Pennies from Heaven

Team based workplace giving - Small change. Big difference

February 14th 2014

Richard Chester, on behalf of Jackie Ardley,
talk at Royal College of Psychiatrists’

“Pennies from Heaven is a fantastic scheme as it allows people to make a real difference to our work, without having to make a big difference to their bank account. As a charity, 90% of the donations we receive are actually less than £10, and this is a perfect example of how little amounts can go a long way. It’s marvellous that something so easy and simple can ultimately help us to save lives.”
How does Pennies from Heaven work?

• Employees and pensioners sign up once and from then on every salary is rounded down to the nearest pound with the pennies donated to charity.

• The most you can ever give is 99p every time you are paid (plus gift aid for UK tax payers)

• Each employer nominates a charity/ies that all staff give to.

• It’s a way to work together with your colleagues to each do something small and collectively make a big difference.

• 100% of donations received by charities where a fee is paid by the employer or a minimum of 93% if no fee is paid. (typically NHS Trusts do not pay a fee)
Pennies from Heaven background

• Pennies from Heaven (PFH) is the UK’s largest micro giving scheme for employees and pensioners. Since 1999 the scheme has raised over 250,000,000 pennies for over 265 charities.

• PFH was launched into the NHS in 2007 following the successful configuration of the Electronic Staff Record (ESR) to handle the deduction. So ALL NHS Organisations in England and Wales can easily operate the scheme.

• Over 100 NHS Organisations operate the scheme and in excess of £400,000 has been donated by NHS staff.

• Other employers offering the scheme include Barclays, HSBC, Cadbury Schweppes, Lloyds Pharmacy, LV=, Palmer and Harvey, Skandia Life, TNT, Smiths News, WHSmith and many local Councils.
“We already offer Payroll Giving so what’s the value of Pennies from Heaven?”

• Payroll Giving is great for higher earners but a large (and growing) proportion of the workplace is working part-time and flexibly. Pennies from Heaven is a tool for employers to offer all staff a way to give through pay. Its team-based giving.

• With donations less than a pound Pennies from Heaven appeals to everyone regardless of earnings – just because you earn less doesn’t mean you care less.

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<th>Payroll Giving</th>
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50% of Vocalink staff participate.

“We have over 50% of our employees donating the pennies from their salary every month through the Pennies from Heaven scheme. Those that want to donate more or be more specific about where their donation is going, sign up to Payroll Giving.”

Debbie Lombard – Director of HR and OD, Vocalink.
Benefits for NHS Organisations

• NHS Organisations can offer a way for everyone to be involved in structured, regular, tax efficient giving.

• Delivers excellent participation rates (5 x that of Payroll Giving)

• It compliments existing fundraising activities.

• It is simple to set up and run:
  – ESR Payroll system configured.
  – PFH will assist and administer scheme set up and management including providing artwork templates, application forms and online sign up.
  – PFH will set up and distribute the donations to your charity.

• Option to raise money for ‘in-house charity’
Benefits for NHS Organisations

“It’s only pennies – is it worth it?”

• YES! Don’t be fooled - little pennies soon make pounds – potential donations (with gift aid):
  • 1,000 employees would raise £7,500 a year
  • 2,000 employees would raise £15,000 a year
  • 5,000 employees would raise £37,500 a year
  • 10,000 employees would raise £75,000 a year

And remember this is regular money every year, with no ongoing effort for anyone.
How does an NHS Organisation set up the scheme?

• The hard bit is done. Due to PFH historic work with the Department for Health, the scheme is already set up to run on NHS payroll ESR. PFH will help with every part of scheme set up and management.

• Employers should contact PFH. Following this there are five steps to set up the scheme:

  1. You choose the benefiting charity (ies).
  2. PFH will design posters / application form templates for you.
  3. You tell staff about it and invite them to join.
  4. Flag participating employees once on payroll systems.
  5. Collect the pennies and send them to Pennies from Heaven Distribution once a month for distribution to charities.

Turning little change into big change for charity.

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How is PFH remunerated

- There is no central or ongoing charge to the NHS for running PFH nor are there any charges to charities.

- A small administration charge is deducted at source and is standard across all public sector employers we work with (local authorities, NHS Trusts & Bank of England). This deduction is 7% of funds donated.

- Payroll Giving schemes charge a minimum amount per donation (usually 25p or 4%) PFH has no minimum charge as individual donations are small.

- It is important to remember that PFH donations are eligible for gift aid. This means that for every £1 donated by an employee, charities will receive £1.16 after the 7% fee is deducted.
What services does PFH provide?

• Support with scheme set up and launch.
• Sharing of best practice across the NHS and other PFH members.
• Provision of a tailored communications incl. Gift Aid compliant application forms agreed with HMRC.
• Online sign up via [www.penniesfromheaven.co.uk](http://www.penniesfromheaven.co.uk)
• Access to agreed procedures with HMRC for changing charities.
• Distribution of donations to charity and Gift Aid facilitation.
• Provision of quarterly reports to each Organisation on donations raised to date and confirmation of payments made to the nominated charity.
www.penniesfromheaven.co.uk

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