



department for
**culture, media
and sport**

Upcoming changes to the Listed Places of Worship Grant Scheme

Changes to be introduced from 1 October 2012

13 August 2012

Our aim is to improve the quality of life for all through cultural and sporting activities, support the pursuit of excellence, and champion the tourism, creative and leisure industries.

Introduction

The Listed Places of Worship Grant Scheme currently provides grants towards VAT paid on repairs and maintenance to listed places of worship.

Following the Budget 2012 announcement that the zero rate of VAT for approved alterations to listed buildings would be withdrawn from 1 October 2012, the Government announced that it would be extending the Listed Places of Worship Grant Scheme to also cover approved alterations.

Additional funding of up to £30m a year (from 2012/13) has been allocated to the scheme for the duration of this Parliament.

The extended scheme will incorporate repairs, maintenance and approved alterations to listed places of worship and will become operational on 1 October 2012. The current criteria and rules for the LPW Grant Scheme will continue to apply until then.

How the extended scheme will work

In the light of requests from groups representing listed places of worship, the extended scheme is designed to be as simple as possible, with the same eligibility criteria applied to both alteration and repair and maintenance works. The kinds of buildings that are currently eligible and the process of applying for a grant will remain the same.

The scheme will continue to have a fixed annual budget. We are confident that this funding will enable full compensation for claims under the scheme. In the unlikely event that this proves not to be the case, advanced notice will be given should there be a need to introduce a cap to payments.

Some minor changes to the scheme will be made and will come into effect on 1 October 2012. In summary, these are:

- The scheme will return to a system of monthly payments with the first payments made in November 2012
- Some of the restrictions on the eligibility criteria on certain repair and maintenance works will be lifted
- Some additional items will be added to the eligibility criteria

Monthly payments

- Quarter 2 payments will operate as currently advertised on the LPW website with payments made around 15 October 2012. A system of monthly payments will resume from November 2012. The closing dates for applications and date of monthly payments will be advertised on the [LPW website](#) shortly.
- Each month we will publish the value of claims received against the budget.

Removing some of the restrictions on eligibility:

The following restrictions on eligibility will be lifted **for work undertaken from 1 October 2012:**

- **Removal of the restrictions on claims on plumbing and electrical works, installations and supplies.** Previously, the scheme restricted claims for repairs on plumbing and electrical supplies where they form part of health and safety works, deterioration due to age, were carried out at same time as eligible works, result in an upgrade of services or were intended to improve energy efficiency. We have removed this restriction for claims on all works from 1 October 2012.
- **Removal of most restrictions on claims on works to kitchens and toilet fittings, floor coverings and handrails.** Most works to kitchens, toilet fittings, floor coverings and handrails are now eligible for the scheme. Claims on furniture, shelving, noticeboard and other detachable items remain ineligible.
However, where the works create new toilets or bathrooms for the disabled, such works should still be zero-rated under an existing VAT relief (see HMRC Public Notice 701/7 – VAT

reliefs for disabled people). Floor coverings will be eligible only where permanent and part of the fabric of the building. This includes timber, stone, ceramic, marble or solid floors. It does not include carpets, removable tiles or decorative soft furnishings.

- **Removal of the restrictions on decoration works:** Previously, the scheme restricted claims on decoration where work was undertaken by choice. Decoration (including carvings, stone work, re-painting) is now eligible providing it is to the fabric of the building.
- **Removal of restrictions on pews:** Claims to repairs on pews were taken out of scope in January 2011. Works to pews will now be eligible from 1 October 2012.
- **Removal of restrictions on asbestos removal:** Previously, asbestos removal was ineligible where used to insulate pipes, heating and boilers. All asbestos removal is now eligible.

The following items will be added to the eligibility criteria **for work undertaken from 1 October 2012:**

- **Claims on security and forensic systems to prevent crime:** Repairs as a result of metal theft were previously eligible for the scheme, where these expenses are not met by an insurance provider. These will remain in scope and claims on the installation of security and forensic systems to prevent crime (such as specialised fixing, security cameras, marking technology, roof alarms, anti-climb paint) will also be eligible.

In January 2011, claims on clocks, bells, pews, organs and professional services such as architect fees were taken out of scope of the scheme. In the interest of keeping the scheme as simple as possible and to help ensure that the funding available meets all claims at 100%, with the exception of pews, these items will remain **ineligible** for the scheme for repair, maintenance and alteration works.

A new application form and a detailed guidance document will be available on the [LPW website](#) in late September 2012. The existing rules and criteria for the scheme will remain in place until 1 October 2012.

Applicants should continue to use the existing application form and guidance documents until these are issued.

Future consultation on claims for works covered by insurance within the scheme

The LPW scheme currently allows applications in respect of VAT on works where the works were paid for through insurance but the VAT element was not met by the insurance company.

DCMS and HM Treasury will be reviewing this issue and will consult with stakeholders on the effects of moving to a position from April 2013 where grants cannot be claimed for the VAT element of works that have been paid for by an insurance company.

In the meantime, the scheme will continue to pay VAT costs where these are not covered by an insurance company.



department for
**culture, media
and sport**

2-4 Cockspur Street
London SW1Y 5DH
www.culture.gov.uk