

# Diocesan Church Building Grant / Loan



We have simplified our diocesan grant system and now have a single application and grant for church buildings. The Church Building Panel will then identify the most appropriate source of grant funding e.g. Minor Repairs & Improvement, Quick Wins or any future funds that are available for the diocese to distribute. Hopefully this will avoid issues with parishes applying for the wrong grant fund. In simple terms, if you are doing work to your church buildings that is listed below then you are welcome to apply for a grant.

## What sort of work can the Church Building grants/loans be used for?

Grants and loans should primarily be awarded in respect of works to church buildings, although works to a churchyard and buildings/structures within the curtilage will be considered according to their individual merits. Works to church halls will only normally qualify for projects which reduce the carbon output of the building. If the work is for repair work, it is expected that the parish have initially made contact with their insurer to establish what if any of the cost may be covered by the insurance policy.

## Which works are eligible for this grant?

### Minor repairs

- Repair of building fabric (external): roof coverings, roof structure, walls, parapets, pinnacles and other architectural features, towers, spires, windows, doors, rainwater disposal system including below-ground drainage.
- Repair of building fabric (internal): ceilings, floors, doors, walls and wall linings (plaster/panelling but not wall paintings, mosaics etc),.
- Repair of building services installations where essential for health and safety and/or continuity of worship and mission use.
- Emergency repairs or holding works, eg propping, covering, protection etc.

*To be eligible, any such work must be recommended in the most recent QI report (or subsequent professional report or condition survey etc). Work classified as urgent (either category 1 - Urgent, requiring immediate attention; 2 - Requires attention within 12 months; or 3 - Requires attention within the next 12 - 24 months) should take priority but any work required within the quinquennium is eligible. Works of differing urgency within that definition may be undertaken together for the sake of efficiency and economy, especially where 'stitch in time' repairs can save money in the long term.*

### Improvements

- Additions, alterations or adaptations specifically to overcome building design defects or obsolescence (e.g. undersized hoppers or drainpipes) or to improve access for maintenance.
- Additions, alterations or adaptations where essential to improve physical access, e.g. handrails, ramps etc.
- Improvements to building services installations where essential to sustain worship and mission use, such as improvements to heating, lighting, wiring, kitchens, WCs. Where necessary, this might include the installation or upgrading of pipework or cabling to the perimeter of the churchyard or curtilage.
- New installations or improvements to existing installations for digital connectivity, whether through a wired connection or 4G/5G mobile Wi-Fi, where essential to sustain worship and mission use.
- Bat mitigation measures, including relevant ecologists' fees and production of a bat management plan, where the impact of bats is a barrier to worship and mission use. A one off deep clean can be an eligible cost as part of a mitigation plan.
- Improvements to / replacement of heating, lighting or insulation that will reduce your carbon output.
- Temporary heating solutions, which enable a church or church hall to avoid undertaking a like-for-like oil- or gas-heating replacement, when their heating breaks down e.g. Heated chair cushions, Boiler hire, Electric heater hire or purchase \*

*\*It is expected these temporary solutions will last for not more than one year, whilst the church makes plans, seeks advice, applies for faculty, and fundraises. At the end of the temporary period, once the church has installed their permanent heating solution, the diocese has the right to ask for items which have been purchased to become the property of the diocese, in order that they can be lent to other churches.*

- Electrical upgrades to enable direct electric heating, heat pumps, or solar panels.
- Solar PV, where a church can demonstrate it has completed all other measures to transition to net zero carbon, and so this is the next step

## Other eligible costs

- Professional fees to design, specify, inspect and certify the repair or improvement work.
- Ecologist's fees to prepare a bat management plan.
- VAT (for unlisted churches and work to listed churches which falls outside the eligibility of the Listed Places of Worship (LPW) grant scheme). It will be assumed that PCCs will apply to the LPW grant scheme wherever possible

## **What work is ineligible for these grants?**

- Routine maintenance, such as clearing of gutters, etc.
- Routine cleaning. Work to furnishings, such as bells and bell frames, books and manuscripts, church plate, clocks, monumental brasses and decorative metalwork, monuments, organs, paintings and wall paintings, stained glass, textiles, wooden objects. These may qualify for the grants administered by ChurchCare
- Conservation reports. These may qualify for the grants administered by ChurchCare
- Routine inspection (Quinquennial Inspections, periodic inspection of electrical installations, appliance testing, gas safety checks, etc).
- Routine servicing of building services installations.
- Any work covered by insurance

## **How do I apply for a grant/loan for my church?**

This is done via a simple application form which asks you to provide some details of the project that you wanting a grant for. This application is then considered by the Church Building Panel who will decide if they are able to offer a grant to support the project.

## **What if your application is for a project which reduces your carbon output?**

Before any applications of this type are considered your church must have completed the Energy Footprint Tool (EFT) for the previous calendar year. This so that we are able to measure the impact of the work on the carbon output of the church. As we had the EFT completed by 94% of churches in 2025 this should not be an issue for most churches. Applications of this type will be considered by the Church Building Panel (CBP) who will receive advice from the Diocesan Environmental Officer or Buildings For Mission Secretary.

## **When do I need to apply?**

You can apply at any time and the Church Building Panel will aim to make a decision as soon as possible. The panel make their decision via an online forum so applications can usually be dealt with quite quickly.

Except in the case of urgent work authorised by Chancellor's Interlocutory Order (confirmatory faculty), there is a presumption that grants and loans will not normally be awarded retrospectively. However, each application will be assessed according to its own merits and the Panel has the right to determine this on a case-by-case basis.

## **How will I know if my application is successful?**

You will receive an email confirming the outcome. If you are unsuccessful, you are welcome to apply again for another project.

## **When will we get the grant?**

In general, all grants are paid in arrears. Once the work has been completed you need to submit an invoice for the amount of the grant along with a copy of the final invoice for the work and evidence that relevant permissions were in place for the work. e.g. a copy of a faculty, Archdeacon's Written Notice, etc

## **How often can we apply for a grant?**

To help ensure that all parishes have the opportunity to apply for a Church Building Grant, the Church Building Panel will not accept another grant application for the same church building within 6 months of a grant being awarded or until the previous grant has been claimed, whichever is sooner.

## How long do we have to claim the grant?

Any grant or loan awarded should be claimed by the parish within one year of notification of the award but will be subject to interim review by the Panel. The award of grant may be extended by Panel but in such cases where the Panel deems that previously allocated monies should be returned, then the parish in question may be encouraged to make a further (new) application when appropriate and in a position to do so.

## How much can we request for a grant/loan?

The amount of grant offered will generally be dependent on the deprivation index of the parish and will vary between 25% and 50% of the cost of the work. However, the maximum grant considered in relation to an application is up to a maximum of £5,000 (or £6,000 for unlisted churches who cannot reclaim the VAT). CBP has right to review this.

| Deprivation Rank | Maximum % Grant |
|------------------|-----------------|
| 6,236 to 12,307  | 25%             |
| 5,012 to 6,235   | 30%             |
| 3,812 to 5,011   | 35%             |
| 2,558 to 3,811   | 40%             |
| 1,232 to 2,557   | 45%             |
| 1 to 1,231       | 50%             |

The aim of this scale is help support parishes in the more deprived areas of the diocese and therefore churches in different areas could potentially receive grants of different amounts for similar work.

For example, three churches all doing £8,000 worth of work to their buildings would receive different levels of grants.

Church A (deprivation rank 10,000) would receive a grant of £2000.00

Church B (deprivation rank 1,200) would receive a grant of £4000.00

Church C (deprivation rank 4,500) would receive a grant of £2,800.00

If you require clarification on the deprivation rank for your parish, please contact the Buildings for Mission Secretary who will be able to provide this information.

The maximum loan in relation to an application is £15,000. In exceptional cases loan applications for higher amounts will be considered. The final decision in such exceptional cases will be taken by Finance Group with the benefit of advice from the CBP.

## When do loans need to be repaid?

The maximum loan term in non-exceptional cases is 5 years; in exceptional cases loan term to be agreed by the Finance Group. Unless explicitly agreed otherwise, interest will normally be charged on CBP loans at a fixed rate of 3% per annum on a reducing balance. The interest rate will be reviewed periodically but once set in respect of an individual loan it will not be varied.

## Next steps

If you feel that a grant/loan is something that your parish would benefit from and you have a project ready to go then complete the support application form and return to the Buildings for Mission Secretary (Martin Howard) via email [martin.howard@durham.anglican.org](mailto:martin.howard@durham.anglican.org)

If you have any further questions, please do not hesitate to get in touch.

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*Martin Howard*

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Diocese of Durham

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