



Ministry  
of Defence

# COVID-19 IMPACT PROGRAMME

Emergency funding for  
frontline Forces charities



Cabinet Office



 THE ARMED FORCES  
COVENANT FUND TRUST

# COVID IMPACT PROGRAMME

## PROGRAMME GUIDANCE

**Under this programme, we will ensure that people from Armed Forces communities can keep accessing important services where resources for these services have been impacted by the Covid-19 pandemic.**

The Armed Forces charity sector has been awarded £6 million for charities supporting serving personnel, families, veterans and families of veterans affected by the coronavirus.

The Armed Forces Covenant Fund Trust will administer this programme. This means the Trust will manage the application process, carry out assessments, manage grant payments and monitor the grants awarded. A panel of decision makers made up from Cobseo, MOD and the Cabinet Office, will make decisions regarding funding.

### Who can apply?

Only registered charities and CICs that support the Armed Forces community can apply for funding.

This means that at least one of the following must apply to your organisation.

- Your organisation is a full member of Cobseo.
- Your organisation states in its constitution or articles of association that it provides support to people from Armed Forces communities.
- Your organisation has previously worked extensively with people from Armed Forces communities.



Charity or CIC supporting people from the Armed Forces Community that has at least 1 year's published accounts



Impact on resources due to Covid 19, particularly unrestricted fundraising income



Continuing or increased demand for services due to Covid-19 (including movement restrictions)

People benefiting from the work that your organisation does could be veterans, Armed Forces families including veteran families, or serving personnel including Reservists.

Your organisation must have at least one year's published accounts and must have at least three unrelated directors or Trustees.

You need to be able to show that the income for your organisation has been affected as a direct result of Covid-19. For many organisations, this will mean showing us that the income you expect to have in this financial year is less than you had planned to raise from unrestricted fundraising activities. This might be because you anticipated a certain level of income from fundraising events, or trading activities such as from a charity shop, that are not possible at this time. We expect that strong applications would be able to show why they had a reasonable and considered expectation of income from unrestricted sources as part of their financial planning.

You also need to be able to show there is a need to keep the services that you run open to help people from the Armed Forces community who are affected by Covid-19. You may have also seen an increase in need for the support that you offer.

In your application, you will need to show us that you need funding urgently to enable you to keep providing support to people who have been impacted by Covid-19.

- You should tell us if your work has increased as a result of the pandemic and lockdown restrictions.
- You should explain to us how your income has changed as a result of Covid-19.

Your work must also fall within one of these categories. You need to choose the category that best fits your work and apply under that category only.

<b>Domestic Violence</b>	<b>Bereavement</b>	<b>Welfare</b>
<b>Mental and Physical Health</b>	<b>Criminal Justice System</b>	<b>Support to the Elderly (including Care Homes)</b>
<b>Service Families (including children)</b>	<b>Housing</b>	<b>Employment</b>

## What can we apply for?

You can apply for funding to keep running important services used by people from Armed Forces communities where you now don't have enough resources from other sources to keep these going.

Any funding that you receive will need to be used to keep the essential services that you offer, open to people from the Armed Forces community.

You can apply for a grant of up to £60,000. If you are awarded a grant, you must complete your grant activity by 31<sup>st</sup> October 2020.

If you have an exceptional need, where you can show that there has been a very significant increase in the demand for the service that you offer as a result of Covid-19, or where the people you support are exceptionally vulnerable and you have no other resources to enable you to provide support to them, then you can apply for a grant of up to £125,000 or more. You will still need to complete the expenditure of your grant by 31<sup>st</sup> October 2020.

The programme is likely to receive more good applications than it can support. The Panel may choose to give an award which is less than the applicant has asked for.

**Charities that can deliver the best outcomes for the people they support will be more likely to be awarded a grant.**

In your application you need to tell us how you will use the funding that you have requested. A strong application would be able to show us that:

- there is the same or an increased need for the services you provide
- how many people you will be able to help and what their needs are
- what would be likely to happen if you couldn't resource your activity.

Short term funding of up to £60,000, or exceptionally £125,000 or more



Grants can be used to support vital services; including paying for

- Staff costs
- IT costs of delivering services in different ways due to movement restrictions
- Reasonable overheads

### What would a good application show?

That the organisation understands the need and how to address it

That the service experiences high demand and what the needs of the people accessing the service are

What would be likely to happen if they couldn't resource this activity

That there is evidence that fundraising and donations would have otherwise provided the resource needed, if not for Covid, based on past activity

That the organisation is well run and well managed

## What can funds be spent on?

Under this programme, we will make awards of up to £60,000 (or £125,000 or more where there is exceptional need). We can pay for most of the things you'll need for your project, whether it is people's time, costs of delivering work online, buying or hiring equipment - although it is highly unlikely that we will fund projects with budgets that are dominated by capital costs.

We would not expect to fund the costs of purchasing a vehicle, but we would pay for mileage costs on vehicles used by your staff and volunteers.

It is likely that a grant award would include the following costs.

- Staff time.
- Costs of delivering your service online or remotely as a result of Covid-19 restrictions.
- Reasonable overheads that reflect the cost to your organisation of delivering this service.

The funds should be for delivering services starting no later than 1 August 2020 and completing expenditure of your grant by 31<sup>st</sup> October 2020.

## What can't funds be spent on?

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

- Where funding is not benefiting veterans or other people from the Armed Forces community.
- Making grants or donations of money to individuals or families.
- Topping up existing grants and aid from a government department.
- Where money only benefits one person. By this we mean where your whole project would only benefit one person.
- Investments.
- Paying for ongoing costs of existing partnership activity.
- Organisational fundraising activities.
- Endowments (to provide a source of income).
- Projects, activities or services that the state has a legal obligation to provide.
- Retrospective funding for projects that have already started or taken place (before the end of June 2020).
- Excessive management or professional fees or contingency costs.
- Where your organisation has resources from another Covid-19 emergency response grant fund for your service.
- Any grant expenditure past 31<sup>st</sup> October 2020

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

## How will financial information be assessed?

### Other grants or resources that you may have access to.

You will need to tell us what other public sources of funding you have received or have applied for and are awaiting a decision.

If you are awarded funding through another source, you must inform us.

You cannot apply to this Fund if you have received an award from another Covid-19 emergency response grant programme awarding public funds for the service that you need support in delivering.

You **can** apply to this programme if you have applied to the Armed Forces Covenant Fund Trust Veterans Should Not Be Forgotten programme, though you should tell us about this in your application.

### Liquid reserves have been appropriately utilised.

We expect this Fund to be oversubscribed and will target funding to where it is needed most.

Organisations with significant available reserves should first consider whether they are able to meet their needs from the resources they have available to them. If you are not able to meet the need from the liquid assets you have, you should tell us why in your application. By liquid reserves, we mean unrestricted funds, sometimes referred to as free reserves or general funds. They are funds which have not been earmarked, either by a donor or funder, and may be used generally to further the charity's objects but are not those that are invested in buildings or other capital assets.

### Showing us that your income has decreased as a result of Covid-19 and explaining your reserves position

Please include a letter with your application, from your Chair, Treasurer or your charity's external Accountant, setting out the income plans that you had for this year and why these have been affected by Covid-19.

Please do tell us about why your income projections prior to Covid-19 were reasonable.

This letter should also set out what your estimated unrestricted reserves position was at the end of your last financial year, why this is insufficient or cannot cover immediate need, and how this is likely to be impacted by reduced fundraising and donations. This letter should be no longer than the equivalent of two sides of A4 paper and should be submitted as an attachment to the online application. Please include contact details for the person who has written it.

#### Showing reasonable information on your income projections

A charity runs a major event every summer, supported by volunteers, that produces a significant amount of income. The charity has run the event for several years and has forecast this year's budget based on expectation of achieving at least the amounts raised in the past.

The charity includes a summary in their letter explaining the financial position they are now in due to the loss of this anticipated unrestricted income.

*(This is an example for illustrative purpose)*

## How to apply - the application form

You need to apply through the link that we will provide to our online application form.

If you do not have an account on our online application system, then you will need to create one. This will be the case if you have not applied to us for a grant in the last two years.

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 have submitted at any time.

The letter from your Chair, Trustee or Accountant should be attached electronically when asked for at the end of the application, before submitting.

When you submit your application, you will receive an email confirmation. **If you do not receive this, then you have not applied.**

You will need to submit your application by **noon on 29 May 2020**. No late applications will be accepted.

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. We will not be able to allow any applications submitted after the cut-off due to the urgency of this programme. So please do ensure you have submitted within good time.

It will also help us to assess the applications if we start receiving them before the deadline.

It is 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 contact must be of a relevant authority (CEO 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.

If either contact changes, do let us know as soon as you can.

**We strongly recommend that you save an offline version of your application form.**

You may also find it helpful to complete your application in a Word document and then cut and paste the answers into the online form. We suggest you do not 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. We suggest you save your form every 10-15 minutes whilst you are completing it, to avoid the risk of it 'timing out'.

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 the Chair/Trustee/Accountant letter as described above. Any additional information received will not be considered.

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



## 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.

<b>Criteria</b>	<b>What we will look at</b>
That the organisation understands the need and how to address it	<ul style="list-style-type: none"> <li>• That you have existing contact with Armed Forces communities through other services and projects that you run.</li> <li>• Information about who will benefit from the service that the applicant is running.</li> <li>• What support is offered.</li> <li>• Any evidence within the application about how the support has a positive benefit.</li> </ul>
That the service experiences high demand	<ul style="list-style-type: none"> <li>• There is evidence that people regularly or frequently use the service.</li> <li>• How many people the project is likely to help and what their needs are.</li> <li>• Please tell us if demand for your service has increased as a result of Covid-19.</li> </ul>
What would be likely to happen if they couldn't resource this activity	<ul style="list-style-type: none"> <li>• Evidence in the application about what might realistically happen if the service could not continue.</li> </ul>
There is evidence that fundraising and donations would have otherwise covered this activity if not for Covid, based on past activity	<ul style="list-style-type: none"> <li>• That the organisation had a reasonable expectation that the service would have otherwise been funded from unrestricted sources.</li> </ul>
That the organisation is well run and well managed	<ul style="list-style-type: none"> <li>• That you have appropriate safeguarding and governance policies in place to protect children and vulnerable people.</li> <li>• That you have existing working arrangements and referral processes with other organisations in your area that support people from other Armed Forces communities.</li> <li>• That you will be able to undertake the activity quickly if you receive a grant offer.</li> <li>• That you have reasonably estimated the number of beneficiaries and costs of supporting them in terms of viability and value for money.</li> </ul>

## Checks we may carry out on your organisation and accounts

We may carry out several checks on the information you provide us. 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 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 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
- that your bank statement shows that your account is being managed in line with your own financial procedures and our programme requirements, and
- that the signatories are valid and well informed about the project
- on your published accounts and on your website/social media activity that your organisation is currently undertaking the activities as described in your application.
- that you are registered with the appropriate regulatory bodies for the services you are delivering.

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

## After you submit your application

You will get an automated email to confirm that your application has been submitted.

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

We will check your application to ensure that you have provided all the information we have requested. We may contact you during our assessment if there are things we are unclear about – but do not assume any contact or lack of contact as 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 will look at your organisation's website and social media activity.

We will assess your application against the key criteria.

Final decisions will be made by a panel of decision makers made up from Cobseo, MOD and the Cabinet Office. 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 Panel will use their discretion to choose which projects to fund, ensuring a good spread of funded projects across the UK and to differentiate between projects that are considered fundable. They may also consider giving priority to services that have the greatest potential impact on their beneficiaries.

Please note: they may also take the decision to part-fund proposals (this may involve awarding less money than was applied for). After the Panel has met in June 2020, we will send an email to you using the primary contact email address provided in your application. This will tell you whether you have been awarded a grant.

You will receive notification of our decision before the end of June 2020.

Our [terms and conditions of grant](#) can be accessed on our website. If you are offered 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. You must also make sure that the Trustees and senior staff within your organisation know that you are submitting this grant application.

If we plan to award a grant, we will ask you for an update on whether you have received a decision on any other sources of funding that you have applied for. No organisation will be able to receive more than one grant from the Government Covid-19 Emergency Fund, even if they are applying to more than one of the distributors of this funding. This does not relate to other funding schemes that exist in relation to the pandemic.

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

Our offer will ask you for the relevant documents you need to provide, this will include proof of your bank account details. Once we have all the necessary documents back, we will be able to pay you the majority 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.

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. We will ask you to report on this later.

If we are not able to fund your application, we will write to you to tell you this.

If you have any questions relating to this programme, please look at the programme information 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](mailto:info@covenantfund.org.uk)

# About us

The Armed Forces Covenant Trust manages the grant programmes funded by the Covenant Fund.

We also run wider funding programmes that support the Armed Forces community.

You can find out more about our work at [www.covenantfund.org.uk](http://www.covenantfund.org.uk)



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