

REDUNDANT BUILDING GRANT SCHEME

What is the Redundant Building Grant Scheme?

The Redundant Building Grant (RBG) Scheme is part of a comprehensive programme of rural regeneration funded by Advantage West Midlands's Rural Regeneration Zone (RRZ). It is part of a range of activities being undertaken to help meet the RRZ key objective:

"To develop a strong, diverse and sustainable rural economy".

Grants are provided for the conversion or refurbishment of redundant buildings to bring them back into productive business use or to enhance their current business use. By addressing the demand for high quality workspace, new and existing businesses can create or safeguard jobs in areas most in need in our rural communities.

What types of projects can get funding under this scheme?

Virtually any building could be eligible but the key criterion is that the building will be used for business purposes once the works are completed. These grants are not available for conversion to or refurbishment of residential property, nor for buildings which will be used for agricultural or horticultural purposes.

Generally, buildings will have previously been used for business purposes, although former residential properties may be considered if they are unoccupied and provided planning permission has been or will be given for change of use. The age of the building is not a relevant factor.

In exceptional circumstances, consideration may be given to demolish and rebuild projects where the existing building is not fit for purpose.

Eligible projects would include conversion or refurbishment, including upgrading of mains services, to provide facilities for:

- Manufacturing
- Crafts or service businesses
- Office premises
- Retail outlets

In particular we are looking for the sympathetic conversion of historic buildings, environmental sustainability features, knowledge intensive employment and workspace in priority industrial sectors including:

- Food & Drink
- Tourism and Leisure Attractions
- High Value Added Consumer Products
- Information and Communication Technology
- Business and Professional Services
- Environmental Technologies
- Screen, Image and Sound

What is meant by 'redundant'?

A number of things. In general terms, for a building to qualify for a grant it must either be completely unused or unusable in its current state for the purposes for which it is now needed. Grants cannot be used for pure refurbishment where the use of the building will not be changed, although assistance can be given to upgrading mains services in order to help a business in its expansion programme.

Who can apply?

Individuals, partnerships, limited companies or co-operatives can all apply for a grant. Applicants can be owner-occupiers, owners proposing to lease out the premises for eligible business uses, or tenants. Tenants must have a fixed term lease with at least five years unexpired and written consent for the proposed works from their landlord.

Where are the grants available?

Grants under this scheme are available in Herefordshire, Shropshire (excluding Telford & Wrekin) and Worcestershire.

What costs are eligible for grant?

Eligible costs are those associated with the conversion of the building and can include:

- Building works
- Installation of services, including improvements to ICT infrastructure and energy efficiency
- Access and car parking, and landscaping required by planning permissions
- Costs of obtaining planning permission etc.
- Other professional fees.

Costs should be kept to the lowest level consistent with the work needing to be done and the requirements of the local authority. Grant will not be payable on unnecessarily expensive materials or for work associated with the needs of an individual business, such as specialist wall or floor coverings or the installation of equipment. Grant will also not be payable on the purchase of a property or for fixtures and fittings.

Grant can be paid in respect of the gross costs incurred but, where a business is registered for VAT and VAT is recoverable, grant will be paid on the net costs only.

The scheme in outline

A total of £1.5 million has been allocated to this programme of grants.

Grant awards are discretionary and will be at the minimum required to enable the project to proceed

Grants of up to £62,500, or 25% of eligible project costs, are awarded. In exceptional cases, where high value added jobs are created, a higher level of grant may be considered. The minimum grant is £2,500 (with project costs of £10,000).

Funds from other public sector sources should not, together with the Redundant Building Grant, exceed 50% of the total eligible cost of the project.

Application must be made and approved before work starts.

Payments are normally made when the work has been completed. Stage payments can be considered for larger projects.

How do I apply?

First contact the Programme Manager to discuss your proposal. You will be advised whether or not your project could be eligible for funding. You will be asked to complete a Stage One Enquiry Form, and if the details of your project meet the initial criteria and priorities of the scheme, you will be invited to complete a full application.

Contact details

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