

THE CHURCH'S BUILT HERITAGE

BACKGROUND NOTE PREPARED BY THE CATHEDRAL AND CHURCH BUILDINGS DIVISION

Introduction

This Debate provides a timely opportunity for updating Synod on progress with the church buildings strategy and the initiatives set out in '*Building Faith in our Future*'. (report produced by the Church Heritage Forum in October 2004)

The Motion before Synod in the name of the Division is effectively a combination of a Private Member's Motion put down by Mr Roy Thompson (York Diocese) and signed by 151 members at the November 2005 Synod, calling upon Her Majesty's Government to increase funding available for repairs, and a motion from Lincoln Diocesan Synod, which supported the recommendations of '*Building Faith in our Future*', encouraged the Church Heritage Forum to take them forward, urged parishes and dioceses to take them forward, and also called for increased public funding and the continuance of the Listed Places of Worship Grants Scheme. It therefore enables the issues to be debated in a holistic way. In particular, the Division will welcome hearing how dioceses and parishes are responding to the opportunities presented by church buildings as well as the challenges.

'*Building Faith in our Future*': the objectives

The rationale behind the whole buildings strategy can be stated very simply:

1. Churches matter and deserve support:

- Church buildings are a basis for the Church's mission and a symbol to those beyond the worshipping congregation;
- Local churches are playing a vital role in communities across the country – and can do more;
- They deliver national policy objectives **at their own expense**;
- They are key both within the community and as part of the historic environment;
- They are key partners in tourism, education, regeneration and community cohesion, and cultural activity;
- We want to encourage that contribution, and encourage people to use and enjoy churches while conserving the buildings' special character.

Some key facts:

- 86% of the population have been into a church building for one purpose or another within the past 12 months (ORB survey 2003: confirmed by 2005 survey)
- In Yorkshire alone the value of social and community work carried out through church buildings was estimated at some £55 million - £75 million in 2002.
- Church of England cathedrals receive an estimated 12 million visitors per year.
- Church of England churches receive an estimated 1 million visits from school children for education purposes each year.

- The direct economic impact of visitors to cathedrals has been estimated at £91m per annum - £150m if indirect effects are included. Cathedrals support over 2,600 jobs.

2. Without support, this achievement is at risk:

- Funding from English Heritage and others is decreasing in real terms;
- Pressures for spending are increasing – disability discrimination legislation, health and safety legislation, etc;
- There is unequal access to funding opportunities

Some key facts:

- Church of England churches alone **spent** £101 million in 2003 on repairs and maintenance. The outstanding repair costs of parish churches as in 2003 have been estimated at £373 million - £323 million for listed churches. Grants available from public money for all listed places of worship (apart from cathedrals) total only £25 million (The Joint English Heritage and Heritage Lottery Fund Repair Grants for Places of Worship Scheme) per annum at present.
- Cost of legislation, from disability discrimination to health and safety and working at height, adds additional pressures on volunteers in organisational as well as financial terms.
- Church of England cathedrals **spend** £11m annually on repairs and maintenance. Cathedral grants have declined from the original £3m per annum (when the scheme was first introduced in

1991), to £1m per annum at present. English Heritage's survey of 2002 found that £39m worth of urgent high-level work was still outstanding

- Many funding bodies find it difficult to accept that faith groups should benefit from public funding, considering them exclusive.

3. We are, therefore asking for specific help:

- A 'level playing field' in terms of access to funding and resources.
- Recognition of the churches' current and potential role.
- Access to greater funding for repairs.
- Many funding bodies will not support applications from faith groups or are still suspicious of them.
- Achieving recognition of the churches role also involves having a seat at the table where decisions are being made – faith groups being welcomed as active partners as members of regional agencies.
- Experience in Yorkshire particularly proves how successful this can be.
- On **repair funding**, we consider it would not be unreasonable to ask for 50% of the **overall** repair costs of listed churches and cathedrals to be met by public funding - as well as maintaining a favourable VAT regime - this might suggest a bid for a minimum of £60m to take account of likely current spend.

'Building Faith in our Future' was launched in October 2004 with sponsorship from the Ecclesiastical Insurance Group and

the World Monuments Fund in Britain. Copies were circulated to all Synod members at the time and have been distributed to all members new to this Synod. Further copies are available from Becky Payne, Policy Officer with the Cathedral and Church Buildings Division (020 7898 1886 or rebecca.payne@c-of-e.org.uk). It followed the report put to Synod in July 2003 ('*A Future for Church Buildings*' – GS 1514) and widespread consultations and seminars inside and outside the church to identify issues, problems and potential solutions. It was deliberately wide in scope because of the very wide contribution which church buildings make to so many aspects of society. Their significance as places of worship is paramount. But springing from that, they have a role, mirroring God's love, to reach far beyond the worshipping community.

For example: :

- As centres for cultural activity:
Churches and cathedrals provide venues for cultural events from the professional to the amateur, international choirs and symphony orchestras to local school nativity plays, at each level encouraging talent, deepening musical and dramatic appreciation, and simply providing space for common enjoyment. 49% of rural churches put on such events; and the number who attend over the country as a whole is comparable to the total number of UK residents attending West End theatres.
- As centres of voluntary and community activity:
Churches are a major contributor to social capital, providing a physical base where people can meet and be supported, practically, emotionally and spiritually – expressing the Church's unending concern to recognise all humanity as neighbours. Surveys carried out in all 9

English Regions undertaken by the Regional Faith Forums, the majority in partnership with their Regional Development Agencies, show that day in day out, church buildings host groups for all types of need and age ranges, from toddlers upwards, reaching many who lack the confidence to find self-worth elsewhere.

(Annex 1 is a table summarising all the regional surveys known to us. Further details of any of these reports can be obtained by contacting Becky Payne whose details are given above)

- In urban areas: Church buildings can offer a base for a range of activities and provide the community with a place of empowerment and thus a strong focal points for regeneration.
- In rural areas: The rural church building can often be the only building available for community use when school, shop and pub have gone and thus provide a physical focus for many villages. The potential of church buildings to help deliver essential services in rural areas is only starting to be realised.
- Education: Church buildings can teach about art, architecture, national and local history, about the faith which has shaped the development of our society – and help people learn about themselves.
- Tourism: Churches and cathedrals, often the focal point of a place whether in the countryside, market towns, or major cities, attract visitors and thereby contribute to the financial and economic well-being of an area. In many rural areas, churches are working with their local

communities to develop sustainable tourism and regenerate the area.

This is above and beyond the wealth of history and architectural splendours that are our church buildings encapsulating the memory of each community and its people. Over 12,200 of our over 16,000 parish churches are listed. 45% of all Grade I listed buildings in England are Church of England parish churches.

The role of volunteers

The maintenance of all this activity – and of the buildings which enable it to take place - depends on the effort and commitment of the local volunteers. There are over 32,000 churchwardens responsible for caring for church buildings and thousands more people serving on PCCs. Looking after a Grade I listed rural church in Yorkshire with 110 on the electoral roll is estimated to take 919 hours per annum or about 9 hours per week for each churchwarden. The voluntary effort (and the high degree of professional expertise) of DAC members is also considerable. For example, it takes over 3,000 hours of voluntary effort each year to run the rural St Edmundsbury and Ipswich DAC which if costed (or borne by the state) would run into many thousands of pounds.

This activity is vulnerable without further help.

***‘Building Faith in our Future’*: the recommendations**

The document identified 29 recommendations addressed to Government and public bodies (see Annex 2).

The key recommendations all focus on:

- achieving a greater recognition of the Church's contribution;
- removing the barriers of perception which all too frequently inhibit access to funding;
- achieving greater resources for the upkeep of church buildings and the work that goes on within them.

The document also identified areas where the Church could help itself through spreading good practice. Consultations revealed a real need and desire for support for parishes dealing with actual situations. They also identified actions which could help further liberate the energy being shown by many. Many imaginative initiatives and solutions are already happening. We need to learn from these and enable other parishes to build on those experiences, in their own way and in their own particular context.

The document recommended that the Church seeks to further develop and deepen working links with local and regional bodies by continuing to develop appropriate structures to maximise capacity to be an effective partner. It recommended sharing of good practice and initiatives between churches, dioceses and among faith groups, as a whole, to raise the impact and recognition of church community and cultural activities and help strengthen the vision for future development. Finally, it identified the need to deliver practical guidance right down to parish level on areas such as fundraising, managing repair projects and the regular maintenance of buildings, community project development, working with existing and new partners: in short help them to release the potential of their buildings for the benefit of their local communities.

The Church of England has taken the lead on this because the vast majority of listed churches in this country are Anglican. But the messages of ‘*Building Faith in our Future*’ are equally applicable to other denominations and faiths.

Progress So Far

Since October 2004 the Division has:

- Spread the message;
- Built up networks and links – with traditional partners and new ones (from the Big Lottery Fund to organisations dealing with village shops);
- Supported further research to build up the factual case:
 - The **2003 Parochial Return questionnaire** showed that in that year: around **£101m** was spent by parishes on major repairs to churches and a further **£11.5m** on other major repairs to other buildings on ecclesiastical sites. These figures do not, of course, include the cost, in cash or kind, of minor works and maintenance falling on the volunteers who care for churches day by day. (*Figures are collected every year within the parish finance returns*)
The overall estimated cost of major repairs still required to our over 16,000 church buildings in England, once all works undertaken in the year had been taken into account, was **£373m**. Of this, **£323m**, or **87%**, relates to listed churches. (*Figures were collected in 2003 in answer to a 'one-off' question*)

- A national opinion poll of 1004 people, carried out by Opinion Research Business (ORB) for the Archbishops' Council and English Heritage in November 2005, confirmed that nearly nine out of ten adults (86%) surveyed in Great Britain had been into a church or place of worship in the previous year. This was consistent with the figure recorded in 2001 and 2003. Among Christians this figure was 91%, among those of no religious persuasion it was 75% and among those from non-Christian religions it was 73%.

- Although there has not yet been any comprehensive research to determine the local economic benefits of visitors to parish churches, initiatives set up to promote church tourism show that they have a positive effect on numbers of visitors. The **North Yorkshire Church Tourism Initiative** ran for three years and in that time increased the number of annual visitors recorded to the 285 participating places of worship by **120%**. Total number of visitors recorded for the year 2004/5 was 203,952.

- Negotiated with DCMS over the future of the 'ecclesiastical exemption' – leading to a recognition by the Government that the 'exemption' has benefits and should continue – and we are working to develop voluntary pilot projects in two dioceses (Bath and Wells, Lincoln) and with two cathedrals (Rochester and Canterbury) to streamline the overlap of the different legal systems;

- Participated with the DfES emphasising the potential of churches and cathedrals to contribute to the Education Outside the Classroom initiative;
- Worked with English Heritage to achieve wider publicity for the economic and social value of cathedrals, and the contribution of churches to the rural community (Heritage Counts 2004 and 2005);
- Worked with the Churches Main Committee (representing some 40 Christian denominations and the Jewish community throughout the UK) to submit further evidence to the European debate on reducing VAT on repairs to historic places of worship. We hoped for progress during the UK Presidency in 2005, but the long-running problem of having a solution acceptable to all member states remains;
- Launched a new Churchart website to help parishes seeking to commission new works of art;
- Held discussions about good practice at the Annual Conference for DACs;
- Produced a first electronic newsletter for ‘supporters’ – the second edition due out in January. 650 people received the first edition: we know that many passed it on through their own networks. (This is in addition to the regular communications, briefings and news updates to DACs and others);
- Participated in a working group with the Church Commissioners and others preparing guidance on carrying out local building audits (due to be finalised early 2006) following a recommendation in the Toyne Review;
- Supported a bid by the Society for the Preservation of Ancient Buildings to the Heritage Lottery Fund for resources to help with training of churchwardens;

- Scoped the further development of the Churchcare website to act as a comprehensive source of advice and links on matters to do with church buildings, from fundraising to use of buildings and helping visitors to enjoy these buildings.

The Division is currently:

- Collaborating with English Heritage on two projects to further refine our knowledge:
 - An updating of the **Church Fabric Needs Survey** first undertaken in 1994-5 to ascertain the annual expenditure needed to keep the fabric of listed places of worship (all denominations) in good repair. By revisiting the same sample of 140 churches in five areas of the country, the aim is to identify the cost of repairs carried out over a further ten years up to 2004, examine what has been done and what still needs to be done, identify the reasons for those repair and maintenance choices.
 - **Mapping of Places of Worship in Need** is a new survey planned to start in early 2006 to identify geographical areas (**not** individual churches) in which financial information indicates that congregations are under particular pressure because of the relationship between available income and repair costs: this will help English Heritage target its own resources.
- Working closely with the Church of England's National Rural Officer who is acting as a consultant for a

DEFRA study of the role of faith groups in creating rural social capital;

- Holding discussions with ‘capacity builders’ to encourage a mutual understanding of the respective skills of different partners;
- Developing a bank of good examples of additional uses in churches;
- Working closely with a senior secondee from ‘VisitBritain’, the Churches Conservation Trust and the Churches Tourism Association to bring those involved in church tourism in the Church together with the tourism sector and enable the development of a shared vision and the preparation of a co-ordinated ‘framework for action’ on the marketing of the historic churches ‘experience’ to potential visitors.

All these initiatives are contributing positively to the general ability of churches and congregations to make the best of use of resources already available. The debate may give an opportunity to hear of other initiatives being taken by Dioceses and Parishes. But we have not yet achieved Government commitment to more resources.

Financial Support:

Costs of repairs are rising: annual Parochial Returns figures for major repairs to churches show a spend of:

2001	£86m
2002	£93m
2003	£101m

As shown above, the cost of major repair works still outstanding in 2003 is estimated at £373m.

Against this, repair grants from English Heritage and the Heritage Lottery Fund have declined in real terms since 1996, when joint funding began.

1996/97	£19.6m
1997/98	£17.0m
1998/99	£26.0m
1999/00	£18.1m
2000/01	£23.2m
2001/02	£15.0m
2002/03	£25.6m
2003/04	£28.3m
2004/05	£24.5m
2005/06	£25m (projected)

Had English Heritage been able to maintain its contribution to church repairs in real terms at its highest level of 1995 (when £14m was offered in grant), it would be now be offering £19.5m rather than its current average £10m per annum.

The table at Annex 3 provides a more detailed breakdown of grant applications that have been made under the Joint English Heritage and Heritage Lottery Fund Repair Grants for Places of Worship Scheme since 2002 (when the current scheme for high level repairs started) and the success rate. (On average, 53% for a Church of England church).

Cathedrals currently **receive** only £1million per annum in repair grants from English Heritage – but currently **spend** £11 million annually on repairs and maintenance.

The **Listed Places of Worship (LPW) Grants Scheme** launched in April 2001 to enable reclaim of VAT paid on

repair of listed churches, has now been extended until 2008. In April 2004, it was expanded to cover the full 17.5% VAT on eligible repairs to listed churches. Almost **£32 million** has been awarded in grants under this scheme up to the end of June 2005 throughout the United Kingdom. Up until 31 December 2005, **£31.25 million** was paid to listed places of worship in England, an estimated 89% of them Anglican churches. On the 11th November, the Government launched the Memorial Grant Scheme which will return, in grant aid, the amount of VAT incurred on the construction, renovation and maintenance of eligible memorials.

However, the English Heritage and Heritage Lottery Fund Joint Grant Scheme and the LPW combined less than 30% of the actual spend on repairs in 2001, 2002 and 2003. Further help came from the Landfill Tax monies, and other voluntary sources (notably the Historic Churches Preservation Trust and County Trusts), but the vast majority of funds (over 65%) were generated by the congregational themselves. The English Heritage and Heritage Lottery Fund Joint Grant Scheme currently applies only to urgent high level repairs and is competitive.

Both English Heritage and the Heritage Lottery Fund are struggling with resources which are declining in real terms and yet they are still giving significant proportion of their available grant in aid/income to Places of Worship. In 2004-5 English Heritage gave £10.5m (37 %) of their total £28.06m grant budget for repair of all types of historic buildings and monuments to repairs for places of worship in use.

The Heritage Lottery Fund has awarded nearly £300m to more than 2,000 churches, chapels and cathedrals over the last ten years to keep the buildings in good order and promote wider

understanding and enjoyment of them by both local people and visitors. This represents 9% of the entire HLG grant budget over the same 10 years. In 2004-5, the Heritage Lottery Fund awarded £26m to churches, chapels and cathedrals which is 7% of the entire annual HLF grant budget for the same year.

A Timely Moment:

The wider political and social climate is showing increasing interest in the role and contribution of church buildings:

- David Lammy, Minister for Culture has met with church groups and promised a government response to '*Building Faith in our Future*';
- Other groups beyond the Church itself are campaigning on the significance of historic churches;
- Even the broadcasting media are thirsty for news of churches.

In parallel, we have many allies, beyond the Church itself, in the secular world where groups, with our active involvement, are working on the church buildings agenda:

- **English Heritage** who are launching their own campaign in May 2006 '*INSPIRED*', to draw greater attention to the needs of church buildings and their importance in the environment;
- **The Hoare's Bank Group** comprising members of the Cathedral and Church Buildings Division, some of the other bodies involved in the Church Heritage Forum, the Churches Conservation Trust, Historic Churches Preservation Trust and various other bodies involved with historic churches: English Heritage and the Heritage Lottery fund are observers;

- **The All-Party Parliamentary Historic Churches Group**, chaired by Frank Dobson MP, and with Frank Field MP as Secretary, is now set up and has met three times.

While all these groups have their own remit and priorities, there is a stronger sense developing of a common agenda, to enable the sustainability of churches and ensure that congregations have the capacity or the support to enable them to do so.

There is a moment of opportunity to feed into discussions taking place within Government:

- Factual research is essential to seek to influence the Comprehensive Spending Review in 2007;
- A Department of Culture, Media and Sport (DCMS) Select Committee is currently examining the future priorities of that Department and the funding of the heritage;
- DCMS are also consulting on the future allocation of Lottery funds after 2009 (which will have implications for heritage funding).

The Church, therefore, needs to feed into this moment of opportunity by contributing to this wider campaign. Our aim is to achieve:

- a level playing field in terms of access to resources – brought about by changing attitudes, not simply by pronouncements: a campaign of winning hearts and minds;

- recognition of the churches' actual and potential role – including a seat at the table when decisions are being made, most notably in the regions;
- access to greater funding for repairs – with an aim of 50% of the overall repair costs of listed churches and cathedrals being met by public funding as well as the maintenance of a favourable VAT regime.

This will require also a body of supporters – Synod members and others in and outside the Church – who back these objectives and can within their own sphere actively support them.

Next Steps:

The Division's role will continue as a national focus:

- liaising with Government, Ministers and officials, seeking direct discussions at the highest level and continuing to contribute to government consultations;
- seeking to link and disseminate information within the church and share information about the many positive initiatives in progress.

The General Synod can help the campaign by supporting this motion, and the objectives identified.

Individual Synod members, whatever their responsibilities, might consider what part they can play in building up links with their regional bodies and/or local authorities – and in equipping themselves or their parishes with the resources and information they need.

Conclusion:

This is a positive motion which seeks to unite the Synod in working for a common aim for the Church, its mission in the world and the benefit of the wider community and of the nation. The combination of the Private Member's Motion and the Diocesan Synod motion which have led to this debate in Synod itself indicates what a significant issue this is for the Church.

Synod support is, therefore, invited.

Cathedral and Church Buildings Division
January 2006

ANNEX 1

RECENT SURVEYS/MAPPING EXERCISES UNDERTAKEN ACROSS THE ENGLISH REGIONS TO MEASURE THE CONTRIBUTION OF FAITH GROUPS TO SOCIAL ACTION AND CULTURE

Attached as separate file

Key Recommendations addressed to Government and Public Bodies

Recognition

- 1 We urge national, regional and local bodies to pay special attention in their funding and planning decisions to the importance of places of worship – as part of the historic environment which is so important to our society and as a physical focus of community activity.**
- 2 A continuing standing group is needed to take forward co-ordination of these initiatives at national level.**
- 3 New policy initiatives may sometimes impact unexpectedly on places of worship. We recommend the establishment of a cross-Departmental Governmental group to look at the impact of policy proposals on churches and places of worship.**
- 4 We need a greater understanding of the state of the church building stock and repair needs, both present and future, plus the effects of inadequate maintenance. We are keen to work with partners to achieve this more secure body of knowledge. We urge that further effort be directed in 2005 towards compiling facts, to build a stronger base for future action.**

Working with Regional Partners

- 5 We recommend that all Regional Cultural Consortia and Regional Development Agencies include at least one faith representative, and take active steps to engage with and respond to the contribution which church buildings and communities can make and are making – for example, by regularly consulting church bodies on regional cultural and community strategies.**
- 6 We ask Local Strategic Partnerships (LSPs) or similar groupings to actively encourage faith representation.**
- 7 We urge regional authorities to support capacity building, to help churches participate as full partners.**

In Urban Regeneration

- 8 We draw attention to the considerable catalyst which a church building can provide for regeneration of an area, and urge funding authorities to recognise this and respond to it in their proposals.**
- 9 We support the Government’s statements about the importance of faith communities. We seek active partnership on that basis.**

In Rural Areas

- 10 We invite local authorities to treat churches as partners in tackling rural exclusion. In rural areas, as elsewhere, places of worship**

- may have potential for providing community facilities which are otherwise lacking.
- 11 We ask that public funds should be available for appropriate modification of church buildings and the upkeep of community facilities within them.

Cathedrals

- 12 We urge public authorities to affirm the contribution of cathedrals to their communities, and consider practical ways of recognising that contribution.
- 13 We welcome the continuation of English Heritage grants for cathedrals, but urge that the modest amounts made available should be increased (say from £1m pa to the previous £2m or £3m), continuing support for cyclical maintenance rather than simply major repair.
- 14 We encourage the Heritage Lottery Fund and the Association of English Cathedrals to continue discussions to strengthen mutual understanding of priorities, potential and needs.
- 15 We draw attention to the considerable economic magnet effect of cathedrals and greater churches for their cities and towns, as well as the similar, if less easily quantifiable, effect of smaller parish churches. We encourage all local and regional authorities to consider with the churches and faith groups in their area how this economic effect can

best be reflected in mutually supportive practical and financial help.

Education

- 16 We urge Government to consider support to develop education activity in church buildings and cathedrals.**

Tourism

- 17 See recommendation 15.**

The Legal Framework

- 18 The Church's own systems for control of their historic buildings (often known as the 'ecclesiastical exemption') have served the historic environment well. We support their continuation, and will ourselves continue efforts to simplify them.**

Making the Best Use of Buildings

- 19 We emphasise the need for regional and local authorities to consult church bodies on draft development plans at all levels, as recommended in PPG 12.**
- 20 We commend the establishment of good working relationships at personal level between dioceses, churches, and local authorities, and urge both sides to develop these where they do not exist.**

- 21 We ask local and regional authorities to consider how they can ensure appropriate liaison with church and faith groups, perhaps by appointing a ‘champion’.**

Maintenance

- 22 Maintenance of church buildings is often the key to avoiding future repairs. We recommend that an element of the public funding available be used to support maintenance programmes, and welcome the initiatives already in train to look at ways of doing this successfully.**
- 23 We recommend that a careful assessment of the real risks should precede any new regulatory controls which may impact on work of voluntary groups.**

Funding for Repairs and Maintenance

- 24 We draw attention to the limited state funds received by churches in this country, in contrast with other European countries.**
- 25 We welcome the grants made available for repair of historic buildings of all kinds.**
- 26 Central funding for repair of historic church buildings is insufficient. An increase in Treasury funds to double the amount available for repair from public funds (ie enabling an increase in English Heritage funding for churches from £10 to £20m) would involve no more than 20p per head of population per year. 60p per head per year**

- would enable a doubling of all EH major grant schemes.
- 27** The Heritage Lottery Fund needs continuing support from Government to continue its work. We welcome the help the HLF have been able to give new works as well as repairs in churches, and urge them to continue it to those parishes who wish to apply.
- 28** We welcome the continuation of the Listed Places of Worship Scheme until March 2006 and extension of its scope to the full 17.5% of VAT. We urge that this scheme be made permanent if a resolution within the EU more generally cannot be achieved, and welcome the Government's continuing support for such a change.
- 29** We warmly welcome the contribution of other Trusts and funding bodies who give grants towards repair of historic churches. There may be potential to simplify, streamline and develop a greater consistency in the application processes, to reduce unnecessary hurdles for parishes. We recommend that the major grant-givers consider together the possible scope for so doing.

ANNEX 3

Breakdown of grant applications that are made under the Joint English Heritage and Heritage Lottery Fund Repair Grants for Places of Worship Scheme since 2002

See attached Excell file