

A Friends Scheme for a parish church

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1. INTRODUCTION

Many people have a great deal of good will towards their church building, especially in rural areas. Although they may not wish to contribute to the religious aspects of the church, they may be willing to support part of their heritage. A Friends' Scheme is one way in which a parish church can encourage support from the wider community, spreading the burden of ensuring the parish church is in a reasonable state to hand on to the next generation.

This guide explains how to set up a Friends' Scheme, the options available when doing so and some things to look out for.

2. FORMING A FRIENDS' SCHEME

The PCC, Incumbent and Churchwardens need to make a formal decision to create a Friends' Scheme.

They should be very clear from the outset exactly what the terms of reference will be. The responsibility for the care, maintenance, repair and insurance of the church is vested in the Parochial Church Council under the 'Parochial Church Council's (Powers) Measure 1956'. This responsibility **cannot** be delegated to another body by law. All work to churches is subject to faculty under the 'Care of Churches Measure. The Incumbent, Churchwardens and Parochial Church Council must control all the work which is undertaken, obtaining all relevant help and any permission required

through the Archdeacons and the Diocesan Advisory Committee (DAC). The role of the Friends is to raise funds which will support work which the Parochial Church Council has agreed and has received approval.

3. TYPES OF SCHEMES

There are three options for organising a Friends Scheme.

Option 1 - Sub-Committee of the PCC

This scheme is set up as a sub-committee of the Parochial Church Council and controlled by its officers. The PCC makes a resolution to establish the sub-committee and sets out its term of reference. Its object is to raise money for the fabric of the church, and any money raised is kept in a separate, restricted fund. The committee organises the membership and activities and reports regularly to the PCC.

Advantages:

- The PCC retains control.
- Operates under 'Excepted Charity' status as part of the Parochial Church Council.
- Donations can be Gift Aided.
- It doesn't need a separate constitution, Annual General Meeting etc.
- Can co-opt anyone to serve on the committee.
- Can create its own list of members.

Disadvantages:

- The type of Patron/Chairman likely to attract support from the wider community may not be interested in a 'Branch Committee' of the PCC.
- The wider community may view it as another 'churchy' activity and not for them.
- The workload is more likely to fall on church members.
- Officers/members of the Friends could not be co-opted as members of the PCC unless they are on the electoral roll of the church.
- The PCC is fully responsible for receipt and expenditure of funds.
- No executive powers for decisions on how any money is spent.
- No voting rights on the PCC.

Option 2 - Independent Charity (Charitable unincorporated association)

This is an independent organisation with charitable status and its own constitution, officers and funds which exists to help to maintain the church building and raise funds for that purpose.

Advantages:

- Can attract support from the wider community.
- Seen to be separate from the religious activity of the church and 'acceptable' to non-churchgoers.
- Easier to find Patron/Trustees from outside the church to take office.
- Burden of the organisation is not falling on the church family.
- Tax efficient for donations and subscriptions through Gift Aid.

Disadvantages:

- Needs a separate constitution, Annual General Meeting, bank accounts and officers, which takes time and effort to set up.
- Need to register formally with the Charity Commission when income reaches £5,000 per annum.
- The Executive Committee have all the liabilities and responsibilities of charity trustees.
- The PCC has no control over the funds raised by the Friends. It would have to apply for funding for particular projects and may be refused.
- Potential conflict between the Friends and the PCC over the church's ministry and mission, and the architectural and historical preservation of the building.
- PCC members and/or Incumbents won't necessarily be represented on the committee.
- If the objects are not charitable the scheme could be classified as a club existing for the benefit of its members who gave donations to the church. It would be liable to tax on the income from its activities and to have tax deducted at source on any bank interest.
- Such a "social club" could easily become separated from the main church.

Option 3 – Charitable Incorporated Organisation (CIO)

This is a fairly new structure for a charity. It is governed by a constitution, prescribed by the Charity Commission, for which templates can be found. This is a separate charity which registers with the Charity Commission (so can get a charity number and claim Gift Aid). A CIO can register as a charity without having to reach an income threshold of £5,000.

Advantages:

- Can register as a charity without reaching an income threshold of £5,000
- They can claim Gift Aid
- Trustees have limited liability
- There is currently no fee to set one up

Disadvantages:

- Trustees are responsible for running the organisation and membership doesn't have voting rights.
- One of the templates from the Charity Commission should be followed for a constitution
- Required to fill out annual returns for the Charity Commission
- Funders aren't as familiar with this structure and it may be harder to raise funds from trusts.

Constitution templates can be found here

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/778241/Association_Model_Constitution.pdf and

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/731633/foundation_model_constitution.pdf

More information on charity structures can be found here <https://www.gov.uk/guidance/charity-types-how-to-choose-a-structure>

Conflict of interest

It is important that lines of communication between the church and the Friends be kept open. For this reason the Incumbent and/or representatives of the PCC are frequently members of the Executive Committee to ensure a close link is always maintained with the Friends.

A trustee of a charity is obliged to put the interests of the charity first. The incumbent has a duty to put the interests of the church first, however if s/he is also a trustee of the Friends there is a duty to put the interests of the Friends first, which could give rise to a conflict of loyalty.

The Church of England's Legal Advisory Commission has published an opinion which says that because the objects of the church and the Friends are very similar, there is little or no risk to decision making in the Friends, and therefore the potential conflict of loyalty should not bar an incumbent or PCC member from membership of the Friends' committee. They should, however declare an interest in the 'other charity', i.e. the church.

Setting up a Friends' Scheme is quite a heavy workload. Make sure you really need one and decide which scheme is going to be the best for your particular circumstance.

4. TERMS OF REFERENCE

These are the objects of the Friends. They should be kept simple and be clearly stated, and where a church is still active the words "for the advancement of the Christian religion" should be included.

Terms of reference might include:

- To help towards the cost of the preservation of the fabric of the church.
- To contribute towards the insurance of the building.
- To help with the cost of repairs.
- To help towards the cost of the replacement of major items, for example heating systems, rewiring of circuits, or organs.
- To help with the maintenance cost of ornaments and furnishings.
- To raise funds for the above purposes.
- To help with the maintenance costs and upkeep of the churchyard.
- Where appropriate, for members to give their personal services for the promotion of the above purposes.

The task of the Friends is not to provide funds for the general running costs of the church. These costs should be met by members of the worshipping community.

5. MEMBERSHIP

Membership of the Friends should be open to anyone who would like to join and is prepared to support its objects. They should be drawn from a much wider circle than the church family. It is possible to show the people of a parish that this is a partnership in which they are being invited to share.

People who join Friends schemes can be:

- People who want to see the building there for future generations.
- People who want to have the church available for family occasions like weddings, baptisms or funerals, even though they don't attend the church.
- People who are happy to support the upkeep of a historic and/or beautiful building.

- People who see the village church as part of the rural scene and wish to see its continued use and existence.
- Visitors to the church enjoying the beauty, history or architectural interest who want to keep in touch.
- People who have family ties in the parish or have used the church in some way, but who themselves have now moved away.

It is natural and right that the church family should be able to join any Friends' Scheme. However it should be clearly recognised that the first responsibility of the church family is to maintain the mission and ministry of the church, and that the church running costs should have the first call on their giving.

Friends' Schemes are for our Friends rather than members of the Church Family.

6. WHAT CAN YOU OFFER YOUR MEMBERS?

People who live locally will be able to attend events, be active fund-raisers and enjoy the building; while those supporting the Friends from a distance will want to be kept up to date with information about the church.

All members will want to feel that they belong to a good organisation and are valued by the church, both for their donations and for their work in raising money from others or amongst themselves.

Here are a few suggestions and points to consider:

Friends' Magazine or Newsletter

Keep the Friends in touch by sending out a newsletter or magazine once or twice a year. Consider cutting down on postage costs by sending a PDF by email.

The newsletter/magazine needs someone to take charge of the writing and/or editing, and gathering together information and photographs.

Decide whether the newsletter needs to be profit-making, or whether it will be provided as a service to members. When working out the costs printing and postage need to be included.

Content might include:

- Message from Incumbent and/or Chairman.
- Work of the Friends during the year.
- A general update on progress in building works and future plans/needs.
- Articles on the church/village/town.
- Report of Friends' Annual General Meeting.
- Annual Accounts.
- Reports of events held by Friends.
- Major events in the church life during the year.
- Renewal forms for subscriptions/donations. Always include a Gift Aid Declaration.
- Photographs of the church, and of people and events. (Make sure you have written permission from people who appear in photos.)
- Something about how the Friends' and their work are really valued.
- Thank you to Friends for their support.

Any literature circulated to all members needs to be costed inclusive of postage within the membership rates so that it is self-financing. Consider circulating information electronically or via a website.

It is important to protect people's privacy and obtain their consent to be contacted, and the GDPR rules MUST be followed. You can access the guidelines at <https://www.parishresources.org.uk/gdpr/>

Website

A website is a really important means of communicating with the Friends. It should be a stand-alone website. You may wish to add a link to the parish website, but if you are a separate organisation and want to appeal to people whose interest is primarily in the fabric of the building, you really need your own website.

The website might include the following elements:

- The purpose of the Friends.
- Information about the church and its history, including photographs.
- Information about work and repairs which need to be done to the church fabric, including the costs.
- A list of works which have been funded or part-funded by the Friends.
- News about forthcoming events.
- Reports and pictures from events which have happened.
- Reports from the annual general meeting.
- Copies of the newsletter or magazine.
- Details of how to become a Friend, including any forms, and a Gift Aid declaration.
- Links to other websites - the church's website, or village/town website, for example.
- Plenty of photographs, but not too much text.

Remember that you need to obtain consent from anyone whose photo you use on the website.

Events for Friends and Guests

Business: Annual General Meeting

Social: Wine and cheese
Coffee evening.
Church Treasure Hunt
Quizzes.

Fundraising:

Events organised specifically to raise funds can be wide ranging, from antique fairs to book and flower sales, concerts to dog shows. Fundraising can also be included in social and informative events.

Informative: Talks on subjects of interest.
Tour of building.
Visit to places of interest.

Visits to other churches where similar projects are in progress or completed.
Work of the Friends of Kent Churches.
Friends of Kent Churches Training Days.

Thank you:

The Church PCC may wish to express their thanks by entertaining, in addition to the normal thanking of supporters by letter or other means, perhaps by holding an Open Day, or special service.

Most events should be organised by the Friends for the Friends. They should not be an extra burden placed on the Church Family.

7. WHAT CAN THE FRIENDS DO FOR US?

The primary purpose of the Friends will be to raise money to help to support and maintain the fabric of the church.

This may include, for example:

- Various fundraising events.
- Subscriptions.
- Donations for particular appeals.
- Legacies.
- Gift Aid.

The activities of the Friends should be organised by the members. They need to be people enthusiastic and committed to the Friends and its objects.

Friends should be in a position to widen the circle of people who can contribute to the church. They should not be the same people asking the same people yet again!

8. SETTING UP A FRIENDS' SCHEME

The Parochial Church Council needs to agree to inaugurate a scheme and designate two or three people to set it up.

The Planning Group with the Incumbent should identify possible members of a founding committee. It is important to include people from outside the church family as well as within it. Someone established in the community may be needed to give weight to the Friends and to help to attract members in the first instance.

For Option 1

A simple but clear resolution needs to be drawn up which states exactly what the 'Terms of Reference' for the Friends will be and its relationship to the Parochial Church Council.

For Option 2

A constitution needs to be adopted and the organisation registered with the Charity Commissioners or HMRC for Gift Aid. A suggested constitution can be found [Here](#) [link].

For Option 3

The constitution which is adopted needs to adhere to one of the Charity Commission's templates, and registered with the Charity Commission.

Potential Friends

Decide the kind of people that you will target to become Friends. This may include for example:

- Relations of residents who have moved away - adult children whose parents are part of the church family, for example.
- One time members of the church family who have moved away.
- Members of local societies with an interest in history, archaeology or architecture.
- People who live near the church.
- Visitors to the church.
- Organisations linked to any person or interest connected with the church, eg. Jane Austen Society, Victorian Society.
- Local businesses.

Recruiting members

When you have decided who you think may be interested you can work out the best way to approach them to become members, taking into account GDPR legislation:

<https://www.parishresources.org.uk/gdpr/>. Methods might include:

- An open meeting or social event to launch the Friends.
- A personal face to face request.
- Brochures to be handed out at a meeting.
- Leaflet drop at certain houses.
- Leaflets/notices in the church.
- Leaflets to pass on to others.
- Posters in church and local shops.
- Advertisements in local papers/magazines.

Programme of events

Plan a suggested programme of events for the first year which will attract the people you are targeting. It need not be overwhelming but should be attractive and catch their interest so they will want to join. Try:

- A secular event in the church.
- A social in some desirable/unusual venue.
- A fun fundraising event.

People showing interest in such activities can be drawn in as organisers and helpers at an early stage.

An open meeting

Organise an open meeting to launch Friends. If possible the 'face' of the Friends should be someone from outside the Church Family, preferably someone prominent in the community. This meeting is about enthusing people and making your case for support. A later meeting can adopt the constitution and elect officers and event planners, and think about promotion and the future programme.

Making the case for support

In any publicity produced, or talks given to individuals or groups you need to demonstrate clearly why there is a need to set up a Friends' Scheme, and why it's important. Possible reasons:

- The state of the building and the level of repairs, insurance and restoration which is needed.
- The church building is the responsibility of the community and receives no money from the government.
- The church family can manage the running costs of the church (just about) but can't bear the cost of major structural repairs.
- There are some grants available for the repair of church buildings, but these funds are scarce, and will generally only cover a small proportion of the costs.
- Supporting the Friends helps to support the history and heritage of our locality.
- Supporting the Friends helps ensure the church will be there for future generations to enjoy and for their use from time to time.

The Friends are NOT another task for the PCC to organise. Friends are different people working alongside the church family to ease the burden of caring for the building.

9. FINANCE

All Friends' Schemes will need to have funds available to run their administrative business. These will include publicity, postage, maintenance of the website etc. 'Pump priming' money for fundraising events such as advertising, booking fees or expenses for speakers may also be needed. It will also be raising sums for its main objects - funding for specific projects - to pass on to the PCC as necessary.

Surplus funds and funds which won't be used in the immediate future should be invested, and appropriate financial advice sought.

All money paid to contractors etc. should be paid by the Parochial Church Council which has the responsibility for the work.

It is not the role of the Friends to apply for grants or to Trusts for sources of funding. The PCC should be responsible for such applications.

10. SUBSCRIPTIONS

The kind of subscription and cost need to be decided. There are a variety of options to choose from including:

- No fixed fee, but suggested amounts with encouragement to complete a Gift Aid declaration.
£15, £25, £35 Other amount £ ...

- An amount which will include the cost of mailings to members of correspondence and/or the cost of a newsletter.
- An amount which will cover costs of membership and a percentage for funds, make this a realistic figure. Do not “undersell” the Friends.

Once again the kind of membership will determine the level of subscription. If members are drawn locally a lower subscription is possible with fundraising used for building up the reserves to pass on to the Parochial Church Council to use on the building and for special projects.

If the membership attracts people from a wide area because it attracts visitors, then the subscriptions may need to include correspondence and literature costs and a donation for funds. These members are likely to support the Friends through annual donations rather than working for fundraising events locally.

11. GIFT AID

Gift aid allows charities to reclaim the tax paid by UK taxpayers. This means that for every £1 donated the charity will receive another 25p back. Under the Gift Aid Small Donations Scheme you can claim gift aid on donations up to £30 without a declaration.

All a donor needs to do is complete a Declaration, in ink, giving Christian name, surname, address and postcode, and date it.

For Option 1, as outlined at the beginning of this guide, gift aid can be claimed via the PCC. For option 3 you will be registered with the Charity Commission and will have a charity number you can use. For Option 2 you will need to register as a charity with the Charity Commission if your income is more than £5,000. If it is less you don't have to register, but can still claim.

- If you're exempt from registering with the Charities Commission, you need to send HMRC:
- the name and full postal address of your charity
- the names of your trustees
- a copy of your governing document - for example your trust deed, constitution or memorandum and articles of association
- details of your charitable activities - how you intend to carry out the charitable aims and objectives for which your charity was set up
- any literature which explains the work of your charity

Applications should be sent to:

HMRC Charities
St Johns House
Merton Road
Liverpool
L75 1BB

Useful information can be found at:
www.hmrc.gov.uk/charities/gift_aid
www.tax-effective-giving.org.uk

12. REGISTERING A CHARITY

A Friends' Scheme which is part of the PCC (Option 1) does not need to register as a charity. However an independent Friends' Scheme (Option 2 or 3) will need to register as a charity unless its income is less than £5,000 per year. If your Friends' Scheme has a governing document which has been approved by the Charity Commission you can apply for registration as a charity online. This means of registering is easier and faster than using a paper application form. If you go ahead with registering as a charity you will need to demonstrate that your aims are for public benefit. When a Friends' scheme is set up it is likely that you won't have the £5,000 income which will trigger the need to register as a charity. It is advisable, nevertheless, to draw up a constitution which will be acceptable to the Charity Commission if your income should reach that level. A sample constitution can be found here [\[link to sample constitution\]](#)

The procedure for registering as a charity can be found at the Charity Commission website on www.charitycommission.gov.uk

No charity may have a name which is already in use by another charity. If you decide to call your Friends' Scheme 'The Friends of St Mary's' it is very likely that someone else will have got there before you. Distinguish yourselves by adding the name of the parish 'The Friends of St Mary's, Anywhere'.

Susan Rennison,
Revised by Liz Mullins & Sarah Lucas
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