

Culture Recovery fund for Heritage: Second round

This note is intended to help churches and cathedrals who are considering an application to the second round of the Culture Recovery Fund for Heritage. All churches and cathedrals that have listed buildings and are open to the public are eligible for this fund but there are various criteria – set by government – that you should consider before deciding whether to apply.

The most important first step should be to read the [official guidance](#) and look at the questions that form the application process. Please note that your application will need to be completed in one go and has a word limit of 3,000 words. Two supporting documents are required, as detailed on the website. This note is not intended to be a substitute for these documents.

Introduction

The second round of the Culture Recovery Fund looks forward to spring and early summer 2021, when it is expected that cultural organisations will be able to operate with fewer restrictions. Over £300million of grants is available, covering the period April-June, to support cultural organisations with the costs they will face as they welcome back visitors.

Grants for heritage

The National Lottery Heritage Fund is distributing £36m of this government funding to organisations in England, in partnership with Historic England, based on criteria set by the Department for Digital, Culture, Media and Sport (DCMS).

- This second round will offer grants of between £10,000 and £3m to support organisations to make the transition towards full reopening.
- This is not a capital repair scheme. Applications that contain large elements of capital works will not be eligible and it would be a waste of your time to apply for these projects.
- The fund will be open for applications from 7 January 2021 and you can apply any time from then until 26 January 2021. Applications must be made online using the official application form via the Heritage Fund website.
- Grants must be spent between April and June 2021. There is no chance of an adjustment to this timetable as it has been set by the Treasury, so consider carefully if the costs you might apply for can reasonably be spent in this period.

What can an application cover?

It is not possible to provide a complete list of possible costs, but below is an indication of the sorts of costs that could be included. As this is not a capital fund works that aim to complete major repairs or changes will not be eligible. However some elements of capital funding can be included. Broadly these should be limited to works that maintain the heritage, allow access to it, and improve the overall sustainability of the functions of the building as both a church and a community resource.

Works to the building to allow re-opening:

- Testing and servicing of electrical installations, heating, gas, alarm systems etc.
- Repairs necessary to the good operation of the building: clearing gutters, repairs of slipped tiles and similar works.
- Cleaning works to make the building safe and welcoming.
- Works to tidy and improve the welcome of the building and its churchyard/exterior setting, to be a place the community want to come, a place that looks cared for and in use.

Works to the building to increase visitor/community offer:

If you want to apply for works to improve access or energy performance these will need to be shown as an aid to community access and future sustainability.

- Works that will improve the environmental sustainability and welcome of the building (without including major interventions such as PV cells) e.g. works to reduce damp, fixing broken windows, replacing broken lights with LEDs, and tackling bad draughts. These things make the building more comfortable and welcoming as well as ensuring it helps tackle climate change and has a more sustainable future.
- Works that will allow better access e.g. improving pathways and handrails, installing hearing loops, producing clear signage or improving existing signage, potentially installing a ramp or other access feature if this can be done without damaging the heritage and does not constitute a major capital project.

Revenue costs associated with re-opening:

- Staff costs for the relevant period (April to June 2021)
- Costs of volunteer expenses for the relevant period.
- Costs of training for staff and/or volunteers – for example, training in community engagement, volunteer management, fundraising etc.
- Costs of community or visitor engagement exercises e.g. surveys and analysis to establish what is wanted from the church.
- Costs of running community groups and projects e.g. utilities costs, costs of time, costs of specialist providers.
- Improvements to your website and online presence, including improving or introducing social media profiles.

Additional notes for church and cathedral applicants

In general bear in mind the rule of proportionality: the more money you are applying for, the greater the scrutiny of your application will be. If you are applying for an amount around the lower limit of £10k then you still need to provide all required information, but the Heritage Fund and Historic England understand that you will not necessarily be able to provide the levels of information that larger organisations are able to provide.

Remember that the application form and process have been designed to deal with applications from a huge range of organisations, from the very small and local right up to the biggest national sites.

Much of the language used is not directly relevant to churches and cathedrals. Below is an outline of how you might relate the work and needs of your church to the application process required.

- **Eligibility – listed building**

The scheme is open to all churches that have a listed building. You can check if your church building is listed [here](#). All Church of England cathedrals are listed and therefore eligible.

- **Loan finance**

Loan finance is not suitable for churches as the security is a charge on the building. As such you should make sure you only apply for grant funding.

- **Eligibility – activity**

You are able to apply provided you have a listed building that is open to the community both for worship and for wider activities beyond this. The fact that you welcome the community to the church, including for worship, is sufficient to be eligible to apply. However it is important to note that this fund cannot give money towards promotion of religion and any costs directly associated with evangelism, discipleship etc. will not be eligible.

Although this fund is mainly about tourism and visitor attractions, you do not need to show loss of tourist income or to necessarily be a church that derives many visitors from tourism. You can apply for any costs associated with welcoming people back into your building, for any community, commercial or visitor purposes.

- **Period of works**

Costs must be incurred only after a grant has been given and incurred only during the period April-June 2021. Any costs incurred before or after this period should not be included in the application. Any works begun before a grant is offered and the period April-June 2021 begins will not be reclaimable even if you are successful.

- **Diversity**

The application form requires you to demonstrate a commitment to diversity. It is important to pay attention to this question and consider how it applies to your church. For example, religion is a protected characteristic under the Equality Act, and contributes to diversity.

The scheme is about the people in your community accessing their heritage, and any initiatives you run, or plan to run, that welcome in various groups of people will be a good way to show your commitment to diversity, for example: groups that provide particularly for older people, children and young people, people with disabilities, those at risk of social poverty or exclusion, those from disadvantaged areas, or those who do not speak English as a first language. Think about activities you would be able to offer if you were successful in this application, and what sorts of preparation, training, resources etc. you would need to put them in place: all of these costs are potentially eligible.

- **Management accounts**

The application asks for management accounts, which many churches do not regularly provide. In many cases, especially for smaller applications, evidence of financial management is more important than formal management accounts. Annual audited accounts will be suitable for many applicants. Do not spend money and time on new complex accounts. The PCC accounts prepared for your annual meeting will be sufficient.

If your accounts show substantial financial reserves include your reserves policy to show that any reserves have a defined or committed purpose.

- **Permissions**

Check if any permission is needed with your Archdeacon or DAC Secretary, or your FAC Secretary / the CFCE Secretariat as appropriate.

If permission is required, this need not have been granted at the point of application, but all necessary permissions must be in place for the works to be done from April to June 2021. It's therefore best to make an application straight away rather than waiting to find out whether your grant application has been successful, and to let relevant decision-makers know that you are aiming to have permission in place by April so that processes can be expedited where possible.

- **Business Action Plan and contribution the local economy**

The Business Action Plan required as part of the application is to show how you will be viable in the future. The principle of proportionality is especially important here: the larger the amount you are applying for the more information you should provide with your application.

Churches do have some specific sources of information that demonstrate how we contribute to our communities and the economy, and also the costs of doing that:

- The findings of the [Taylor review of sustainability, which reviewed over 6000 consultation responses](#), shows how growing community engagement is a key part of sustainability of a place of worship. It also contains a useful definition of sustainability (p.7):
 - “Sustainability is the ability of the congregation or body legally responsible for the upkeep and repair of the building to fund regular inspections, routine maintenance and essential minor repairs in a timely way. It includes the planning, fund-raising and delivery of periodic major works, e.g. roof recovering or electrical re-wiring, and necessary new works to improve facilities, e.g. installation of a lavatory or new meeting room. Ideally the building itself will be able to earn income from some of the wider uses it hosts, contributing to both running and capital costs.”
- The [evaluation of the Taylor Review pilot projects](#) may also be useful as it shows the tangible benefits of investments in church buildings and communities.
- The recent report [The House of Good](#) from the National Churches Trust shows the benefits provided by a place of worship.

Remember that sometimes opening up your building to the community will involve incurring costs, especially if you are engaged in social action work. Although it is an aspiration of the Taylor Pilots that churches should bring in revenue through community activities, we know that in many cases providing for communities is a cost to churches – and one they are happy to bear – so those costs could be included in an application to this fund.

Your church does not need to be a tourist destination to apply for a grant. If you are tourist destination include information about this with your application and show how your proposals will assist with the return of tourist visitors and, if known, the economic impact of these visitors on the local area.

- **Cost of employees and number of freelance staff**

The question about employees and freelance staff is intended for arts organisations, not places of worship. Answer it as best you can but don't worry if you cannot quite answer the questions as phrased.

- **VAT**

At present the LPOW scheme ends in March 2021. We are still in conversation with government about whether it can be extended. For the purposes of this application plan costs on basis of the [Listed Places of Worship Grant Scheme](#) being in place. This means that VAT on eligible works will be recoverable and should not be included in application costs.