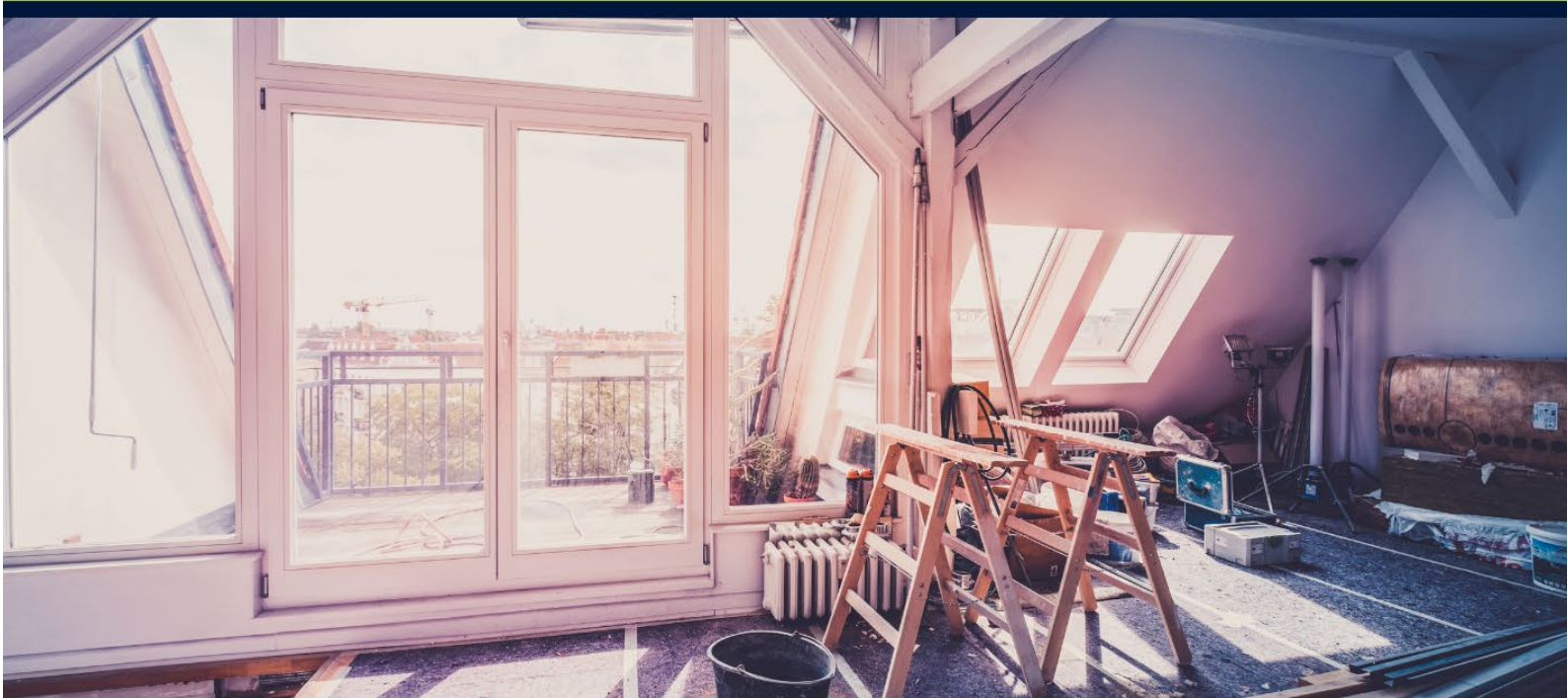


# Veterans' Capital Housing Fund

## Refurbishment Grants Programme



## Frequently Asked Questions

# **Veteran Capital Housing Fund**

## **Refurbishment Grants Programme**

### **FAQS**

#### **What is the aim of this programme?**

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.

#### **Why are we running this programme?**

This is a refurbishment grant programme. It is for capital projects that will support refurbishment and/or extension of accommodation for Veterans.

#### **Who can apply for this programme?**

You can only apply if you are a charity or registered social housing provider, with at least five years' 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 and that 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 and energy efficiency standards.

#### **How much funding can we apply for and how long are projects expected to run?**

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.

#### **What can be funded under this programme?**

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 with disabilities.

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

## **What can't be funded under this programme?**

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. 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.

There are also several other 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 you should refer to the guidance document for more information regarding this.

## **What types of projects 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.

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.

## **What should our application show?**

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.

## **Should our application include any other information?**

Yes please read the guidance carefully. It will tell you what information you need to include.

You should also 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.

## **What does a strong application look like?**

A strong application should be able to clearly demonstrate a commitment to the aims of the government's ambition to reduce Veteran homelessness and end rough sleeping. It should show 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.

In your application you will need to show us that you have appropriate governance to manage risks effectively, including evidence of a comprehensive appraisal and plan for the proposed work. You should also 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 and that you have thought carefully about value for money and why you believe your costs are reasonable.

## **It says in the guidance document that you may give priority to certain applications, can you tell me more?**

Yes, 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. We may also consider giving priority to projects that are from medium sized organisations. Priority may also be given to applications that have not already received a grant under other rounds of this programme.

## **Who will benefit under this programme?**

Your project will contribute to ensuring that Veterans 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.

## **I have read the guidance document, and it mentions the Subsidy Control Act, what is this?**

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.

### **Which organisations are eligible to apply?**

To be eligible for this funding, you must be either a registered Charity, that has 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 be able to provide published accounts for all three years ( if requested), with a minimum of three, unrelated trustees that can show it works with Veterans **or** you are a registered social housing provider.

You should read our programme guidance carefully.

### **Are there any further eligibility requirements?**

If you own the building or land that you are refurbishing you would need to be able to provide proof of ownership, such as your land registry title document. If you have a lease on the land or property, we would expect to see a copy of the lease which should have a term of over 10 years remaining.

You should read our programme guidance for more information.

### **We are a registered Charity, working with veterans who would like to partner with another organisation for our project, is this possible?**

Yes, you can work with other organisations as part of your project. However, if any of the organisations that you will be working with will receive part of your grant, we will require that you have a formal signed partnership agreement with them. Please refer to the section on delivery partners in our guidance.

## **What do you mean by a delivery partner?**

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.

## **What is a Lead organisation?**

A lead organisation is the organisation that submits the application is the lead organisation and should have significant control of the project. A lead organisation 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.

## **Would any of your capital grant programmes pay for costs of running the building such as utilities, council tax?**

Our capital programmes are for capital projects and would not fund contributions towards running costs such as utilities or council tax as these are considered revenue costs. However, we would consider paying for staff time, where a staff members time has been used in developing an options appraisal or time spent coordinating with professionals that are advising you, we would expect this to be a small cost within the budget.

## **What is social rent?**

A. Under this programme, we are seeking to support projects that will develop homes for veterans with a range of additional needs that create barriers for them accessing housing.

Social rents aim to be more affordable than private renting and provide a more secure, long-term tenancy. Social homes have rents pegged to local incomes and provide affordable secure housing options for people across the country. It is provided by either a Housing Association (not for profit organisations that own, let, and manage rented housing) or the local councils.

Most rented social housing properties are let at 'Social Rent'. Social Rents are set using a government formula. This creates a 'formula rent' for each property, which is calculated in a way that takes account of the relative value of the property, the size of the property and relative local income levels. Landlords have flexibility to set rents up to 5% above the formula rent (10% in the case of supported housing) – this is known as the 'rent flexibility level'. Formula rent is also subject to rent caps, which vary according to the size of the property. More information is available on social rents; and you may wish to take your own advice separately.

In 2011, the government introduced 'Affordable Rent' which permits rents to be set at up to 80% of market rent (inclusive of service charges). The introduction of Affordable Rent made it possible to build more homes for a given amount of up-front

investment, allowing more people in housing need to have access to a good quality home at a sub-market rent. Landlords can only let new properties at Affordable Rent where certain conditions apply.

### **Is my project eligible if my organisation plans to set rent levels at an affordable rent rather than a social rent?**

Our capital programmes are for capital projects that would offer high quality housing providing social rent to Veterans. We would not fund projects that were offering affordable or market rent or planned to offer affordable or market rent under this grant programme. This restriction would apply both during and after the period of funding (this will be detailed in the terms and conditions of grant).