:

**Parish Giving Scheme
Diocese of Chichester
Church House
211 New Church Road
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BN3 4ED**