

Frequently asked questions

For organisations thinking of setting up a scheme

What is Give As You Earn (GAYE)?

As you Pay taxes As You Earn (PAYE) in the UK, you can also Give as You Earn (GAYE). Payroll Giving was set up in the UK in 1987, and CAF was one of the first agencies to offer the scheme. To this day CAF is the largest Payroll Giving Agency in the UK disbursing ~£70m annually on behalf of our clients and their employees.

Employees elect how much is deducted, and these amounts are taken from pay/pension before income tax is applied, making it a tax-effective way to give, as money that would have been deducted in taxes, goes to the charity.

This is a different tax efficient method from Gift Aid which the charity claims from HMRC. Payroll Giving donations arrive with the charity 'tax-effective' and so the charity does not need to claim Gift Aid.

It is also *not salary sacrifice*.

Who can give?

Any employee who is on PAYE in the UK. There are workplace giving options in other countries, but CAF only facilitates it in the UK given the specific nature of UK employees paying tax as they earn. We unfortunately cannot support payroll giving in the Channel Islands or the Republic of Ireland.

We work with employers from all sectors and see donations range from a regular £1 a month to bonus donations of millions of pounds.

What are the different ways employees can give?

Directly to charity: this is the best option for employees who know which charities they want to support. When they sign up, they can choose any UK charity(ies) and the charity(ies) will receive the amount every payroll period. This option provides *regular, reliable unrestricted income* for charities.

Into an individual Charity Account: this is the best option for employees who want to ring-fence a charitable budget which they can use to support charities more flexibly – for instance in response to *disaster relief, or sponsor friends and family's* fundraising efforts. There is also the option to *give to international causes* from the charity account, though this may incur an additional cost to verify the overseas charity.

Into a pooled fund "Staff Charity Fund": for employees to unite and support one chosen cause – this is helpful in disaster relief, and we also see employers set one up to support employee benevolent funds.

Why do it with CAF?

We are the largest Payroll Giving Agency in the UK, processing around £70m to charities every year from over 2,000 employers, and we have been operating payroll giving schemes since 1987. We can provide advice on how to integrate Payroll Giving into a wider corporate giving programme, and how best to engage your employees.

How much does it cost?

It doesn't cost anything to set-up the scheme. We take a percentage charge of the donations in, and this can either be *deducted from the donation* or *covered by the employer* and paid by quarterly invoice. We also offer an option for the employer to cover the charge up to a cap, with the remainder being deducted from the donation, to support with budgeting. [More information about our charges is available here.](#)

How do I start?

To get a scheme up and running we need a completed application form, and to have undertaken our necessary Customer Due Diligence (CDD) checks on the organisation and any Authorised Contacts – this could involve understanding the beneficial ownership of the company and asking for information from contacts for screening purposes. We need this in place and approved before we can accept any employee donations.

Once your contract is open, we will provide you access to our GAYE portal where, if you work with us directly, you can access data on new sign-ups and any changes to employee donations, as well as upload reports required to run the scheme.

What if we work with a third party to manage our CAF Give As You Earn scheme?

Once your contract is open, and you have access to the [Give As You Earn portal](#) you can click on the new "User Administration" tab where you will then be invited to register your third party as a new user, whether they support you in collecting employee instructions, or they manage your payroll.

How do my employee's sign up?

GAYE is designed to fit in with how you operate your business. We can provide an online sign-up link, you can integrate it into your intranet site, benefits platform, or engage a Professional Fundraising Organisation.

Directly with CAF: We can provide an online sign-up link which you can then share on your intranet and in employee induction packs. [A demo version of the link is available here.](#) All sign-ups and changes (increase/decrease to payroll deduction, change of charity choice, cancellation) will be submitted to CAF automatically.

Through a Professional Fundraising Organisation (PFO): PFOs provide great support in engaging your employees and can visit them on site or host bespoke webinars. They then take care of the sign-ups and send it direct to CAF. As PFOs work on behalf of charities, they tend to promote the Direct to Charity option.

Through a benefits platform: CAF works with most benefits providers who offer employees the opportunity to sign up for a GAYE Charity Account as part of the suite of employee benefits.

What is the employee sign up journey when using a flexible benefits provider?

Your employees will need to sign up for CAF Give As You Earn through your benefits platform and specify the amount they would like deducted from their payroll for charity. They then will be set up with a CAF Charity Account and their regular donation will be paid into their account. If you offer matching, this will also be added to the employees' accounts. Employees will receive a welcome email from us confirming that their CAF Charity Account has been set up and how to register for online access. Once set up, they can access their account online to view their balance, make distributions out to charity and set up standing orders.

What are my responsibilities as the employer?

1. Check you can operate a scheme

In order to operate CAF Give As You Earn, your payroll system must be able to:

- deduct charitable donations before tax
- generate a payroll report which lists participating employees and the amounts deducted for each tax period.

2. Keep your information with us up-to-date

It is important we know who to contact regarding your scheme. You must have a Service Administrator level contact listed as they are able to undertake all scheme related actions. If you have an existing scheme with CAF, you can update us regarding your contacts at any time [using this Changes Form](#).

3. Submit your payroll funds and reports in a timely manner

Every payroll period, [as per the HMRC regulation](#), we require:

- a report detailing each employee / pensioner donating and the amount they are giving
- the total amount of employee donations paid by BACS into our account.

It is really important we receive both of these - if we do not, or they do not reconcile - we are unable to pass the donations to charity.

We understand some clients work with third parties who may undertake the role of providing payroll reports and employee donations on their behalf: it is your responsibility as the employer to make sure your third parties fulfil this requirement.

4. Legal requirements

- Retain all deduction records for seven years.
- Retain the deduction authorisation (i.e., the donor instruction form) for seven years.
- Retain the CAF Give as You Earn agreement for seven years after termination.
- Pay all employee donations to CAF within 14 days from the end of the payroll tax period.

How and when do charities receive payroll giving funds?

Please make your employees aware of the following timelines:

We pass donations onto charity on or around the 22nd of each month, as long as we have been able to reconcile the donations to the payroll report received.

The exceptions to this are CAF Staff Charity Funds and CAF Charity Accounts, which will be credited overnight following the date that we reconcile the donations against the payroll report.

Distributions made under the CAF Give As You Earn scheme are distributions to a charity and cannot be legally refunded if correctly deducted in accordance with an employee's wishes. This is in line with HMRC regulation - Chapter 4: Payroll Giving - (GOV.UK).

Distributions to charities are generally paid via BACS direct to their bank accounts and include a CAF reference number allocated to them at the time of registration. Employee names do not appear on the transaction, though charities can obtain a list of employees who have donated to them through CAF's reporting portal: [CAF Dashboard](#). HMRC regulations require payroll giving agencies to send donations to recipient charities within 35 days of reconciliation.

How do I drive engagement with my employees?

We have a GAYE toolkit that has lots of information about how you can promote your scheme and drive take-up. Below is a summary list but check out [our online resources](#) to find out more!

1. Make it part of induction.
2. Pay the fees.
3. Match donations.
4. Host it somewhere visible.
5. Remind your employees of the benefit at key points.
6. Engage a Professional Fundraising Organisation.

Every year we send all our clients who have over 1% take-up a [Payroll Giving Quality Mark](#) – these provide a great benchmark and incentive to grow year on year. We have several clients with over 30% take-up which gives them a Diamond Award.

Frequently asked questions

For organisations who already have a scheme

Payroll reports

How do I give access to a third party so they can upload reports on our behalf?

In the [Give As You Earn portal](#) you can click on the new “User Administration” tab where you will then be able to register your third party as a new user. They will then be invited to access the portal and upload payroll reports on your behalf.

I keep getting an error message when uploading a payroll report.

This could be down to four reasons:

1. The report is password protected – please re-save without a password and then you should be able to upload.
2. The report is not in .xls .xlsx or .csv format – please re-save in one of these formats and then you should be able to upload.
3. You are to uploading a report that is already on the system so the dates are not available to select - either you do not need to upload the report, or we need to delete the current one on the system before you can re-upload.
4. The report that is being uploaded has changed from the report settings held in the portal. Ensure that the report settings are accurate.

Employee Accounts

Our employees who have recently opened GAYE Charity Accounts have not received their welcome emails – why could this be?

Employees can open accounts in two ways, depending on how you manage the scheme – either by signing up through your CAF-provided link, or through your benefits platform. If we have not received the necessary information and you work with a benefits provider, please ask them to resubmit the information, or get in touch with us: giveasyouearn@cafonline.org

Our employees are missing donations in their account/their charity hasn't received their donation.

To credit employees accounts with their donations, we need to reconcile the donations received from payroll against a payroll report uploaded to our portal. Please check you have submitted both these things to CAF, and they match as any discrepancies will delay us passing donations to their account, which may onward impact any disbursements they have set-up.