



Managing Major Grant-funded Projects

This guide summarises the main issues when embarking on a major church building, repair or re-ordering project. Not all the issues will be relevant for smaller projects. Depending on your human and financial resources, professionals may be needed for some tasks. Planning your journey in advance will help allocate resources, set timescales, minimise risk, assess costs and maintain control.

“For which of you, intending to build a tower, does not first sit down and estimate the cost, to see whether he has enough to complete it? Otherwise, when he has laid a foundation and is not able to finish, all who see it will begin to ridicule him, saying, ‘This fellow began to build and was not able to finish.’” (Luke 14, 28-30). More detailed guidance can be found here:

<https://www.hereford.anglican.org/Crossingthethresholdtoolkit/>

<https://www.hereford.anglican.org/missionandmortar/>

<http://www.churchbuildingprojects.co.uk/>

<https://www.churchofengland.org/more/church-resources/churchcare/making-changes-your-building-and-churchyard>

A good starting point is to think of your building as an expression of your church’s mission and to think of the fundraising as ‘community-building’, or ‘friend-raising’.

“If you can demonstrate that the project is rooted in your mission as a church, then you are much more likely both to build the right project, and to sustain the energy and the sacrificial giving that will see your project through to a successful conclusion. So, the most basic question is: What are you trying to achieve through your project?” (<http://www.churchbuildingprojects.co.uk/how-to/1-principles/1-2-purpose/>).

Before going too far, this question must be discussed with your church members, your parish and the community you serve.



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| 1 | <p>Have you written down your project vision, or mission?</p> <p>Does it need to be presented differently for different ‘audiences’</p> <ul style="list-style-type: none"> a. congregation; b. older people, younger people c. residents; d. your professional team; e. local donors f. grant funders; g. existing or potential tenants or user groups. | <p>We live in an increasingly visual age – fewer words, more pictures. Try to illustrate your vision with an engaging visual aid, or case study. This is your ‘pitch’.</p> <p>Do you need a 2-3 sentence summary version, as well as a longer version?</p> <p>What is the project’s USP (unique selling point)? Do you need different versions for different groups? The vision may not stand still – it may evolve as the project progresses and may form the basis for a case for support, or funding appeal, later in the process (see 11 & 12).</p> <p>The way you approach this will be part of your communications plan (see 3). If your vision involves any building or construction work, focus on the outcomes for people, not the building. Remember that people respond primarily at an emotional level. If you are asking for something from the reader (e.g. expertise, money), be clear about this. Don’t ask for money too early in the process until you have a clear delivery plan.</p> <p>https://www.hereford.anglican.org/documents/crossing-threshold-toolkit/ (Chapter1)</p> <p>How to write a project brief: http://www.churchbuildingprojects.co.uk/how-to/1-principles/1-3-briefing/</p> |
| 2 | <p>Does your building or community have a story to tell?</p> <p>If so, have you considered a community history project?</p> | <p>Increasingly, people find fulfilment in connecting with their past. Researching and recording the history of your church, your community, its people and places is a great way to engage non-church people in your project and broaden your potential donor base.</p> <p>http://www.churchbuildingprojects.co.uk/how-to/1-principles/1-6-whats-the-story/</p> |



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| | | <p>If your church has limited experience of grant funding or community engagement, applying to National Lottery Heritage Fund for a grant of up to £10,000 for a community history project is a good place to start. See https://www.heritagefund.org.uk/funding/national-lottery-grant-heritage/3-10k</p> |
| 3 | <p>How have church members and your community helped refine the vision? Talking with others will help with answers to other questions, such as:</p> <ol style="list-style-type: none"> a. How do you know the project is needed? b. Are there other options for delivering your vision? c. Who else in your community is doing what you want to do? d. Which other groups should you be working with (your 'partners')? e. Will the project need to generate income? How will this happen? f. How do others in your community view your church? E.g. does it have a culture of hospitality? | <p>People like to be asked for their opinion or knowledge. Provided their input is genuinely respected, this helps them feel involved and empowered, and draws them into the process. Engaging others results in better decision-making and builds consensus. If anything changes as a result of their input, they like to know. Evidencing this helps to build a strong business case for funders. Remember, it can take time to carry people with you.</p> <p>Possible consultees:</p> <ol style="list-style-type: none"> a. Parochial Church Council; b. church members; c. leaders of other church user groups; d. members of user groups who could benefit from your project; e. local residents; f. community leaders; g. local service managers; h. Parish Council or Local Authority elected members and officers; i. Leaders of other groups or service providers serving the area. <p>Possible engagement methods:</p> <ol style="list-style-type: none"> a. Surveys and questionnaires; b. open days or public meetings; c. focus groups with leaders and stakeholders; |



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| | | <p>d. researching local needs and population/ socio-economic trends.</p> <p>Contact andy.duncan@covcofe.org for advice and examples of community surveys.</p> <p>Possible partners or stakeholders:</p> <ul style="list-style-type: none"> a. parish/ district/ borough council; b. schools; c. health and social care services; d. other charities providing services locally. <p>Examples of user groups, occupiers and potential income-generators:</p> <ul style="list-style-type: none"> a. childcare services; b. café; c. youth groups; d. music groups; e. local clubs and societies f. community shop; g. training providers; h. health & fitness groups (pilates, slimming world etc). |
| 4 | <p>Have you set up a project team with the right skills?</p> <p>The core team should have a leader or co-ordinator, have authority to act within defined parameters and be small enough to get things</p> | <p>Possible roles:</p> <ul style="list-style-type: none"> a. co-ordinator; b. finance monitoring; c. note taker; d. communications. |



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| | <p>done. Others with specific skills can be brought in when required.</p> <p>Consider whether your team should include people from the community who are not church members.</p> | <p>Possible skills:</p> <ul style="list-style-type: none"> a. project management; b. finance (see 10); c. bid writing (see 11); d. fundraising/event organising (see 11); e. heritage; f. technical/building; g. risk assessment (see 9); h. marketing. <p>Possible composition:</p> <ul style="list-style-type: none"> a. PCC members; b. church members; c. community members & leaders; d. professionals. |
| 5 | <p>Have you identified the project stages and put this into an action plan, or timeline?</p> <p>What resources do you need?</p> <p>Who is responsible for what?</p> <p>How long will each stage take?</p> | <p>Possible action plan stages:</p> <ul style="list-style-type: none"> a. discussion with church members & stakeholders (see 3); b. community needs analysis & surveys (see 6); c. researching or visiting similar projects; d. mission statement (see 1); e. communications plan and photo-documentation; f. set up project team (see 4); g. agree governance structures (see 7); h. prepare brief(s) for professional appointments; i. appoint a 'client representative' or project manager (see 6); |



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| | <p>What could go wrong (risks)?</p> | <ul style="list-style-type: none"> j. appoint an architect/design team, including a quantity surveyor (see 6); k. commission site surveys; l. risk workshop (see 9); m. faculty or planning application and/or listed building application (see 8); n. appoint a bid writer or fundraiser (see 11); o. fundraising plan (see 11); p. business plan, if needed (see 14); q. plans & elevations; r. pre-tender costs; s. local fundraising events (see 11); t. grant bid-writing (see 11); u. specification, bill of quantities and tender documents v. tendering; w. legal contracts; x. build and contract monitoring; y. handover; z. grant reporting and monitoring aa. project usage monitoring; bb. project evaluation report. <p>It can be helpful to present the stages in a timeline, or Gantt chart. This can be done on Excel. Contact andy.duncan@covcofe.org for an example of a template.</p> |
| 6 | <p>Do you need a feasibility study to build a business case for funding?</p> | <p>Possible feasibility study components:</p> <ul style="list-style-type: none"> a. socio-economic and deprivation data analysis (for Church of England parishes, see: http://arcg.is/00ieuz; |



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| <p>This work will help collect the evidence of need or demand, identify options and define what your project should look like. If it involves building or construction, this should be a natural outcome of the evidence gathering process.</p> <p>Do you have the resources and expertise for this, or do you need to appoint a client representative, or Project Manager, to guide you through it?</p> <p>For re-ordering, major repair or new build projects, ask your architect what surveys are needed (e.g. building condition, levels, drainage).</p> <p>Do you need to appoint a professional design team (e.g. architect, Mechanical & Electrical designer, Quantity Surveyor)?</p> <p>It may be tempting to save money by trying to do some of this yourselves. However, for medium or large grants, you could be competing with well-resourced organisations</p> | <ul style="list-style-type: none"> b. local service 'mapping' / audit; c. service 'gap' analysis; d. options analysis; e. community consultations and community needs assessment (see 3 above); f. the demand for your 'product' or 'service'; g. identify potential partners, user groups or occupiers; h. site surveys; i. business planning, running costs, and income generation. <p>Some of this information will emerge at the community consultation stage (see 3 above).</p> <p>A feasibility study could be led by a 'client representative', or Project Manager. This person may have the skills to manage the whole project from inception to completion, including bid-writing and procuring other skills (e.g. heritage advice, the professional design team).</p> <p>Major building, repair or re-ordering projects will almost certainly need a design team. This would normally be led by an architect, but could also include a quantity surveyor, structural engineer and mechanical and electrical designer. Some firms of architects are also able to conduct feasibility studies. If you already have a church architect, don't assume they have all the necessary skills and experience for large grant-funded projects. If your scheme is grant-funded, the design team will almost certainly need to be tendered, but give your existing architect the option to apply.</p> <p>Contact andy.duncan@covcofe.org for examples of feasibility study briefs.</p> <p>Funding for feasibility studies may be available from:</p> |
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| | <p>employing professional researchers, fundraisers, bid writers and project managers.</p> <p>If sourcing professional support, is your brief clear and specific?</p> | <ul style="list-style-type: none"> a. National Lottery Community Fund (Awards for All) (https://www.tnlcommunityfund.org.uk/funding/programmes/national-lottery-awards-for-all-england); b. National Churches Trust Gateway (https://www.nationalchurchestrust.org/gatewaygrants); c. All Churches Trust (https://www.allchurches.co.uk/grants) <p>The outcome of your feasibility study should help refine and strengthen your case for support.</p> |
| 7 | <p>Are you, or should you be, working in partnership with others?</p> <p>Have you spoken with others doing similar work in the area about working together?</p> <p>Do you have the right governance structures to work with others, manage a major project or a major transition?</p> <p>Do you need to set up an independent organisation?</p> <p>Do you need to consider lease arrangement?</p> <p>Do you need to review your policies and procedures, or adopt new ones?</p> | <p>If you are transitioning from a church to a church/ community facility, establishing a separate organisation with a broader membership can help your church be more outward-looking and inclusive to people unfamiliar or uncomfortable with church.</p> <p>Here are some governance options:</p> <ul style="list-style-type: none"> a. constituted group (unincorporated organisation); b. charity; c. company limited by guarantee; d. charitable incorporated organisation (CIO). <p>For more information, see: https://www.gov.uk/guidance/charity-types-how-to-choose-a-structure</p> <p>As part of their due diligence, grant funders may ask to see your policies and procedures, for example:</p> <ul style="list-style-type: none"> a. safeguarding (children and older people); b. equality; c. health & safety; d. data protection; e. environment; |



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| | | <p>f. risk management.</p> <p>It is good practice to periodically review these. Contact andy.duncan@covcofe.org for examples or templates.</p> |
| 8 | <p>Is your building listed? If so, have you contacted your Diocese Advisory Committee Secretary about permissions e.g. Faculty?</p> <p>Do you need to prepare a Statement of Need or a Statement of Significance?</p> <p>Have you checked whether your project requires planning consent?</p> | <p>Contact the Diocesan Secretary to check what kind of permission your church project may need. Further information: http://www.dioceseofcoventry.org/ChurchBuildings</p> <p>For guidance on writing a Statement of Significance see: http://www.churchbuildingprojects.co.uk/how-to/5-technical/5-6-statement-of-significance/</p> <p>To check whether planning consent is needed, consult your architect or your local authority Planning team.</p> |
| 9 | <p>Have you noted the possible risks? Risks are circumstances that could slow down your project, undermine it, increase costs, or stop it altogether. These need to be anticipated and actions planned.</p> <p>A risk workshop at an early stage with your project team and/or professional team can be a useful way of flagging issues you may not</p> | <p>Examples of risks:</p> <ul style="list-style-type: none"> a. inadequate governance; b. 'mission drift'; c. failure to raise funds; d. legal and contractual issues; e. unexpected repair issues; f. failure to obtain planning or faculty consent or to meet conditions; g. inadequate professional design team; h. lack of design detail causing cost escalation; |



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| | <p>have thought of until it is too late. Remember to add this to your design team project brief so they can factor it into their costs.</p> | <ul style="list-style-type: none"> i. inadequate community consultation causing objections; j. failure to anticipate all costs (contingency, VAT, inflation); k. 11th hour design changes; l. failure to request fixed price tenders; m. tenders come in higher than the cost plan; n. failure to meet funders' requirements. <p>Contact andy.duncan@covcofe.org for examples of risk registers.</p> |
| 10 | <p>Do you know how much your project will cost?</p> <p>These are the costs that you will need to raise through your fundraising. You don't want to come to the end of the project and find you can't pay the bills, so the more accurate these are the better.</p> <p>If building work is involved, some grant funders accept initial cost estimates; others require fully tendered costs. Lottery Heritage offer a development grant for large projects if you get through Stage 1.</p> <p>Have you minimised VAT liability?</p> | <p>As well as the cost of the building works, your quantity surveyor should include the following in their cost plan:</p> <ul style="list-style-type: none"> a. profit; b. VAT; c. design team & project management fees (up to 15%); d. planning application and buildings regulation fees; e. contingency (this will vary depending on the level of uncertainty about some elements of the cost plan or risk register); f. Inflation. <p>Prime cost (PC) sums, or estimates, should be minimised or avoided, as they can lead to cost escalation later. Where PC sums are necessary, these should be generous to avoid nasty surprises. Contact andy.duncan@covcofe.org for examples of cost plans.</p> <p>New buildings and annexes (but not extensions) qualify for zero-rated VAT. Zero-rating may not apply if any part of an existing building is retained, or to those parts of a new building that are used to</p> |



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| | | <p>generate income (e.g. a café). A mixed use building is unlikely to qualify for zero rating, in which case VAT registration could be considered.</p> <p>At the time of writing, listed buildings qualified for VAT reclamation under the Listed Places of Worship (LPOW) Scheme - http://www.lpwscheme.org.uk/ - now extended to March 2022. For more detailed advice. LPOW VAT exemption can be claimed on professional fees.</p> <p>Regardless of whether it is listed, if you are creating a new building, or an annex to an existing building that does not link directly to the existing building, you should be eligible for VAT exemption from HMRC. If you think you qualify for HMRC VAT exemption, you will need to provide your contractor with a VAT exemption form (see the link below). It is your responsibility to make the correct judgement about this.</p> <ul style="list-style-type: none"> - http://www.churchbuildingprojects.co.uk/how-to/6-finance/6-2-vat-and-church-buildings/ - https://www.gov.uk/guidance/buildings-and-construction-vat-notice-708#downloadopt <p>For initial advice, contact andy.duncan@covcofe.org</p> <p>HMRC VAT exemption cannot be claimed on professional fees.</p> <p>For professional advice, contact a specialist accountant.</p> |
| 11 | <p>Have you got a fundraising plan? Have you prepared a case for support?</p> <p>Has this been presented imaginatively and persuasively?</p> <p>Is your fundraising plan a mix of your own funds, grants and local fundraising?</p> | <p>Never start spending on a building project until you know how much it will cost and you have written confirmation of funding, which could include pledges.</p> <p>The case for support should include the need, the solution and the outcome i.e. how the project will benefit people. The case will need to be backed up with evidence.</p> <p>The fundraising plan is likely to include 'internal' and 'external' funds. Examples of internal funds:</p> <ol style="list-style-type: none"> a. church funds or reserves; |



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| <p>Do you have a small fundraising team of 2 or 3 people?</p> <p><i>'Those who need money and those who give money meet on the common ground of God's love.'</i> Henri Nouwen</p> | <ul style="list-style-type: none"> b. an appeal to your congregation; c. fundraising events involving the wider community (e.g. promise auction) d. sponsored events; e. gift aided donations; f. interest free loans from members of your congregation or community; g. bank borrowing; h. sale of property. <p>Examples of internal funds:</p> <ul style="list-style-type: none"> a. grant-giving trusts (e.g. National Lottery); b. Section 106/ Community Infrastructure Levy c. crowdfunding; d. community shares. <p>For more examples of imaginative fundraising events and activities, see: https://www.churchtimes.co.uk/articles/2016/13-may/features/features/top-25-fundraising-ideas-for-churches</p> <p>The key to successful internal fundraising is whether the congregation are fully behind the vision for the project. Appeals can be made at the project launch stage (e.g. for development funding), at the planning stage (when the project is fully designed), and after tenders have been received (to complete the funding package and make the project happen).</p> |
| <p>12 Have you researched grants likely to be suited to your project?</p> | <p>It is usual for large projects to be funded from more than one source and for funders to require measurable and sustainable people-based and community-based outcomes. For example, the Lottery</p> |



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| <p>Your project could sit somewhere between maintenance/ repair at the simpler end and major community transformation at the complex end. The further along the scale, the more grants you are likely to be eligible to apply for.</p> <p>Have you checked if your project is eligible for one of Coventry Diocese's grants?</p> | <p>Heritage Fund requires projects to deliver outcomes for heritage, people and communities. Multi-faceted projects may have capital elements (e.g. buildings or large items of equipment) and revenue elements (e.g. staffing, events), where different parts of the project are eligible for different grants, maybe at different times.</p> <p>At the time of writing, Coventry Diocese operates four grant funds:</p> <ol style="list-style-type: none"> a. Church Fabric Fund for repairs (up to £5,000). See: http://www.dioceseofcoventry.org/?page_ref=1169 b. Church Improvements Fund to improve facilities e.g. toilets and kitchens (up to £5,000). See: http://www.dioceseofcoventry.org/ChurchBuildings/churchimprovementfund c. Diocesan Mission Fund for mission-focussed activity, such as children's work (grants are available for under £2.5K and over £2.5K). See: http://www.dioceseofcoventry.org/?page_ref=1099 <p>These funds are administered by Joanne Swain – email: missionfund@covcofe.org.</p> <ol style="list-style-type: none"> d. Together for Change for community transformation projects (up to £2,500) http://www.dioceseofcoventry.org/TFC/TFCFunding This fund is administered by John Scouller - john.scouller@covcofe.org <p>Andy Duncan andy.duncan@covcofe.org can offer support drafting grant applications for any grants, including Diocese grants.</p> <p>There are several thousand grant-awarding bodies in the UK. A small number of these are aimed at churches and/ or heritage, for example:</p> <ul style="list-style-type: none"> - Lottery Heritage Fund https://www.heritagefund.org.uk/funding |
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| | | <p>Contact andy.duncan@covcofe.org for a synopsis of Lottery Heritage criteria and requirements.</p> <ul style="list-style-type: none">- National Churches Trust https://www.nationalchurchestrust.org/our-grants 50% of funds need to be raised before applying. For large project, the total cost must be over £100,000 (including VAT).- All Churches Trust www.allchurches.co.uk- The Listed Places of Worship (LPOW) Scheme, funded by the Department of Culture, Media and Sport, which allows you to reclaim VAT for repairs to the fabric of listed buildings and to specific items such as clocks, pews, bells and pipe organs, as well as professional fees (see 14 above). <p>You can access a wider range of grants if you can evidence that your project meets the needs of people and communities. Examples of such grants include:</p> <ul style="list-style-type: none">- National Lottery Communities Fund, which requires applicants to put 'people in the lead': https://www.tnlcommunityfund.org.uk/funding- Garfield Weston: www.garfieldweston.org but 50% of the budget must have been secured before applying. <p>Some grant-awarding bodies prioritise projects in the Coventry, Warwickshire and West Midlands areas, for example:</p> <ul style="list-style-type: none">- Heart of England Community Foundation: https://www.heartofenglandcf.co.uk/available-grants/- Edward Cadbury: http://www.edwardcadburytrust.org.uk/- Saintbury Trust: http://www.thesaintburytrust.co.uk/ |
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| | | <p>The Charity Commission web site can be searched for grant-awarding bodies donating in Coventry & Warwickshire: http://apps.charitycommission.gov.uk/ShowCharity/RegisterOfCharities/AdvancedSearch.aspx (Click on 'How the charity operates' and 'Makes grants to organisations').</p> <p>The following are available from Andy Duncan, andy.duncan@covcofe.org:</p> <ul style="list-style-type: none"> - A list of over 50 grant-giving charities in Coventry and Warwickshire: - A directory of over 100 UK grants-giving trusts that churches can apply to, categorised by: <ol style="list-style-type: none"> a. Conservation, Preservation, Heritage & Restoration; b. Bells, Organs, Windows & Other Specific Items; c. Community Projects & Improving Community Facilities; d. Christian / Religious Activities; e. The Landfill Communities Fund; f. National Lottery. <p>Andy Duncan can advise which grants are likely to be a good 'fit' for your project.</p> |
| 13 | <p>Do you understand the construction process?</p> | <p>For larger projects, procurement and contract management is likely to be managed by your design team. For smaller projects, you can manage the process yourselves. Either way, it is helpful if your church leadership and the rest of your church understands the stages and timescales. The Royal Institute of British Architects defines eight work stages. A summary can be found here: http://www.churchbuildingprojects.co.uk/how-to/4-processes/4-4-construction-process/</p> |
| 14 | <p>How sustainable is your project? Do you need a business plan to explain this?</p> | <p>Sustainability can be financial, organisational, social and environmental.</p> <p>Economic:</p> |



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| | | <p>If your project is mainly capital (e.g. building), it is unusual for funders to support running costs. If it is revenue (e.g. staffing), external funding is likely to be temporary (e.g. 1-3 years). In both cases, you need to plan how any additional or continuation costs will be funded. This could be from utility cost savings, room hire or product sales from a café. When making cost projections, factor in cleaning, caretaking and inflation. Inform your insurance company of any change of use e.g. new room hire.</p> <p>Organisational: If you are creating a new room or building, do you need someone to manage it going forward e.g. room bookings, health & safety, maintenance inspections? Write down what needs doing so others can take over or share responsibilities.</p> <p>Social: The activities you provide at your new facility need to be under periodic review to ensure they continue to meet changing needs e.g. when toddlers grow into children. Don't stop consulting with your users or local community just because you have secured the money you need.</p> <p>Environmental:</p> <ol style="list-style-type: none">Using energy saving and environmentally-friendly products (heating and lighting)BREEAM (BRE Environmental Assessment Method) sets the standard for best practice in the environmental performance of buildings. www.breeam.com/resourcesProduct life expectancyRecyclingUsing local products and contractorsEnergy generation (e.g. solar, photo-voltaic)Noise and disturbance associated with the construction process. |
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