

30th April 2012

Charities Trust

charities trust
helping you to help others
making your donations work harder

**RESPONSE TO GOVERNMENT'S CHALLENGE TO
PAYROLL GIVING AGENCIES**

Contents

1. Introduction	1
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1. Introduction

As one of the original Payroll Giving Agencies (PGA) set up in 1987 by the Littlewoods Organisation in direct response to a request by the then Chancellor of the Exchequer Nigel Lawson, Charities Trust is delighted to respond to the challenge of producing a proposal for reform of payroll giving and is happy to collaborate with other PGAs in the ways outlined in this document.

While payroll giving in the UK has delivered £1.2 billion to charities since its inception and benefits over 10,000 charities of all types and sizes per year, we recognise that it has failed to live up to initial expectations. The following proposals seek to address the specific challenges outlined in the letter from HM Treasury and the Cabinet Office whilst also retaining the benefits of payroll giving which make it attractive to existing donors, employers and charities

Donors like the anonymity, the ability to support more than one charity with a single donation, the tax relief at source. Increasingly donors want free choice and the volume as evidenced by the increase in complaints about other more direct forms of fundraising such as street, door to door and telephone canvassing. Payroll giving should be available to anyone who is paid via PAYE but it should always be one option of many ways to give. Too much of the recent debate about payroll giving has implied that charity fundraising should focus on one method of giving whereas it is Charities Trust's view that choice is more important and donors should be able to give whenever they wish, to whatever cause they wish to support, by whatever means is most appropriate to their immediate situation.

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Charities Trust welcomes any questions and would be happy to meet or further discuss anything arising from these proposals