

Covid Recovery Variation Guidance

Specific to the Veterans'
Community Centres
programme

March 2021



 THE ARMED FORCES
COVENANT FUND TRUST

Covid Recovery Variation Guidance for Veterans' Community Centres grant holders

March 2021

Making changes to your grant if you were awarded a grant to refurbish a community centre under the Veterans Community Centres programme

Introduction

We know that many organisations in receipt of grants from the Trust are finding it difficult to undertake the funded project as scheduled and planned.

Whilst many have already requested and agreed with us variations to timings and delivery, the ongoing restrictions and the financial and resource limitations that organisations are experiencing due to Covid, the obstacles to delivering the projects as funded have remained or, for some, increased in recent weeks.

At the Trust we want to do what we can to help you support the beneficiaries who are most in need, now, rather waiting until conditions are ideal for delivering the project as originally planned.

We are therefore supporting our grant holders with a VCC grant to consider whether they need to make changes to the way their grant is going to be used.

- If you need to make changes, we are here to help. We want to assist your organisation to be able to best support people from Armed Forces communities at this challenging time.
- You may need to make changes because it has been difficult to progress with your building work while Covid restrictions have been in place, and you need more time to complete your project. You may also have found that some of the costs of your work have changed.
- We want to make this process as easy as possible for you and are not at this stage asking for you to give us details about the changes you seek to make.
- As long as you act in line with your terms and conditions of grant - and the Guidance that we have set out here - your project costs and activities will be acceptable to us. We know that Covid has had a significant effect on Armed Forces communities and the organisations that support them. We want to help you to spend your grant in the way that makes the best difference at this time.

Guidance for Covid Recovery Variations

We have written to organisations we have funded to see if you'd like to make any changes to your project as a result of Covid. You can make changes if the continuing effect of the Covid pandemic has stopped you from doing things in the way that you had planned

What do I need to do?

You **must** respond to the email we have sent you by logging into our grants' portal and completing the Covid Recovery Variation Requirement Form. (You will find this by clicking on the Requirements tab).

You must do this for every grant about which we have contacted you.

If you do not need to make any changes to your project, please simply complete the Covid Recovery Variation Requirement Form by saying 'no' to the question about whether you plan to make changes, and then confirm your planned project completion date.

You must do this before 12 April 2021

If your organisation needs to, or is thinking about making changes, please read on.

The types of changes you can make

We want to help you support the beneficiaries who you originally told us needed help. This might mean that you need more time to complete your project due to difficulties caused by the Covid pandemic.

You can change some of the costs on your original project budget, but must make sure that you are still using your grant to fund improvements to your community centre to make it a more comfortable space for veterans. You cannot use your grant for any other activities.

Extending the time of your project

If you have been unable to progress your building work due to the impact of Covid, then you can have more time to complete your project. As you are funded under the Veterans' Community Centres programme you can have an extension until **31 March 2022**.

You should only ask for an extension if you are confident that you can complete your project within the time extension that you have requested.

Changing what you spend your grant on

The Covid pandemic, with the ongoing need to isolate or maintain social distancing, has made it challenging for many projects to deliver their work as first planned. Some VCC projects have found it very challenging to deliver building work as planned and may now encounter cost increases as a result.

Example

Anytown veterans' community centre received a grant of £30,000 that they were going to use to fix the roof, install new toilet facilities and replace flooring. They were not able to progress with works as planned and have found that costs have now increased. They focus on the most important areas to make the centre more comfortable for veterans and proceed with the works on the roof and on the kitchen using the grant funds. They hope to be able to replace the flooring in future years with funding from another source.

Some VCC projects found that people in their local community were able to volunteer time during lockdown that has supported the centre refurbishments; and that their overall project budget needs to change as a result.

Example

In Sunny Village, local people volunteered time to strip out the old kitchen and flooring while the veterans' community centre was closed and did gardening work outside. A local firm donated materials to the project. The veterans' community centre changes their project budget and uses the savings from this work to improve storage for the veterans' clubs that use the centre and install automatic doors.

If you cannot afford to deliver your project as originally planned, you must prioritise the areas of refurbishment work that will make the biggest difference to the comfort of veterans and enables them to use the centre.

If you find that you are able to make additions to your project budget due to donations of time or materials, then you can only spend these additions on refurbishing or improving other parts of the community centre to make it more comfortable for veterans. You cannot use it for any other purpose.

Shortening the time on your project

Some projects, particularly if they have already had an extension, may have found that they have been able to complete works quicker than planned.

Example

Anytown veterans' community centre received an extension in 2020, but have found that works have progressed well. Tradespeople have had good availability, and local volunteers have also supported the project. With their grant extension, they still have 9 months to complete the project, but they now expect everything to be complete and to be ready to submit their end of grant report in the next 3 months.

For all grant holders planning change you will need to do the following

1. Make a new project plan working out your new key activities by month or quarter and setting your new project budget. You can make your plan in the way that best suits your organisation.
2. Keep your project plan, but don't send it to us yet. You need to keep it safe as we may ask to see it.
3. Complete the Covid Recovery Variation form on our grants' portal.
4. If you don't need a time extension/reduction for your project, confirm your existing end date.
5. If you do need extra time (or think you may complete sooner due to the changes you are making), then enter your new project end date on our grants portal.
6. At your next scheduled reporting date, tell us about how your project is progressing/has progressed. Tell us then about the changes you have made. You may find it useful to refer back to your project plan.

What can I spend project costs on?

You can spend your grant on refurbishing your community centre to make it more comfortable for veterans. We understand that your project costs may need to change.

The funding that was awarded to your project is intended to support veterans' community centres to provide warm, comfortable and safe spaces for veterans of all ages.

A community centre should aim to provide a clean, warm, safe and well-maintained facility that meets equality of access and health & safety standards. It should include a main hall, a meeting room, a kitchen, toilets, storage space, sufficient equipment, recycling facilities and appropriate car parking facilities.

The costs that you might have, include:

- general repairs – e.g. replacing flooring, windows, mending roofs, drainage, damp proofing, pointing, cladding
- plumbing upgrades, including new boilers
- electrical work, such as rewiring, to meet safety standards
- new fixtures, fittings and equipment to enable extended or new activities – e.g. kitchens (including essential white goods), storage, recreational items
- updated technology – e.g. WiFi connectivity or a sound system

- building work and equipment, which enhances a user's access requirements – e.g. toilets, car park, access to public transport, disabled ramps, hearing loops or push-button door entry
- fees to architects, surveyors, engineers and local authorities, for planning permissions and adherence to building controls
- project management fees - related to the capital works only, not to the organisation's activities.

Within any grant expenditure, we would expect any costs to be reasonable. This means 'would an average person who did not know your organisation think that this was a reasonable amount to spend?' Your costs need to be reasonable, and not excessive.

If your organisation was trying to work out if kitchen refurbishment costs were reasonable, you should look at different options to ensure that what you purchase is good value.

As long as you act in line with your terms and conditions of grant, and the guidance that we have set out here, your project costs will be acceptable to us.

We know that Covid has had a significant effect on Armed Forces communities and the organisations that support them. We want to help you to spend your grant in the way that makes the best difference at this time.

What can't I spend project costs on?

What we won't pay for.

- Furniture.
- Activity costs.
- Salaries.
- Travel and subsistence.
- Consultation, marketing and promotion.
- Changes or upgrades which are purely aesthetic.
- Any retrospective costs (except in the case of Band B, where we may consider surveyors fees and planning costs already incurred as part of the application).
- Acquisition of land or buildings.

There are several other things that the grant cannot be used for. These include:

- where money only benefits one person
- investments
- fundraising costs. This includes fundraising events such as sponsored walks or similar
- grant giving (to other organisations or individuals)
- endowments (to provide a source of income)
- projects, activities or services that the state has a legal obligation to provide
- retrospective funding for activities or management costs for projects that have already taken place before the start date of your project
- providing a contingency or adding to reserves.

For accounting purposes, the Trust's funding should continue to be considered restricted funds, and identifiable in your annual accounts.

Questions

I don't think we can complete our project at all due to the impact that Covid has had. What should we do?

Firstly, do think carefully about whether you can change your activity to be able to help support Armed Forces communities. If, after discussing this guidance with your Trustees (if you are a charity) or senior managers/ directors (if you are another type of organisation); your organisation feels that it can no longer deliver your project, even with a time extension of one year, then please contact us. If there are no viable options for delivery, we may need to discuss whether you can continue to meet the terms and conditions under which a grant was awarded.