

FUND AGREEMENT

1. Preamble

Community groups are at the heart of building stronger communities. The kinds of groups involved include: parent and toddler groups; after school groups; youth clubs; self help groups for people with mental and physical health issues; projects working with the learning or physically disabled; social and cultural groups; community sports groups; activity groups for older people; support groups for people from ethnic and other minorities; groups run by local people who want to tackle local issues. In addition the fund aims to support individuals who meet the annual Fund criteria.

2. Legal and fiscal context

This agreement is made between the Hampshire and Isle of Wight Community Foundation of Sun Alliance House, Wote Street, Basingstoke, RG21 1LU (hereinafter referred to as "the Community Foundation") and Portsmouth City Council of Civic Offices, Guildhall Square, Portsmouth, PO1 2AD (hereinafter referred to as "Portsmouth City Community Fund")

All donations to the Community Foundation shall be used for charitable purposes according to the law of England and Wales.

Portsmouth City Community Fund (hereinafter referred to as "the Fund") will be set-up with dormant trusts of approximately £115,000 (dependent on final valuation of trust funds) in 2012. The Fund will begin to award grants to **Portsmouth City residents and tenants** from September 2012.

3. Fund management

The capital assets of the Fund will be held by the Trustees of the Community Foundation and invested according to the powers of investment set out in the Memorandum & Articles of Association. The Fund may be pooled for the purpose of investment with other Funds held by the Community Foundation. The return arising from the investments will be distributed annually as grants (see 'grant-making' below) and towards the Community Foundation's operating costs see 'Service and charges' below).

The Fund shall be called the **Portsmouth City Community Fund** for the benefit of **Portsmouth City residents and tenants** for the purposes of attributing the source of grants made from the income as well as acknowledgement in the Community Foundation's Annual Report and any other publications.

All Funds will be listed in the Community Foundation's annual report in such a way that the contribution of the Portsmouth City Council is recognised.

4. Grant-making

Grants made from the Fund's distributable income will:

Be consistent with the Community Foundation's charitable purpose i.e. for the benefit of the community and individuals in the area.

Support small, local voluntary and community groups and organisations that support Portsmouth City residents and tenants area and meet the agreed criteria.

Client engagement on the impact of grants made is welcomed. The Community Foundation has agreed that:

"The Community Foundation will meet with the Portsmouth City Community Fund at least once a year to discuss and agree grants for the forthcoming period and to review the grants made from the fund.

"The Community Foundation will make grants in line with the Portsmouth City Community Fund *agreed* criteria and report to the Portsmouth City Community Fund as in section 5. The Portsmouth City Community Fund will also be a supporter of the Community Foundation and will be invited to attend meetings, grants reception and site visits where the Portsmouth City Community Fund will be able to see and appreciate the impact of the work that grassroots organisations are doing in our community"

The Trustees of the Community Foundation are ultimately accountable for all grants made and the Community Foundation will advise Portsmouth City Council if it has reason to believe that a grant would not be wisely or safely spent by a recipient and reserves the right not to make a grant requested in this unlikely event or in the circumstances of a request not being consistent with the Community Foundation's charitable purposes.

The minimum amount for a grant from the Fund for an organisation is £250.00.

5. Reports

A Fund Statement will be prepared and sent to you annually showing:

The capital (market) value of the Fund at 31 December
Additions to the Fund during the year
Grants made from the Fund's distributable income
Charges made for management of the Fund

6. Services and charges

The service provided by the Foundation will include:

Receiving payments into the Fund
Reclaiming any tax refundable and crediting to the Fund
Investing the capital, using professional investment managers
Assessing, selecting and monitoring suitable projects to receive grants from the distributable income, as required
Attending local grant panel meetings
Paying grants in line with section 3 above
Monitoring all grants awarded
Providing an annual fund statement (see above)
Copies of the Foundation's annual review, newsletters and other publications
Invitations to the Foundation's annual meeting and other events

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

A set-up fee of £5,000 will be taken out of the capital on receipt by the Trustees. Thereafter 1.5% of the market value of the Fund per annum will be deducted on a quarterly basis for the management of the investments and further development of the Fund. This annual fee starts in September 2012.

7. Agreement

We agree with the terms of this agreement

Name of Organisation: Portsmouth City Council

Name:

Signed:

Date:

Name of Organisation: Hampshire and Isle of Wight Community Foundation

Name:

Signed:

Date: