

# Payroll Giving

Payroll giving is an opportunity for businesses to help their employees make regular payments to charitable causes they care about, directly from their gross pay.

With 200,000 UK charities to choose from, it can be difficult to know which one to support and if your contribution will really make a difference. Choosing Hertfordshire Community Foundation as a beneficiary of your company's payroll giving means that donations will have a real impact in your business's local area. We link people with a passion for Hertfordshire with the groups in their area that are working hard to alleviate need and deprivation.

HCF enables payroll givers to reach the small, front-line community groups that are making a real difference in their local area. Rather than feeling like a drop in the ocean, even small donations can have a big impact on a local community group – your employee's gifts could be the difference between a group closing down or surviving.

## Great for employers

Payroll giving is a great way to enhance charitable giving and corporate social responsibility with minimal cost and administration. This has been shown to have a very positive effect on employee engagement, and demonstrates that your company is committed to supporting its staff and the local community. With enough payroll givers, your business can create its own company payroll fund, tailored to support your areas of interest or concern, such as the geographical area around your business or causes chosen by you and your staff. Employees can even assist in making the final decisions about which local organisations receive funding by forming part of the decision-making panel.

## Great for staff

People who receive a company or personal pension through PAYE can also use this method as a way to donate to charity. All payments are made directly through salary before tax is deducted, which means that donors get immediate tax relief on their donation, and at their highest rate of tax.

Employee's gift to HCF	Cost to employee @ 20% tax	Cost to employee @ 40% tax
£5	£4	£3
£10	£8	£6
£20	£16	£12

## How to set up payroll giving for your staff

If you decide to run a payroll giving scheme you will need to make deductions from the pay of participating employees from their salary. These donations are made after NI contributions have been calculated. All donations taken are then passed onto a licensed payroll giving agency, who will then pass the donations onto us.

## Share your achievement

The Payroll Giving Quality Mark celebrates the achievements of employers that have adopted and successfully promoted payroll giving schemes in their workplaces. Every employer that offers a payroll giving scheme to their employees is eligible to receive a Quality Mark that can be used on website or promotional material.



## Are there any costs?

The scheme is free to set up and free to run. All payroll giving agencies are charities, so they do take a small administration fee. From the company's side there is little cost in administering a payroll scheme and the majority of payroll systems are already set up to manage it.

## Do all staff have to sign up?

Although you may want your employees to support us, there is no legal obligation for them to do so. Employees are free to opt in or opt out of payroll giving at any time.

## Next steps

To find out more about setting up a payroll giving scheme please get in touch. Our contact details are below.