

Veterans' Capital Housing Fund

Refurbishment Grants Programme



Programme Guidance

The Armed Forces Covenant Fund Trust
Veteran Capital Housing Fund
Refurbishment Grants Programme

PROGRAMME GUIDANCE

Under this programme, the Armed Forces Covenant Fund Trust will award grants of up to £75K, on behalf of the Office for Veterans' Affairs towards projects that assist in the refurbishment or extension of rental accommodation that will offer high quality support for Veterans with a housing need.

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Why are we running this programme?

Under this programme the Armed Forces Covenant Fund Trust will award grants on behalf of the Office for Veterans' Affairs (OVA), towards projects that contribute to the aims of the UK Government's ambitions to ensure every veteran has a secure place to live .

This is a refurbishment grant programme. It is for capital projects that will support refurbishment and/or extension of accommodation for Veterans. You can apply to this programme if your project will:

- enable refurbishments of existing affordable homes for rent to Veterans,
- enable refurbishments of sites that increase the availability of Veteran housing
- ensure properties meet decent homes standards and relevant energy efficiency standards in your part of the UK.

If you are applying for a project in Scotland, you should ensure that your project will meet the requirements of the Scottish Quality Housing Standard.

If you are applying for a project in Wales, you should ensure that your project will meet the requirements of the Welsh Government Design Quality requirements (WDQR2021) and Welsh Housing Quality Standard (WHQS) which are the standards met by affordable homes.

You can apply for grants of up to £75k for capital refurbishments, for projects lasting up to one year. We anticipate that most grants will be below £40k.

You cannot use this programme to help you with the costs of getting your building idea to the stage where on site works could start. You can apply to help with the costs of refurbishment or extension of accommodation facilities linked to:

- Transitional homeless Veteran housing
- Accommodation or facilities in a Veteran care home
- Accommodation or facilities in long-term, Veteran supported rented housing.
- Refurbishments that enhance and improve access to rented housing for Veterans, including those with disabilities.

If you would like to apply for costs of getting your building idea to the stage where on site works could start, please apply for our development grant programme, please read our development grants guidance to see if you are eligible.

If you would like to apply for a new build or major refurbishment capital project; this programme will open later in 2023.

You can only apply if you are a charity or registered social housing provider, with at

least five years' relevant social housing experience, and can show that the majority of your organisation's work is with Veterans, or the predominant beneficiaries of this specific project would be Veterans.

About aims and needs

We want to support projects that need help to refurbish existing housing for Veterans. This could be transitional or permanent housing. Permanent housing can only include properties that are available to Veterans under a social rent; or are part of a wider facility that provides a rented home to a Veteran with the tailored support that meets their needs. This can include care homes.

You should show us how your project will meet the aims of this programme which is to refurbish existing Veterans housing and meets one or more of the following

- enable refurbishments of existing affordable homes for Veterans
- enable refurbishments of sites that increase the availability of Veteran housing
- ensure properties meet decent homes and energy efficiency standards

We may give priority to applications that show how the refurbishment project will extend the usable life of the accommodation; ensuring that it can remain accessible to Veterans with a housing need.

Your application should include detailed information on the following:

- How your project will help to secure accommodation at risk of falling out of use/no longer fit for purpose *and/or*
- How your project will add to existing accommodation units to increase units available *and/or*
- How your project will consider Veterans with disabilities or mobility issues in any planned adaptations in order to increase availability of either accommodation or communal facilities

You need to be able to show us how a refurbishment grant would meet with the wider aims of the Veteran Capital Housing Fund, with a particular focus on the refurbishment of:

- Transitional/homeless accommodation
- Care homes
- Supported/sheltered accommodation housing
- Social housing

In your application you will need to show us that you have appropriate governance to manage risks effectively, including evidence of a comprehensive development appraisal and plan for the proposed work.

A strong application will be able to show how the project will contribute to the aims of the government's ambition to ensure every veteran has a secure place to live, who you would work with to deliver the project and how the benefits of the work would contribute to the overall aims of this programme.

You should think carefully about value for money and show in your application why you believe your costs to be reasonable.

You should tell us whether professional advice has been used to help determine the budget or whether the costs are based on experience of running other similar projects.

What types of project are we looking for?

We are looking for projects that can be clear about the evidence of why their project is needed, and how the impact of the project will continue after the grant has ended.

Below are examples of the type of projects we may consider funding under this grant programme. Note, these are just examples.

This three-month kitchen refurbishment in an existing shared single Veterans' accommodation would update and improve facilities which are outdated, damaged and no longer fit for purpose. The project involves removal of all existing fixtures and fittings this includes kitchen units, broken wall tiles and damaged laminate flooring. The kitchen would be fully replastered and painted, updated electrics and plumbing, re-tiled walls, provide new anti-slip flooring and fitted with a new modern kitchen with integrated units and appliances and includes a new energy efficient boiler.

This project would repurpose and remodel an existing community facility that is no longer in use. The refurbishment of the building would create new bespoke shared transitional accommodation for homeless Veterans. The refurbishment includes a remodel of the interior of the existing building complete with a shared secure entrance. Plans include the construction of five large bedrooms with modern ensuite facilities within the existing building shell. The facility would include a shared fully fitted modern kitchen diner and separate lounge/common room. It would include all fixtures, fittings, electrical work and plumbing, construction and refurbishment costs, professional fees and any other associated costs. The applicant had received planning permission and had a detailed understanding of their costs before they applied. While match funding is not a formal requirement under this programme; the organisation had already raised £30,000 towards these works and applied to the Refurbishment Grants Programme for the additional funds that they needed.

Your application will need to show that:

- ✓ **Your project is needed and targeted:** You should be able to clearly explain why you are confident that the refurbishment project is an effective way to support Veterans at risk of homelessness or with a specific housing need.
- ✓ **It was developed with people from Armed Forces communities:** Show us how the idea for your project has been shaped by the people it will benefit.
- ✓ **It does not duplicate and is complementary to existing provision:** Please show us how your project fills a gap in support; and explain what other housing for Veterans is available in your project location.

- ✓ **It will support longer-term change:** This means there should be a wider impact to your work, which will endure beyond the life of your grant. Your project should show that it offers a positive benefit to members of Armed Forces communities.

We also need to be able to see that you have the skills and experience necessary to be able to carry out your project. You can work together with other organisations as part of your project. There is more information on working with others later in this guidance. It is important that the projects we award funding to complement one another, rather than duplicate provision. You'll be asked in your application form how you will ensure this.

Your application should also show how your organisation effectively delivers your existing services, confirming your organisation's capacity to deliver, and ability to assess and manage risks associated with delivery. You will also need to provide evidence of need.

We may give priority to applications that show how the refurbishment project will extend the usable life of the accommodation; ensuring that it can remain accessible to Veterans with a housing need.

Priority may also be given to applications that have not already received a grant under other rounds of this programme.

Who will benefit?

Your project will contribute to ensuring that Armed Forces communities have access to good quality housing, including housing at affordable rents, that meets their needs by providing refurbishment or extension of transitional or permanent accommodation.

Priorities:

- Single Veterans
- Veterans and their families, including veterans who have shared custody arrangements for their children
- Veterans with disabilities
- Homeless Veterans
- Female Veterans
- LGBT Veterans
- Veterans leaving prison

How much funding can you apply for?

Under this programme, the Armed Forces Covenant Fund Trust will award grants of up to £75K, on behalf of the Office for Veterans' Affairs towards projects that assist in the refurbishment or extension of rental accommodation that will offer high quality support for Veterans with a housing need.

Any grant that we award under this programme would be in line with our charitable objectives.

The Armed Forces Covenant Fund Trust is a public body. We are required under the Subsidy Control Act 2022's transparency requirements to publish details concerning individual awards which may be considered to be subsidies.

Since the UK left the European Union on 1 January 2021, the UK government has enacted domestic legislation to replace EU law: the Subsidy Control Act 2022 ('the Act').

The Act aims to control the provision of subsidies – it prevents unfair competition or effects on trade and investment. This might happen if an organisation receives funding from state resources (which includes our funding, as our funds are public money) while another organisation can only use their own private funding.

You should familiarise yourself with the requirements of the new subsidy control regime when considering applying to us.

The Act will be fully in force from 4 January 2023. The Department for Business, Energy and Industrial Strategy (BEIS), has issued draft guidance on the operation of the Act. This guidance helps public authorities, such as the Armed Forces Covenant Fund Trust, to award subsidies in a way which minimises any negative effects on competition and investment, as well as promoting the effective and efficient use of public money. These subsidies are permitted provided they satisfy the criteria set out in the Act.

Subsidies above a certain financial threshold (currently £100,000) must be published on both our own website, and on a database held by BEIS.

This funding must be compliant under the Subsidy Control Act 2022. As such grantees will have their applicant and grant details published on the publicly available Subsidy Database, managed by the Department for Business and Trade. You will be expected to co-operate with our subsidy control assessment process.

You will be expected to comply with the principles of the subsidy control regime and to satisfy any future requirements. Agreements that have been entered into will be reviewed accordingly. We reserve the right to impose further requirements and additional conditions in relation to this matter.

Ethics

Our work supports the Armed Forces Covenant through funding projects that deliver real change to Armed Forces communities. The projects we support need to be carried out to the highest possible ethical standards.

We therefore need to know that you have the skills and experience to work with the groups of people that your project focuses on; can ensure that they are kept safe; and that you take an ethical approach to your work.

Our ethical values are Respect, Competence, and Integrity.

We have a Code of Conduct; and free online training to explain our approach to ethics. We will ask you to confirm in your application form that you will run your project in line with our Code of Conduct. If your organisation has its own Code of Ethical Conduct; then you will need to explore whether your Code is compatible with ours; and tell us about this.

You can access our ethics resources [here](#)

Our assessment criteria

Our criteria are set out below. We will consider each application to see how well it meets these criteria and fund those that we believe will best achieve the programme aims.

The difference that your project is making	
What are we looking for?	<p>That the project is contributing to the wider work on Veterans housing and homelessness by providing affordable and viable homes for Veterans and that your project will</p> <ul style="list-style-type: none"> ● Be able to make a significant difference to people's lives ● Be able to show that the grant will have longer term sustainable benefits that will have ongoing legacy after the end of the grant
What do you need to show us?	<ul style="list-style-type: none"> ● Why there is a need for your planned refurbishment work ● Why you need help from us to deliver your plans ● How people from Armed Forces communities have shaped this project or service; and how you know that they will use it ● How many people this would be likely to help, and what difference this will make ● What the long-term benefits will be?

Delivery of your project	
What are we looking for?	<p>That you have the skills and experience to run your project; and that the approach to running your project would be likely to lead to the long-term legacy that you are seeking to have.</p>
What do you need to show us?	<ul style="list-style-type: none"> ● That you can provide evidence that your organisation is well run and well managed. This includes telling us about how your organisation is run; and how your Trustees or others in a governance role receive assurance regarding your organisation's activities. ● That you'll be able to start your grant activity quickly ● That you can keep people on your project safe ● That your project will be delivered in line with our ethical values ● Why your project offers good value for money. ● Whether you will be working with others to achieve your aims, and how you will do this.

	<ul style="list-style-type: none">● How you will measure the impact of your project● Your plans to ensure a long-term legacy of your work that will continue after the end of the grant
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Which organisations are eligible to apply?

To be eligible for this funding, you must be one of the following:

- A registered Charity that can show it supports Veterans *or*
- A registered social housing provider (we will check the list in your part of the UK at the time of assessment) that can show it supports Veterans

The following additional eligibility requirements also apply:

- You need to have ownership of the facility or a lease of 10 or more years. If you receive an award, we will request a copy of your lease or land registry title document.

Registered charities: Your organisation must have been registered in the UK (with one or more of the charity commissions for England and Wales, or Scotland or Northern Ireland and/or Companies House) for at least three years at the time of your application and able to provide published accounts for all three years if requested.

All applicants: Your organisation must have a minimum of three unrelated trustees (for charities) or directors (for CICs) at the time of applying, and, if successful, throughout the life of your grant, and this must be verifiable at all times on the relevant charity regulator's in your part of the UK or Companies House website.

The following restrictions may apply

- Applications may be declined from current Trust grant holders if the reporting requirements for existing grants from the Trust are not up to date.

Working with other organisations

You can work with other organisations as part of your project. If any of the organisations that you will be working with will receive part of your grant, then you need to read our guidance below on delivery partners.

A delivery partner is an organisation which is either:

- receiving part of the grant OR
- their involvement in the project, through providing resources or some other means, is critical to the delivery of the project.

Role of the lead organisation

The organisation that submits the application is the lead organisation and should have significant control of the project. It will have legal responsibility for all funding we award and will be financially accountable for any funds that may be distributed by the lead organisation to delivery partners.

Delivery partnership agreements

If we award you funding and you plan to work with one or more delivery partners, it will be a term and condition of your grant offer that you have a formal signed partnership agreement with them. If you're successful, the draft delivery partnership agreement must be deemed to be compliant (with our terms and conditions) by us and finalised prior to any funding being released. We may request changes to the draft agreement before it's finalised. You can find guidance on what a [delivery partnership agreement](#) should include on our website.

Preparing your project budget

What can funds be spent on?

We can pay for most of the things you'll need for your project.

Your project might include the following costs.

- ✓ Direct building costs relating to your building refurbishment project
- ✓ Staff time for this fixed-term project to manage it effectively.
- ✓ Professional fees that are directly related to your building project, such as qualified project managers

What can't funds be spent on?

There are several things **we can't pay for**, either because they're not in the spirit of the Fund, or because of relevant legislation or tax rules.

- ✗ Where funding is not benefiting people from the Armed Forces community.
- ✗ Projects that do not clearly meet the aims of the programme.
- ✗ Projects that are refurbishing/extending buildings that are not for rent to veterans
- ✗ Where money only benefits one person. By this we mean where your whole project would only benefit one person.
- ✗ Making grants or donations of money or items of value to individuals or families.
- ✗ Repeat or regular projects that require a source of uncommitted funding.
- ✗ Endowments (to provide a source of income).
- ✗ Topping up existing grants and aid from a government department.
- ✗ Investments.
- ✗ Fundraising costs, including organising fundraising events and activities.
- ✗ Paying for ongoing costs of existing partnership activity.
- ✗ Projects, activities or services that the state has a legal obligation to provide.
- ✗ Retrospective funding for projects that have already started or taken place
- ✗ Excessive management or professional fees or contingency costs.

This is not an exhaustive list as we feel it's more useful to focus on what you're trying to achieve and how you're going about this, than to issue long lists of eligible and ineligible costs.

Any grant that we award under this programme would be in line with our charitable objectives. As such; any grant that we award will be for non-economic activities only.

What financial information should you include in your application?

The application form will ask you to summarise your project budget, so that we can understand the costs for which you are asking for funding towards. Whilst you can show this in categories (rather than, for example, listing every item of the building work you carry out) we will need to have sufficient information to assure us that you have fully considered how much the work will cost and told us how you know this. You should also attach a document with your more detailed budget, showing clearly any other funds which you are contributing to the project or raising from elsewhere.

We will expect you to have engaged with relevant professionals; and have a clear understanding of the costs that you have included within your budget.

If you are successful, we would expect to see quotes from established contractors prior to any payment being released. For construction work up to £20k we would expect two recent quotes from established contractors. For construction works between £20k and £75k we would expect three recent quotes from established contractors. For construction works above £75k for a larger project that our grant is a contribution towards, we would expect that you will have undertaken a competitive tender process to arrive at the construction cost for your project. We would expect the tender report to have been carried out within the last six months.

If we award you a grant, you will need to send us a full budget, and project milestones before we can pay the first instalment of your grant.

We would also expect to see appropriate Contingency in your budget, which will help should your project costs rise or if the project is delayed. Please note Contingency costs would only be paid if the project costs increase or the project is delayed.

You should ensure that you have a financial plan for the duration of the project as we will not pay for construction work in advance of it being undertaken, instead we release our grant towards the costs incurred by you during the project and these must be evidenced by invoices and or certificates.

If you are successful and are awarded a grant for a construction project, the Trust shall inspect the work being undertaken at different stages and in particular when work is complete.

Timetable:

There will be two deadlines for applications in the 2023/24 financial year:

- If you apply by midday on **23 October 2023**, you'll receive a decision before the end of December 2023.
- If you apply by **midday 8 January 2024**, you'll receive a decision before the end of March 2024

We cannot accept any late applications.

We highly recommend you plan to submit your application before the deadline to avoid the risk of missing the cut-off because of technological or other unexpected problems.

How to apply - the application form

You need to apply using our online application form which you can access through this [link](#)

If you don't yet have an account for our online application portal, then you will need to create one. (You will need this anyway if you are successful in receiving a grant, so that you can submit reports and receive grant payments). On our system, you can save a draft application form to complete later or send a draft copy to colleagues. You can also access copies of the application that you've submitted at any time.

We strongly recommend that you complete your application in a Word document, save it locally as you work on it and when it is complete you then cut and paste the answers into the online form. You will find a Word document with a list of the project related questions on our website. Please don't use any formatting, such as tables or numbered lists, in your Word document, as the online form may not accept this formatting and you might have trouble submitting the form.

When you are entering data onto the online form, we suggest you save your form every 10-15 minutes whilst you are completing it, to avoid the risk of it 'timing out'.

You will be emailed when you both save and when you submit the application, please be aware of this when completing the application. We can only consider applications that have been fully submitted. Please check the "Submitted Applications" tab on your grant portal, to ensure the application has been fully submitted.

It's important that we can contact your organisation, particularly, of course, if you receive a grant. You will need to provide two contacts from your organisation on the application. At least one of these should have an email address that belongs to your organisation. At least one contact must hold the relevant authority (CEO/ CO or equivalent) to authorise any grant contract and bank account to be used should you be successful. The main contact must have an email address that belongs to your organisation. If this is not provided, your application may be considered ineligible.

Please think carefully about who these should be, as they will need to be able to sign acceptance of the grant and use of the bank account on the Offer Letter/ Terms and Conditions if your application is successful. If either contact changes, do let us know as soon as you can.

Do check that you have fully answered all the questions because, if not, we might not be able to consider your application.

You do not need to send any additional information, other than uploading the detailed budget, once the application has been submitted. Any additional information received will not be considered unless specifically asked for by our assessors.

Do not send your application by email or post to the Covenant Fund Trust – only applications submitted via the online form can be considered.

You must also make sure that the Trustees/Directors/ senior staff within your organisation know that you are submitting this grant application.

After you submit your application

You will get an automated email to confirm that your application has been submitted. This email will come from an address called mailuk@grantapplication.com. You may wish to add this email to a safe senders list on your email system to ensure that it can come through to you.

If you have not received this email, then your application was not submitted successfully. Please log back into the portal to submit it.

We will check your application to ensure that you've provided all the information we have requested. We may contact you during our assessment if there are any issues, we are unclear about – please do not assume any contact or lack of contact is an indication of your likelihood of being successful or declined.

We will review the information you provide in your application and, where relevant, data and information from the Charity Commission, Companies House or other regulators' websites relating to your constitution and recent audited accounts. We may also look at other publicly available sources such as your organisation's website and social media activity.

After submitting your application, you must advise the Trust of any significant changes in your organisation, its governance or finances which might impact on our consideration of your application.

We will assess your application against the key criteria of the programme.

Checks we may carry out on your organisation

We may carry out several checks on the information you provide us with and about your organisation. This is to make sure that the information is correct and there are no significant risks we can identify when awarding grants.

These may include checks:

- on whether financial information on your application form matches that held by your regulatory body (Companies House, Charity Commission etc.)
- that we can see that you have a minimum of three unrelated Directors or Trustees listed on your regulator's website.
- that your governing documents (such as constitutions and memorandum and articles of association) are up to date, correct and properly signed
- on your accounts that are accessible through regulatory bodies
- on any identified concerns about a person named as a contact or who has a position within your organisation
- that the signatories are valid and well informed about the project
- on your annual report and on your website/social media activity that your organisation is undertaking the activities as described in your application.
- To ensure you are up to date on all reporting with any active grants you hold with the Trust.
- If your organisation is a branch of a larger organisation (such as charities with regional branches or offices), as part of our due diligence checks we may be sharing key details of the application with your head office to confirm eligibility to apply for this funding.
- If you are awarded a grant, that your organisational name and address on your bank statement are consistent with the details you've provided in any completed form or the information that's held elsewhere in the public domain
- If you are awarded a grant, that your bank statement shows that your account is being managed in line with your own financial procedures and our programme requirements

We may ask you to send us additional information or answer specific questions about your organisation. If we ask you to do this, you'll need to send us this information within five working days.

Decisions and what happens next

Final decisions will be made by the Board of Trustees, who will review the applications, using balancing criteria in addition to the key criteria. The balancing criteria include the relative strength and value for money of the project when viewed as part of a national portfolio of projects.

Funds are limited. Therefore, the Board will use their discretion to choose which projects to fund, ensuring a good spread of funded projects and to differentiate between projects that are considered fundable.

Please note that in order to minimise the risk to public funds the Trust may prioritise funding those applicants which have good track records on reporting to regulators, demonstrate transparent and appropriate governance arrangements and have comprehensive published accounts. For organisations which previously had grants from us, we expect all reporting on these grants to be up-to-date and may consider this when considering new applications.

Trustees may also take the decision to part-fund proposals. This may mean you are awarded less money than was applied for. If this is the case, we will talk to you about what elements of the project were supported and why and discuss this with you.

After the Trustees have met, we will send an email to you using the primary contact email address you provided in your application. This will tell you whether or not you' have been awarded a grant.

Our programmes are often oversubscribed and, unfortunately, we often have to turn good applications down due to lack of available funding. If you have been unsuccessful, we will email you to tell you.

What happens next if we award you a grant?

If we plan to fund your project, you'll need to accept our grant offer and the terms & conditions of the grant **within four weeks of receiving the Offer Letter** or risk the offer lapsing.

Our [terms and conditions of grant](#) can be accessed on our website. If we offer you a grant, you will need to confirm that you will follow these terms and conditions of grant before we can release any of your grant to you.

We will email you in the first instance to advise you that you have been successful. This email will give you full instructions of what you need to do next in order to receive your official offer letter, how to accept the grant and what documents you need to provide.

If we offer you a grant, we may invite you to come to a briefing session for new grant holders; and we'll send you the dates for these. The briefing will be held online and explains the next stages of your grant. Alternatively, we may request a virtual meeting with you to provide you with further information and answer any questions you may have.

Your formal Offer Letter and Terms and Conditions will be sent to you after the briefing or meeting. We won't be able to pay your grant until these documents have been signed.

Once we have all the necessary documents back, we will pay the first instalment of your grant. If there are any discrepancies/queries within these documents, this will delay your payment, so please read the accompanying information we provide, thoroughly. Grants will be paid in instalments, and the number and size of these will depend on the size and duration of the grant. A small proportion of the total amount awarded will be retained pending a satisfactory End of Grant report.

If you receive a grant, you will need to keep good records of how the funds were spent and how many people you helped and how. As part of the Terms and Conditions of funding we will ask you to update us on the progress of the project, this will include detailing how the funding has been spent.

We may also expect you to take part in evaluations, impact studies or other research related to the funding you have received. We will let you know what is required and how to participate.

The Trust has a Privacy Policy which explains what data we collect from our grant applicants, and how we use this. Please read this in advance of applying:

<https://covenantfund.org.uk/privacy-policy/>

If you have any questions relating to this programme, please look at the programme information that we have on our website.

Following this, if you still have queries and cannot find the answer in these guidance notes, please email info@covenantfund.org.uk