

## COMMON QUESTIONS

### **What is the Pennies from Heaven scheme?**

The Pennies from Heaven scheme is a new concept in direct payroll giving to charity. The principle surrounds the pledging of the pennies by employees from their net salary payments to charity.

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### **What is the maximum an employee or pensioner could pledge under the Pennies from Heaven Scheme?**

Theoretically the maximum is 99p, per month, totalling £11.88 during the year. The amount of pennies will clearly vary amongst all employees. On average 50p per month, the annual amount donated would become £6.00.

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### **Who chooses which charity or charities receive the donations?**

The employer in conjunction with the employees select whichever charity or panel of charities are wanted. Examples of choice vary from local to national, charity of the year, in house Foundation, Mayor's Appeal.

The Pennies from Heaven scheme is designed to be as flexible as possible and the charity can be varied.

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### **I already offer my staff payroll giving, isn't Pennies from Heaven the same?**

NO. They are complementary schemes that will help you maximise payroll giving within your organisations and ensure you have a scheme that appeals to everyone. Pennies from Heaven has an average take up rate of 25% (compared to 5% under payroll giving) so Pennies from Heaven will help more of your staff donate to charity. Why? Everyone can afford to give their pennies regardless of salary. The majority of our members offer both types of scheme and thoroughly endorse this approach

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### **Does the Pennies from Heaven scheme attract any tax benefit?**

Donations made under the Pennies from Heaven Scheme can benefit from the Government Gift Aid Scheme. By simply confirming their agreement, as a taxpayer, participants will be able to increase the value of their gift by 25p for every £1.00 donated. The Government is keen to encourage more people to give to charity on a regular basis and this significantly enhances the amounts that can be raised, as the illustration in 5) shows.

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### **How much could be collected under this scheme if the employees were willing to participate?**

Although the average gift is £6.00 per person during the year, where staff enroll via the new Gift Aid Scheme, the charity/ies can collect £7.68 per person.

Companies with staff numbers of:

10,000 could pledge £60,000 but the Gift Aid Total becomes £75,000  
25,000 could pledge £150,000 but the Gift Aid Total becomes £187,500  
50,000 could pledge £300,000 but the Gift Aid Total becomes £375,000  
75,000 could pledge £450,000 but the Gift Aid Total becomes £562,000  
100,000 could pledge £600,000 but the Gift Aid Total becomes £750,000

(Please see question 4 for eligibility under the Gift Aid Scheme, to grow donations). The scheme is available to pensioners in addition to employees.

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## QUESTIONS

### **Is it possible for the Employer to also donate funds to charity on a Matched Giving Basis?**

It is hoped that major employers might consider matching the donations made by their staff to stimulate participation within the company. This can be achieved by matching the amounts paid by the employees, say 20p for every £1.00 donated under the scheme (or via a lesser amount.)

### **Will the payroll computer system need to be rewritten or significantly modified to accommodate this additional feature?**

Many payroll systems utilised by UK employers have the capability to deduct payroll pennies as they already support the scheme. With over 117 employers running the scheme we have great experience in setting up the scheme on payroll systems with the minimum of costs. When you join the scheme Pennies from Heaven will provide you with payroll software change guides where possible and liaise with your payroll provider where necessary.

### **Can the scheme operate where some employees and pensioners subscribe and others decline, and can it accommodate leavers and joiners?**

Yes. The system will be able to identify those employees and pensioners who have consented to this new deduction and those who have declined, in addition to new joiners and leavers.

### **How does Pennies from Heaven get remunerated?**

In normal circumstances Pennies from Heaven will charge a fee to the employer for the services provided, thereby enabling 100% of the donated funds to go directly to the chosen charity. In circumstances, such as employers in the public sector, where payment of a fee is not practical Pennies from Heaven will be happy to discuss alternative arrangements. In addition, earned interest in settlement of the costs associated with the distribution of the funds to the various charities will be retained.

### **What services do Pennies from Heaven provide?**

- Promotion of the scheme to major employers in the UK, to provide a much needed boost to payroll giving.
- Assistance with the implementation of the scheme, if necessary liaising with Payroll Software or Programme Providers.
- Invitation to employees and pensioners prepared via a consent form in accordance with the Charities Act.
- Distribution of the designated funds to the appropriate charities through a specific Bank Account. A separate company, Pennies from Heaven Distribution Ltd. with an independent board of directors, will administer this.
- Provision of an "Audit Trail" to Charities to assist them in securing the additional 25p available via the Gift Aid Scheme.
- Provide quarterly audit trail of funds received & distributed.
- Liaise with specific charities where appropriate, facilitating stronger relations between charities and Corporate donors.
- Provision of artwork and logos for marketing and access to use the registered trademark.

## QUESTIONS

- o Additional information will be made available on our website: [www.penniesfromheaven.co.uk](http://www.penniesfromheaven.co.uk) where members will have the opportunity to display their corporate logos as they join the scheme.
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### **How can an Employer run the scheme?**

By simply obtaining a license agreement from Pennies from Heaven, and contacting them at:

e-mail: [info@penniesfromheaven.co.uk](mailto:info@penniesfromheaven.co.uk)

phone: 01485 210698 & ask for Anthony Law/Kate Frost.

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### **As a charity how could we become one of the charities benefiting from PFH**

More and more charities are contacting us about this very subject! As all benefiting charities are chosen by the employers and their staff you can actively speak to your supporter base about running a scheme. PFH will be happy to provide you with a short presentation and advice on how to do this.

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### **What are the benefits of running the scheme**

#### **Benefits for Organisations:**

- o **Raise significant amount of money** – as seen above pennies do add up!
- o **Mass appeal and participation** - many people find it difficult to budget the pounds but not the pence hence Pennies from Heaven appeals to everyone on all salary levels.
- o **Easy to do** – Pennies from Heaven will help you implement and market the scheme. We have worked with many payroll systems and are experts in supporting your payroll system support the scheme at minimum cost.
- o **Implementation of a proven product** – Pennies from Heaven is proven to work.
- o **Simplicity and ‘stickiness’** of scheme - Pennies from Heaven is simple to communicate, understand and stay signed up to (no one has ever withdrawn from the scheme once signed up!)

#### **Benefits for staff:**

- o Offers the **satisfaction** of ‘giving back’ to society.
  - o **Easy** way to donate small amounts of money to good causes.
  - o The most **tax efficient** way to give to charity. .
  - o **Simple** to sign up to and affordable to all.
  - o **No ongoing effort** – once set up, pennies are automatically deducted every month.
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