



FAQs on Finance, Parish Support Fund (PSF) and Giving

1. We have experienced a significant fall in rental or giving income. Can we reduce our pledge payment to the PSF?

A reduction in PSF payments can only be accepted after discussion with your Archdeacon, who will give full consideration to your financial circumstances and make reference to many of the areas mentioned in this factsheet. We understand the difficulties that many parishes are facing in the light of services being suspended and buildings closed but also that each parish's circumstances will be different.

As you know, the PSF pays primarily for our clergy stipends, pensions and housing costs and much more, including ordinands' maintenance grants and curates' stipends, safeguarding advice and other core functions in the Diocesan office. The Diocesan Secretary is already reducing expenditure at Trinity House during this time whilst maintaining core services, such as urgent property repairs.

Please consider all of the five points listed in our letter to Treasurers. For example, we have been asked by one parishioner if they could give an anonymous donation to the Diocese towards the pledge payment for their church - do you have givers who might be able to provide such help? The Diocese recognises that for some parishes their 2020 PSF pledge will no longer be affordable and we encourage parishes to speak to their Archdeacon if a parish finds itself in this situation.

2. How can I make a donation directly to the Diocese towards my parish's PSF pledge?

You can make a one-off or regular donation to the PSF using the bank account details below. However, please let us know by e-mail at John.Jackson@southwark.anglican.org so that we can ensure that the donation is credited to the parish of your choice. Please complete a Gift Aid form if possible and make sure that we are aware of whether you wish to remain anonymous or not.

When making your donation, please use the reference "PSF" and your church's name and place (we have a large number of St Mary's!) so that we can identify that your donation is for the PSF and acknowledge your generosity.

The Diocese of Southwark bank account details:

Name: South London Church Fund (SLCF)

Sort Code: 60-60-04

Account number: 70380740

The South London Church Fund and Southwark Diocese Board of Finance, a company limited by guarantee (No. 236594) and a registered charity No. 249678

We welcome this generosity. We have been asked if parishioners can make donations, anonymous or otherwise, towards their parish's pledge and therefore support their parish at this time.

3. How can we encourage giving and what other forms of giving can we use to replace cash giving?

The following tips are to help you encourage generosity and giving. There are more details and links to resources for each of the ideas on the *Six Top Tips for Encouraging Generous Giving* factsheet.

1. Don't forget the offering! Be creative in encouraging generosity in online worship.
2. Foster a generous church and keep in touch with regular givers, particularly those who give by envelope.
3. Make it easy for people to give - add an online donation button to your website and Facebook pages.
4. Say thank you!
5. Brainstorm virtual fundraising ideas.
6. Look for and ask funders, for example individuals, grants

4. What help is there available from the Government for churches?

The Chancellor has set out a package of support for businesses (including charities) through the period of disruption caused by COVID-19, including:

- Government-backed loans
- Business Rates reliefs
- direct business grants
- supporting the self-employed
- tax - Improved Time To Pay arrangements <https://www.gov.uk/government/news/tax-helpline-to-support-businesses-affected-by-coronavirus-covid-19>
- paying Statutory Sick Pay (SSP)
- [Coronavirus Job Retention Scheme](#). Please see Coronavirus Task Group Bulletin No.4 1.4.20, the Frequently Asked Questions re furlough and our advice to contact our Director of Human Resources, David Loft
- VAT deferral
- potential tax issues arising from international travel restrictions.

A [short guide](#) (attached to Coronavirus Task Group Bulletin No. 4 on 1.4.20) from the Church of England setting out the UK Government's financial measures in response to Coronavirus explains eligibility and how to access the scheme. There is further guidance available on the Parish Resources website [here](#)

5. Our parish is interested in using the Coronavirus Job Retention Scheme and putting people on furlough. Are we eligible and how do we do this?

With help from our Director of Human Resources David Loft, our Archdeacons have sent out guidance in the Coronavirus Task Group Bulletin No. 4 (1.4.20) which contains a factsheet on how you might be able to benefit from Government funding regarding any employees you have and whether it is appropriate to consider putting some of your employees on furlough. You can pass this onto users of your halls, especially nurseries and any businesses, so that they can also benefit

from the Government help being offered (for example, nurseries will be receiving a business rates holiday, alongside other benefits).

We would encourage you to pause and take advice before acting in relation to any staff employed by your church. If you need specific Human Resources advice, please e-mail david.loft@southwark.anglican.org with details of the advice required.

6. How should we respond to building hirers, e.g. nurseries, who want rent reductions or to cancel leases?

Parishes should consider one or more of the following approaches:

- encourage renters to take advantage of the various government schemes to support businesses and employers. These may include the Coronavirus Job Retention Scheme, Business Rates reliefs, support for the self-employed, Time To Pay arrangements and Government-backed loans. The [National Day Nurseries Association](#) (NDNA) gives information on the type of support nurseries might receive including the possible receipt of Early Years Funding
- if full rent is not sustainable until cash is received from the government, agree a rent deferral for a specified period, with a review if government support changes
- if no rent is affordable, agree a rent holiday for a relatively short period with a review before this period expires.
- express sympathy that your hirer's business is suffering from the lockdown

For smaller or self-employed hirers we recommend that parishes take a case-by-case approach as some of the hirers will have government help under the scheme to support the self-employed.

Many of our churches have nurseries and other commercial hirers whose businesses are now restricted by the current exceptional circumstances. We understand that parishes are likely to want to be sympathetic to renters who are facing financial challenges and to look to continuing a fruitful long-term relationship with them. Nevertheless, the renters have entered into a commercial agreement and should look to honour it. We are aware that it is difficult to maintain a pastorally caring but business relationship.

In addition, please note that:

- in the government measures to try to tide everyone over, they include a moratorium on forfeiture of commercial occupations. Commercial landlords are to be precluded from forfeiting commercial leases and evicting the tenant for non-payment of rent. This measure is in place until 30 June 2020. <https://www.accountancydaily.co/covid-19-moratorium-evictions-commercial-landlords>
- where churches rent out living accommodation, if the tenant cannot pay their rent, please be aware that they cannot be evicted during the present situation for this reason
- <https://www.gov.uk/government/news/complete-ban-on-evictions-and-additional-protection-for-renters>

If you require assistance with property rentals please contact [Colin Bushell](#) at the Diocesan office.

7. Will we be covered by our insurance?

Please check your insurance to see whether you have insurance cover for both pandemics and Government-ordered closure. Insurance policies differ significantly, so please check the terms and conditions of your policy and contact your insurance provider as appropriate. Most standard

business interruption insurance policies are unlikely to provide cover as they are typically dependent on damage to property and will exclude pandemics.

8. Can we apply for a mortgage payment holiday?

Yes. If your parish has a mortgage on a property the Chancellor announced that mortgage lenders would offer an initial three-month mortgage payment holiday for those in financial need as a result of the Covid-19 crisis. If you think you will struggle to make your monthly mortgage payments because of Coronavirus, you could consider a three-month payment holiday.

A mortgage payment holiday is a break from paying your mortgage. Currently, lenders are only offering three-month payment holidays. At present you will need to apply for a mortgage payment holiday before 30 April 2020. However, when your payments start again after the payment holiday they will be recalculated and you may see an increase in your monthly payments.

Interest will continue to build at your usual interest rate during the payment holiday and the total amount of interest you pay over the term of the mortgage will increase. This will result in a slightly higher mortgage balance than if you had not taken out a holiday. Your lender will recalculate your payments over your remaining term, taking this increase into account.

9. Will we be able to claim Gift Aid Small Donations on “delayed” collections?

Probably not. Many churches benefit from the Gift Aid Small Donations on their cash collections. To qualify, each donation must be a cash or contactless donation and less than £30. In this period of shutdown these collections will not be taking place and if people save them up until their return they will hopefully amount to much more than £30. At present the Government has not announced any intention to vary the existing law.

10. Will you be asking for 2021 parish pledges by 30 June 2020?

No. The Archdeacons and the Diocesan Secretary have decided to delay the request for 2021 pledges and will send out the 2021 PSF material later this summer. We recognise that asking parishes to submit their 2021 Parish Support Fund pledges by 30 June is not helpful or practicable. Therefore, unless the current crisis is shortened, we would not expect pledges to be submitted until September.