



**Ministry
of Defence**



COVENANT FUND REPORT ON THE SECOND YEAR OF FUNDING

A.1 BACKGROUND

1.1 The Covenant Fund was required by the Covenant Reference Group (CRG) to distribute £10M to four priorities by the end of March 2017. These are:

A.to fund projects in 2016/2017 and 2017/2018 that strengthen the delivery of Community Covenant commitments by Local Authorities (indicative £4M per annum);

B. to fund projects in 2016/2017 and 2017/2018 that make life better for those families of serving personnel in stress, and who need some specific or localised support (indicative £2M per annum);

C. to fund projects in 2016/2017 and 2017/2018 that support the integration and/or delivery of services to the Armed Forces Community (indicative £2M per annum); and

D. to fund in 2016/2017 a pilot project to set up a 24/7 single point of contact Veterans Gateway service (indicative £2M).

1.2. The Covenant Fund National Panel has now awarded the following grants under the three Priorities which were set for two years:

1.2.1 Twenty two (22) grants supporting Local Authorities to deliver their commitments under the Armed Forces Covenant. The total amount awarded was £3,493,296;

1.2.2 Eleven (11) large grants supporting families in stress. The total amount awarded was £1,814,098; and

1.2.3 One hundred and forty four (144) small grants supporting integration and/or delivery of services. The total amount awarded was £2,492,710.

1.2.4 All the small grants and the grants awarded under the families in stress and Local Authorities programmes are shown in the table annexed to this report and are publically available on the Covenant Fund website.

1.2.5 In addition, the Covenant Fund National Panel awarded a single grant for £1,999,498 for the delivery of the Veterans' Gateway by a consortium led by The Royal British Legion.

A.2 NUMERICAL OVERVIEW

2. Round 1- Small Grants

2.1 At the meeting on 23 September 2016, the Covenant Fund National Panel (the Panel) considered the 105 applications requesting in total the sum of £1,787,035. Of these, the Panel decided to award 54 grants totalling £932,227.

2.2 Grants were awarded across all the Regional or Devolved Administrations areas (RDAs). But owing either to the low number of applications received or the quality of those applications, Northern Ireland and the West Midlands only received one grant respectively.

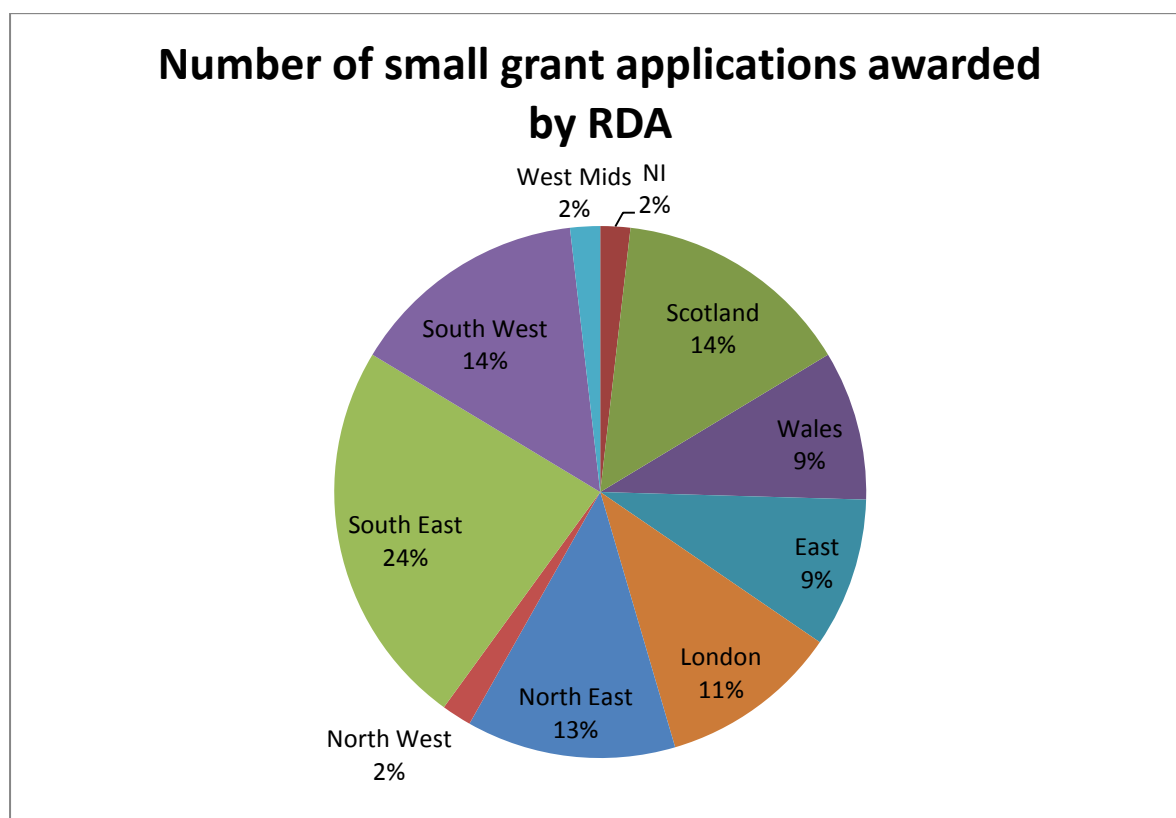


FIGURE 1
PLEASE NOTE: all numbers are automatically rounded for all pie charts

3. Round 2 - Small Grants

3.1 At the meeting on 23 February, the Panel considered the 155 applications requesting in total the sum of £2,634,344. Of these, the Panel decided to award 90 grants totalling £1,560,483.

3.2 These grants were awarded across all RDAs and included one grant awarded overseas.

3.3 it is particularly pleasing to note the increase in the number of applications received from Northern Ireland – up from 1% to 6 % and the West Midlands – up from 2% to 10% under this round. The total number of applications received for Round 2- Small Grants (155) is up compared to both last year's Round 1 (120 applications received and 59 grants awarded) but lower than last year's Round 2 (220 applications received and 91 grants awarded).

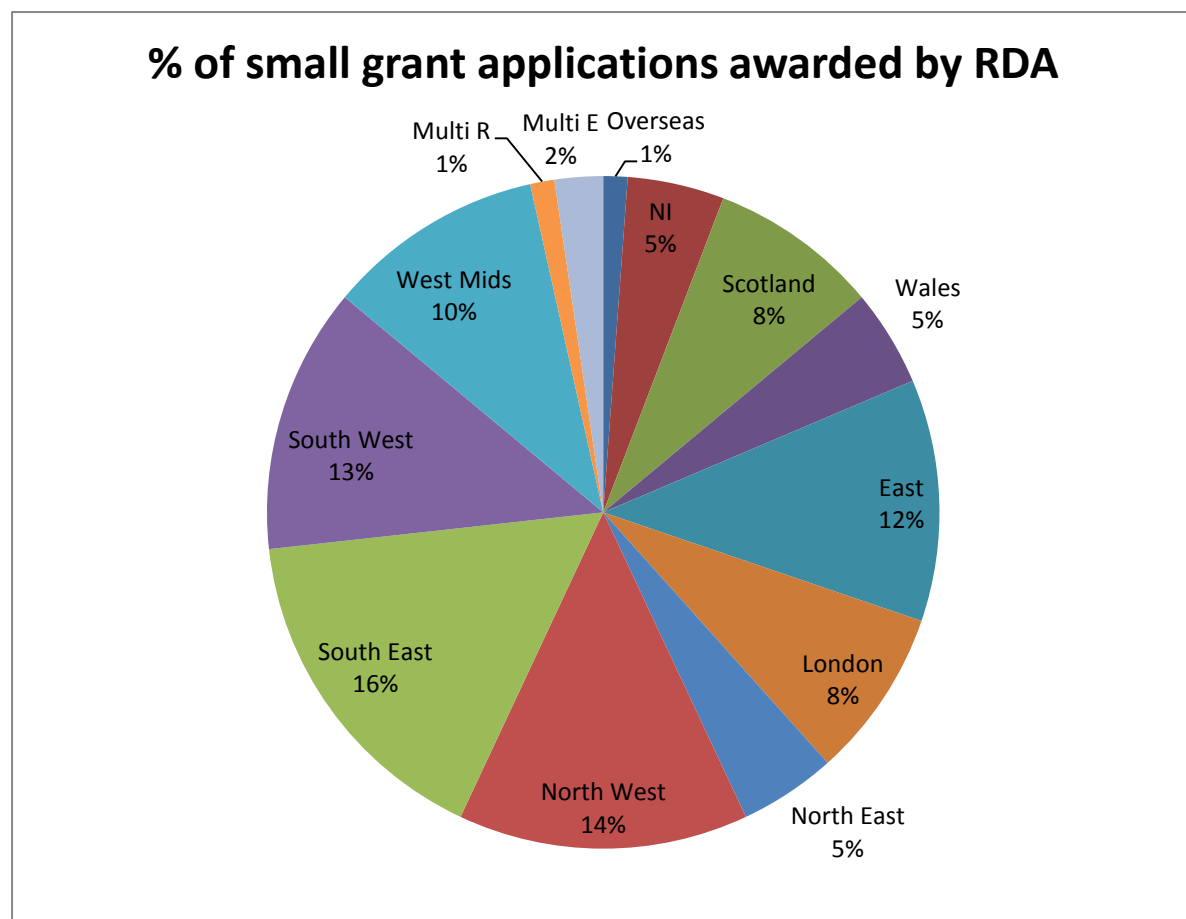


FIGURE 2

4. Total of Round 1 and Round 2- small grants awarded

4.1 Figure 3 shows the final distribution of Round 1 and Round 2 small grants across the RDAs. In all, 144 grants were made amounting to £2,492,710.

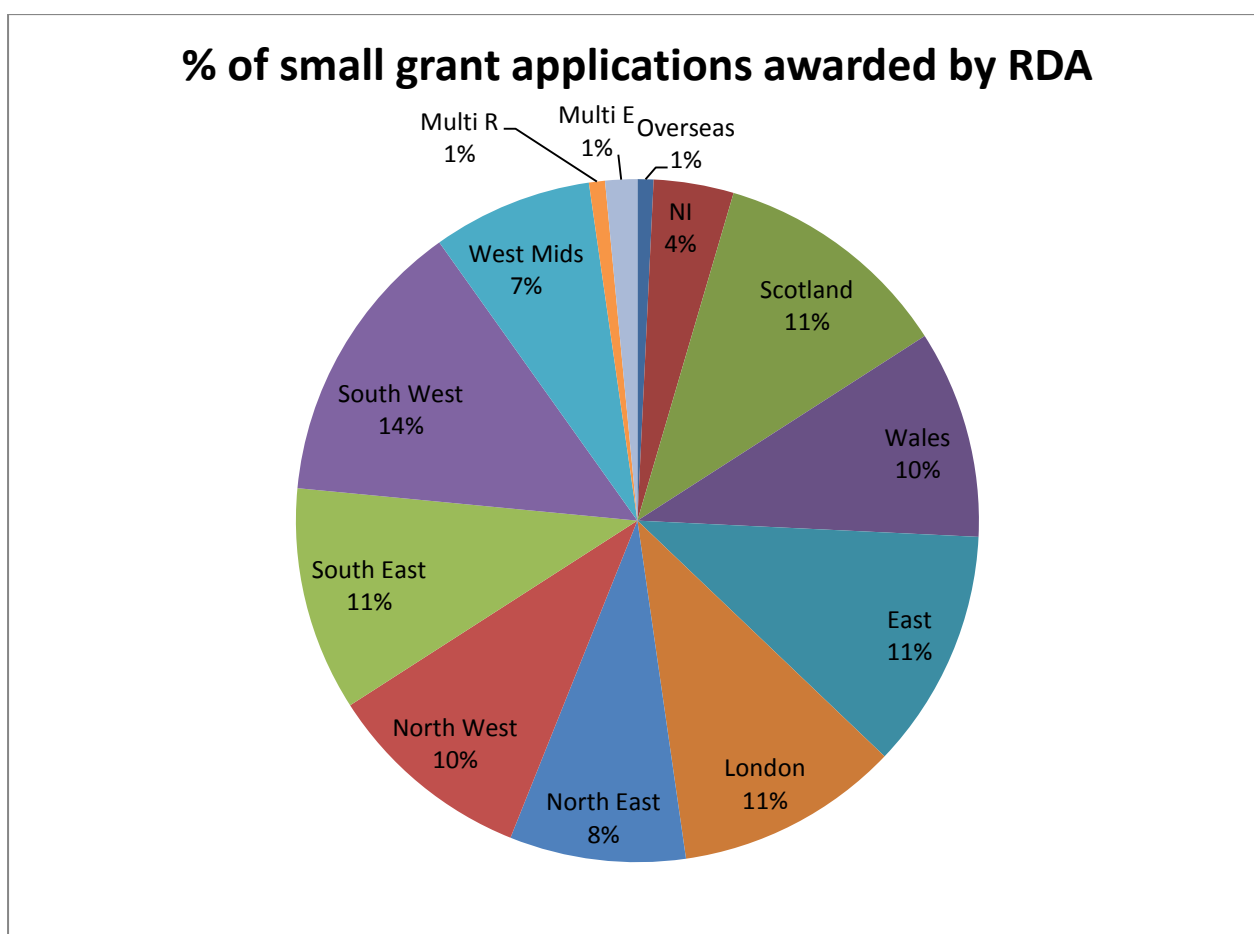


FIGURE 3

5. Families in Stress

5.1 The intention behind this Priority is to make a difference to understanding how the needs of the families of serving personnel are met when that family is in crisis for any particular stressful reason. £2m is allocated to this programme in this financial year, and the same amount will be available for distribution in 2017/18.

5.2 In September 2016, the Panel considered forty seven (47) Expressions of Interest requesting in total £7,107,613 and invited 20 organisations to apply to Stage Two. Eighteen (18) organisations submitted Stage Two applications requesting in total £2,977,663.

5.3 At the meeting held on 23 February 2017, the Panel funded eleven (11) projects totalling £1,814,098.

5.4 The portfolio consists of four sub-groups, namely projects which primarily address the needs of Families and Young Children, projects addressing issues of

Mental Health, those working to support those subjected to Domestic Abuse and those concerned with general Family Welfare. The proportionate distribution is shown in Figure 4.

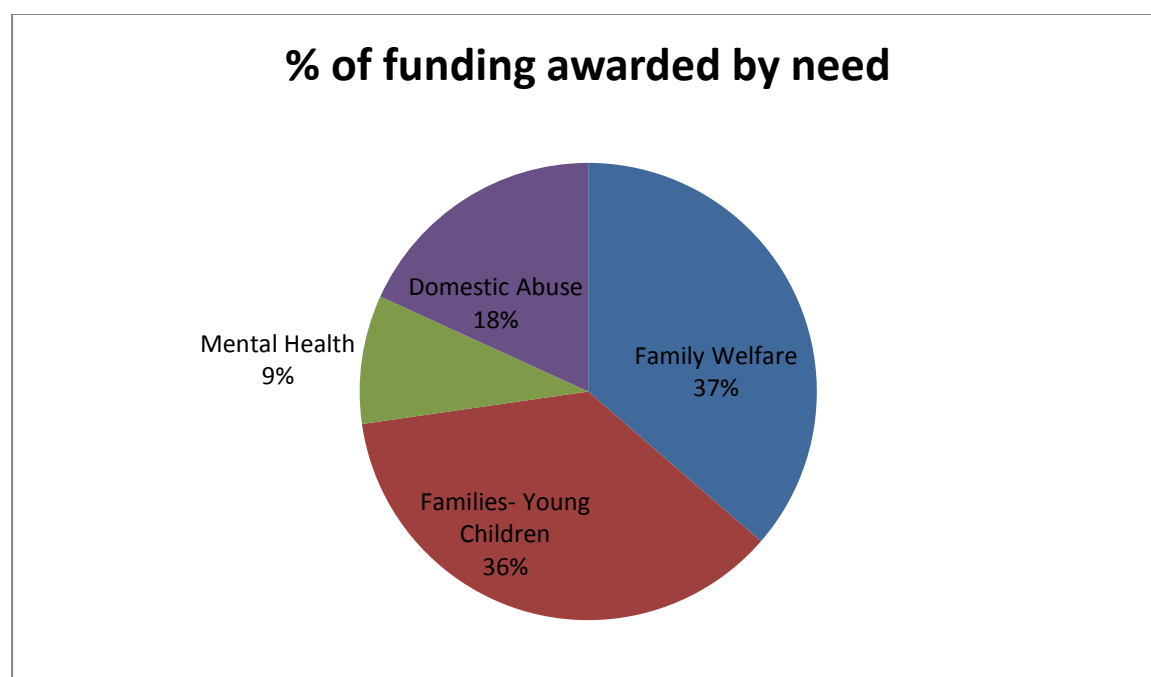


FIGURE 4

6. Local Authorities

6.1 The aims and criteria for this priority were informed by consultation with the LGA and the Devolved Administrations and designed in order for local authorities to respond to the report 'Our Community, Our Covenant' published by the Forces in Mind Trust in the summer of 2016. This identified examples of good practice as well as indicating some areas of challenge facing delivery of the Covenant for local government and this funding was an opportunity for applicants to address the issues and aspirations that emerged from the report. Up to £4M was available for allocation to this priority.

6.2 The Covenant Fund received 28 eligible applications requesting a total of £3,672,904. Twenty two (22) grants were awarded totalling £3,493,296. This was a single stage application process and will be re-launched in June 2017.

7. Information available on funded projects

7.1 The Covenant Fund Executive has a considerable range of data that can be requested. For example, data has been collected to show what type of community integration project has been funded (e.g. education, commemorative, etc.), what type of organisation has received the grant (local charity, national charity, statutory body, armed forces unit, which parliamentary constituencies have received grants, how

many jobs (full or part time) will be created by funded projects, etc. Information can also be provided on the numbers of applications received in each round.

7.2 Summaries of each funded grant can be provided on a case by case basis. Individual grant recipients are all required to produce end of grant reports describing their project in full, including pictures, news reports and other evidence of social media engagement which will start to build up a national picture of what the Covenant Fund cumulatively can achieve in terms of supporting the delivery and recognition of the Armed Forces Covenant.

8. Budget

8.1 The final breakdown of the annual spend for FY 2016/2017 is as follows:

Veterans' Gateway	£1,999,498
Families in Stress	£1,814,098
Local Grants	£2,492,710
Local Authority Grants	£3,493,296
Covenant Fund administration costs (exc. AVF contribution)	£ 200,000
Total:	£9,999,602

Further details of all open programmes and the timelines for applying are on the Covenant Fund website on direct.gov. and from the Covenant Fund Executive who can be contacted on COVENANT-GrantTeamMailbox@mod.uk

Melloney Poole
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03 April 2017