

GETTING STARTED HOW TO GET FUNDING



Funding is crucial to many – but certainly not all – church-linked schemes to meet housing need. Whether you can fund this internally will vary dramatically based on your church's finances and the type of scheme. Some churches may be used to running fundraising campaigns, but others may not be. There are all sorts of places that churches often look for funding, but this sheet specifically highlights some of those which successful schemes have used that may not initially jump to mind. Note that this is not a list of specific grant schemes – these change constantly, are often very specific, and can easily be found by using funding search engines – but should instead act as inspiration for further research.

For larger projects, you're likely to require multiple funding sources. Many sources only offer small amounts, cover specific parts of a project or insist on matched funding. The funding itself is also generally highly competitive. However, successful church-linked housing projects have managed to unlock more funding from the first sum of money they received.

Many of these sources require relationship building with other organisations. For more information see [our advice on this here](#).

Internal denominational finances

Your denomination – whether at national or regional level – may offer grants and loans for mission projects. For

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example, Anglican churches have had property schemes part-funded by their dioceses, while many Methodist projects have used Connexional grants, which cover mission, feasibility work for property schemes and even construction and refurbishment.

Grants

There are several trusts which award grants purely to churches and Christian groups. These might be restricted to specific denominations, and may fund only a certain area, so finding an appropriate fund may take some digging, but take a look at them. There are also trusts which fund important community work in one specific area, but some churches have found that they are not always well-known locally so you may have to ask around or do some detailed research.

Local authorities and national government

Many of the schemes we've covered have received grants and loans from their local authorities for their community work. Others have been officially commissioned to provide services such as support, or community-building activities where these are particularly in demand.

Developers and housing associations

Both developers and housing associations want to be seen to be helping the communities they work in. So, there may be an opportunity to get funding from them either through an existing grant scheme or by approaching them about a specific project. They're likely to be particularly interested if you are working with those they serve directly – those in the housing they are providing – but many want to be shown to be engaging with the wider community who are often affected by their work, so this isn't a must. Information on working together on affordable housing is outlined [below](#).

Local charities

Are you meeting a need that aligns with a local charity's objectives? Some projects were able to get funding from other local charities, particularly where they were able to meet needs in a way that the charity themselves could not.

St George's Crypt in Leeds is a homelessness charity originally set up by a church. They decided to financially assist Lighthouse West Yorkshire, a church specifically tailored to those who 'are battered and bruised by the storms of life' to fulfil their charitable objects to proclaim the gospel to those who are vulnerable.

Other faith communities

Is a project not viable alone? See if you can work with other churches or other faith communities to fund work.

Community shares

Some schemes which require considerable capital have used community shares. The idea behind these is that members of the community can invest in a scheme that they want to happen. It is not a donation – they continue to own their shares, and they can withdraw them – but they do not change value or accrue profit like conventional shares.

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Heritage funding

You may have some luck with heritage funding – from various sources, including the Heritage Lottery Fund and various architectural trusts – if a building being used is on some sort of heritage list, whether locally or nationally. However, these often have some sort of requirement for the community to have access, so a purely housing-based scheme is less likely to get funding through this route – although for mixed-use schemes this would work. One source of heritage funding that is rarely considered is the landfill grants scheme – check this out.

Community-led housing funds

Many organisations fund community groups who are working to provide housing. There are sometimes even grants available from Homes England (the non-departmental public body that administers housing) for this. However, this funding is not available all the time, as it's determined by government policy. The definition of community-led housing is also narrow. This means that it cannot be awarded to a local church's institution – you must show that the whole local community plays some part – but the housing can definitely be driven and assisted by its congregation, using the church's resources and even sometimes its land or buildings. For example, the Keswick Community Housing Trust was set up by Churches Together in Keswick, and two of its developments have used church land and buildings, while many churches have donated to it.

Affordable housing grants

There is also sometimes the ability to receive grants for building 'affordable' housing (in this case based on the government's definition of anything below 80% of market rate). These, again, are not always available, because they are determined by government policy and can vary regionally, but they can make a considerable difference to the viability of affordable housing where they are available.

Loans

It is also important to remember that even *affordable* housing projects are capable of paying off a large loan, because they will eventually make back more money than is put in. This loan could be from a bank or building society – development loans and mortgages have been key to the development of some houses. Some of these may have specialist knowledge in the community and voluntary sectors. Alternatively, there are also 'social investments' from charities and other groups, which may provide a better rate. Remember that a good business plan is key to securing loans.

Green Pastures and Hope into Action

Green Pastures and Hope into Action both offer churches a way to offer supported accommodation without funding it themselves – they use 'philanthropic investors' to fund their work. Get in touch with them if this is an aspiration for you – or check out [our information](#) on how they work.

Housing associations

Housing associations can be an important source of funding. Working in partnership means that they can leverage capital to a greater extent than you could alone.

Anniesland Methodist Church approached Sanctuary Scotland to provide a new worship space and twenty-four flats rented for a social rate to people over 55 on the site of their former site. By transferring ownership of the land to Sanctuary, the church were able to receive this new building and deliver the housing with minimal cost to the church.

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Section 106 Funding

Church-linked schemes have also been able to make use of section 106 funding – a levy paid to the local council for new developments – to fund their own affordable housing.

All of the advice and guidance provided in these resources is based on conversations with churches and organisations that are directly involved in responding to housing need in their local area. The advice in this sheet is thanks to

Ambleside Methodist Church
Anniesland Methodist Church
Balham Community Church
Keswick Community Housing Trust
Lighthouse West Yorkshire and The Crypt, Leeds
London Community Land Trust
Malachi Place, Ilford
The Methodist Connexional Property Team
One Roof Leicester and the Diocese of Leicester
Pye Green Christian Centre
Selig (Suffolk) Trust, Ipswich
Rev Penny Marsh, Pioneer Minister, South Eastern Baptist Association
Shieldfield Art Works
St Edward the Confessor, Mottingham
St Paul's, Marylebone
West London Mission