

**The Community At Heart Endowment Fund  
Terms of reference**

**1 *Introduction***

- 1.1 The Community at Heart Delivery Plan approved in January 2000 included provision to establish a neighbourhood endowment fund whose income would provide a 'community chest' to support charitable activities in the area in perpetuity. It is proposed to establish this fund within Greater Bristol Foundation (GBF). This document sets out how the fund will be managed by GBF.

**2 *Establishing the endowment fund***

- 2.1 The fund will be set up within GBF in March 2004 with an initial contribution of £100,000 from Bristol City Council arising from an agreement under Section 106 of the Town & Country Planning Act 1990 with the developers of Temple Quay North. It will be held as an identified and separate fund within GBF called the Community at Heart Endowment Fund. The income and capital of the Fund may be applied by GBF for exclusively charitable purposes only.
- 2.2 Further sums may be added to the fund at any time by Bristol City Council, Community at Heart or by any other person or organisation. Capital donations enter the investment portfolio on quarterly valuation days (30 April, 31 July, 31 October and 31 January) and any bank interest accruing between the date of receipt of the donation and date of investment is added to the capital fund.

**3 *Managing the fund***

- 3.1 The capital assets of the Fund will be held by the Trustees of the Foundation and invested according to the powers of investment set out in the Memorandum and Articles of Association. Details of the Trustees' investment policy applying at March 2004 are attached to this document.
- 3.2 The Fund may be pooled for the purpose of investment with other Funds held by the Foundation. The income arising from the investments will be distributed annually as grants (see 'Grant-making' below) and towards the Foundation's operating costs (see 'Service and charges' below).

**4 *Grant-making***

- 4.1 GBF may apply the whole or any part of the income and in its discretion the whole or any part of the capital of the fund for the promotion of any charitable purposes for the benefit of the community in the Community at Heart neighbourhood (that is the communities in Bristol of Barton Hill, Lawrence Hill, Redfield and The Dings).

- 4.2 GBF will make the distributable income from the Fund available on either an annual or quarterly basis (to be agreed) to Community at Heart for allocation for charitable purposes in the neighbourhood. The Community at Heart Board will select a panel of local people to allocate the fund. A representative from GBF and from Bristol City Council will be included in the membership of the panel.
- 4.3 The Community at Heart Board will agree clear criteria for the allocation of grants and establish rules about declaration of interest, which will be rigidly adhered to. All applications will be fully assessed before consideration by the Panel. The decisions of the Panel will be reported to the Community at Heart Board. As GBF is the accountable body for the Fund, Trustees are required to approve grants recommended by the panel, but will expect to do so provided that they fall within the charitable purposes of the Foundation and the legal requirements governing charitable companies.
- 4.4 The Community at Heart Board may decide to re-invest the distributable income in the Fund, rather than distributing it as grants, but only during the currency of the New Deal for Communities regeneration programme (ie to March 2010).
- 4.5 If the purposes of the donation become, in the opinion of the Trustees, no longer possible or practicable, the Fund shall be transferred to and held as part of the general fund of the Foundation, the income being distributed for charitable purposes within the Foundation's grant giving programme for the benefit of the Community at Heart area.

## **5 *Reports***

- 5.1 A Fund statement will be prepared and sent to Community at Heart and Bristol City Council annually showing:
- The capital (market) value of the Fund at 30 April
  - Additions to the Fund during the year
  - Grants made from the Fund's distributable income
  - Charges made for management of the Fund

## **6 *Service and charges***

- 6.1 The service provided by the Foundation will include:
- Receiving payments into the Fund
  - Reclaiming any tax refundable and crediting it to the Fund
  - Managing the investment of the Fund's capital
  - Allocating income from the investments to the Fund quarterly
  - Assessing, selecting and monitoring suitable projects to receive grants (if required)
  - Servicing the Grants Panel (if required)
  - Providing an annual fund statement (see above)

6.2 Trustees may retain the following from donations to the Fund and use it as a contribution towards the operating costs:

3 per cent of the capital on receipt by the Trustees. This sum will be transferred to the Foundation's administrative endowment fund and the income will be applied towards the operating costs incurred by the Foundation in managing the Fund;

and thereafter 1 per cent of the market value of the Fund per annum to be deducted quarterly.

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hm/barton hill/terms of ref march 2004