

VETERANS CHALLENGE FUND (VCF) – FUNDING APPLICATION CRITERIA

Please discuss your bid with a representative of the MOD's Pensions, Compensation & Veterans (0207 218 3028/9225) prior to completing your application form. They will be able to help you develop and present your ideas in a way which will maximise your chances of securing the finances you are seeking. They will be able to answer any questions you may have.

1. In the Strategy for Veterans, veterans are defined as:

All those who have served in the UK Armed Forces (whether Regular or Reserve). We also include their widows/widowers and dependants as part of the veterans' community. Exceptionally, it also includes former members of the Merchant Navy who took a direct part in legally defined UK military operations.

2. Applications for financial support from the VCF must be directly address a veterans' need as defined within one of the three pillars of the Ministry of Defence's (MOD) Strategy for Veterans, developed by the MOD in consultation with Other Government Departments and ex-Service organisations. The 3 pillars are to ensure that veterans receive:

- Excellent preparation for the **Transition** to civilian life following their service. Examples of successful VCF bids include funding for research into mentoring vulnerable Service Leavers; research of incidents of suicide among recent leavers and funding of a veterans- related Citizens Advice Bureau advice booklet.
- **Support** in terms of the provision of advice and help from the Government and voluntary sector where needed. Examples of successful VCF bids include funding training courses for trainers in widow's bereavement issues; funding the first year's staff costs for a psychiatric nurse to support a new initiative; and funding for research into late-onset Post Traumatic Stress Disorder.
- **Recognition** of veterans' contribution to society. Successful bids in this category include funding for an educational display linked to the Far East Prisoner of War memorial at the National Memorial Arboretum, funding for educational initiatives aimed at informing young people about veteran's achievements, and Communication Action Team Raising Awareness information packs.

3. The Fund is particularly aimed at supporting initiatives that would take the Veterans Programme in new directions, or into areas that are not possible as part of currently funded activities, providing capabilities or addressing needs that are not covered by existing services. It is recognised that the output, and not the scale of the project, should be the predominant measure of its value.

4. The MOD is keen to develop links with young people and schools to ensure that the debt that society owes to our veterans is understood; the Veterans Challenge Fund Screening Committee (VCFSC) is therefore keen to support bids that encompass the inter-generational transfer of knowledge including bids that support, or are part of, projects organised by schools.

5. Decisions on whether to support a bid for financial assistance from the VCF will be based on the criteria outlined in Table (1) below; areas to avoid are listed in Table (2).

Table (1) - Criteria For Funding

Criteria	Explanation	Potential Indicators
Capability Gap (5 points)	An identifiable gap in addressing the needs of veterans, including activity, equipment, facilities or knowledge. (A score of nought would disallow a bid)	Clear evidence that the VCF bid, wholly or partly, addresses a specific and identifiable 'gap' in existing activity (that there is an agreed need to fill). Such a gap may be considered to exist if a lack of funds has previously prevented an activity from taking place.
Strategic (4 points)	The MOD must ensure that each proposal can be clearly linked to the objectives of the Veterans Strategy. (A score of nought would disallow a bid)	Strong evidence that the bid reflects the policy priorities set out in the Strategy for Veterans <i>[which is summarised above but set out more fully on the Veterans UK website]</i> .
Type of expenditure (3 points)	The MOD is open to all new ideas which address an agreed gap in the provision of service to veterans. Funds should not be used to support the routine activity of an outside body; they must demonstrate a new and tangible output. (A score of nought would disallow a bid)	Funds are not to be used for core administration or running costs, nor to support ongoing/recurring activity <i>[see below for details on bids for additional personnel]</i> . The Challenge Fund will also not support activities such as reunions or receptions or activities where other sources of funding, such as those from the Big Lottery Fund, already exist to cover the costs of activities.
Organisation and Financial Foundations – Value for Money (3 points)	MoD must ensure that those applying for funds have a sound financial and management arrangements, and that there is evidence that public money will be effectively used. Evidence of proper planning and control will substantiate this and will be sought as part of the bid. Value for money will also be a prime consideration. (A score of nought would disallow a bid)	Bids must clearly define the outcomes to be achieved and the timescales for these. They must also show proper management arrangements including the responsible officer who will be accountable to the Department for the effective expenditure of any monies granted. For example any bid to fund literature must be accompanied by a case setting out the need for such literature and, in simple terms, how the success of the information/advice being provided is to be measured i.e. how many leaflets have been issued and to whom. If there is an ongoing requirement for the project there must be evidence in the bid that future financing/support is secure to ensure continuity of the service. For example the VCF will consider funding staff costs for an initial period only - before approving a bid the MOD will require evidence that the project can be sustained once VCF funding ceases. <i>[Please see additional financial rules below]</i> .

Advice on Bids for Personnel

5. If your VCF bid includes staff costs please detail:
 - what the new employee is going to do and how this requires full or part-time employment. The VCF bid is more likely to succeed if the new employee's work breaks new ground and steers the organisation's business in new directions which meet the MOD's Veterans Strategy objectives.
 - Demonstrate how the post will be funded when VCF support ceases – VCF money will only be granted for an initial period as the purpose of the fund is to 'pump prime' new initiatives, not sustain them in the long term.
 - Ensure the full cost of employment is understood – the bid amount must factor in National Insurance and any pensions contributions.

Financial Rules

6. Before approving a bid, the MOD will require details of those responsible for delivering the project and financial management. As part of these arrangements, MOD auditors will require appropriate access to accounts relating to the use of MOD funds. On completion of a funded or partly funded activity, an evaluation and completion report will need to be produced as part of the audit trail. This will be proportionate to the level of funding provided and is not intended to be onerous.
7. If it becomes evident that the basis on which a VCF award was made has changed in any significant way, the organisation concerned must inform the MOD immediately. It may be necessary for the organisation to repay some of the money originally provided, notably if the scope of the project has reduced.
8. Intellectual property rights for MOD funded activity will normally reside with MOD.
9. Where public money has been applied to fund, in whole or in part, any tangible asset, that asset is not to be sold or realised without the written permission of the provider of the public funding, in this case the VCFSC.
10. The decision to support, or otherwise, any bid to the VCF rests with the VCFSC and its decision is final. VPU staff will endeavour to assist potential bidders to construct a bid which meets the VCF criteria and are happy to address any questions applicants may have. In order to smooth the application process applicants may find the following table of examples of projects the MOD is not able to support useful.

Table (2) - Five most common types of bid that fail

What	Why?
Social functions	Functions rarely have an enduring output that will contribute to the Veterans Strategy
Office equipment	We will not fund office equipment unless bidders can demonstrate that they can meet maintenance costs (but we would

	not in any case fund minor replaceable items).
Day-to-day charitable business	The fund is designed to support initiatives that break new ground and fill gaps, not support ongoing work, no matter how worthy. We cannot provide donations.
Travel and subsistence	We cannot pay for the costs of transport, accommodation, food or entertainment
Bids without adequate financial details	MOD must ensure that tax payers' money is being spent effectively and appropriately
Replication of existing facility, service or programme	The fund will not support any submission which will replicate any existing facility, service or programme. Cases where an existing facility, service or programme is being reproduced in another area by the same provider, ie geographical expansion offering a "new" facility, service or programme, will be considered on an individual basis.

11. Subsequent Bids All successful bidders to the VCF who wish to lodge a subsequent bid for funding with the VCFSC are to be aware that this will not be considered until an audit of any previous project(s) has been completed by the appropriate MOD Auditor. It must also be understood that the award of funds from the VCF will not automatically guarantee the approval of any subsequent bid(s) for funding which will be considered on their own merits.