
Listed Places of Worship Grant Scheme

The grant scheme, which may give a VAT rebate on work of repair to the actual fabric of a church building, can be claimed on all eligible work.

To claim a grant:

- a) your building must be listed;
- b) the work must be for repair or maintenance to the building itself - walls, roofs, drains, windows and window glass, floors, doors, stairs, etc. This also includes work to lightning conductors. Work to electrical, plumbing and heating systems is not eligible. Professional fees and repairs to organs, pews, bells and clocks are no longer eligible. Further details can be found on the web site overleaf.
- c) the value of any VAT to any external (i.e. churchyard) features, including churchyard walls, must be deducted.
- d) you must have original VAT invoices. Copies are not admissible.
- e) the cost of work (which can be for several smaller jobs invoiced over the last 12 months) must be for an accumulated amount of more than £1,000 excluding VAT, and carried out by VAT-registered contractors.

Amendments to scheme from 1 April 2011

In an announcement highlighting significant changes, including a fixed budget for the scheme, the Department for Culture, Media and Sport (DCMS) has sought a solution which is "as easy to administer as possible, is fair, and which achieves the widest possible spread of benefit. ... The scheme will operate with quarterly fixed budgets. Payments will be made once per quarter and the payable rate will depend on the value of the eligible claims received in that quarter, with each claim attracting a fair pro-rata payment."

The Church Building Council's advice

We still do not know the exact amount available for the full year 2011/12, but it is expected to be much reduced from the estimated £24m in payments for 2010/11. Previously we were advised the likely maximum budget would be £12m annually over the next four years, but it looks likely that some of the large increase in payments for the final part of 2010/2011 will count against the £12m for 2011/12.

Inevitably it may not be possible to refund to each claimant the full amount of the VAT being claimed. At the moment we do not know what each grant rate will be. Thus, from 1 April 2011 the following conditions will apply:

1. Quarterly fixed budgets
Payments will be made once per quarter. The total budget for each quarter will be distributed, but the payments will vary depending on how many

applications are received each quarter. This is to ensure everyone will receive some form of payment and that all available money is used.

2. Invoice expiry dates

The application process will remain the same but DCMS will not accept claims where the supporting invoices are more than one year old.

All claims received up to and including 31 March 2011 will be processed under the old scheme, although many payments against these claims won't be made until the 2011/12 tax year.

And, to clear the backlog of claims under the old scheme, no claims will be processed under the new scheme until 1 July 2011. As a result, no payments for 2011/12 will be made until the end of September. It is clear that 2011's Quarter 2 budget will suffer from increased demand. Because of this, DCMS suggest it might work in applicants' favour to exercise flexibility and submit claims later in the year, always bearing in mind the new one-year expiry date on invoices.

The DAC's advice

Parishes embarking on repair work, particularly major repairs, should set their budget and ensure funds are available on the worst-case assumption that they will not necessarily get back all of the eligible VAT available under this scheme. Cash flow forecasts including amounts expected for VAT relief should allow for a delay of up to three months before repayment is made.

Application forms and further advice is available in three ways:

- i) by ringing the helpline: 0845 601 5945
- ii) by writing to:
Listed Places of Worship Grant Scheme,
PO Box 609, Newport, NP10 8QD, South Wales
- iii) by looking up the website www.lpwscheme.org.uk

Additional information and advice is available from the DAC team:

Jim May, Pastoral and Advisory Secretary,	jmay@stalbans.anglican.org
Judith Calvert, Assistant Secretary,	jcalvert@stalbans.anglican.org
Debbie Cochrane, Group Secretary,	dcochrane@stalbans.anglican.org
Emma Critchley, DAC Assistant,	ecritchley@stalbans.anglican.org

Diocesan Office, Holywell Lodge, 41 Holywell Hill, St Albans, Herts, AL1 1HE
Tel: 01727 818138 Fax 01727 844469