



## Case Report

# St Nicholas Hospital (214916)

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### About the charity

St Nicholas Hospital has been providing almshouse accommodation since its founding in the early 13th century. It is governed by the Hospital of St. Nicholas (Salisbury) Charity Scheme Confirmation Act 1959 and the Scheme dated 7 March 1961 as amended on 15 January 2009.

### Why the Charity Commission got involved

The trustees applied for a scheme to widen the charity's objects on 17 June 2015, to enable it to provide financial assistance to beneficiaries when they can no longer live independently in the almshouses. The charity's existing objects did not allow the trustees to help former residents.

### The action we took

The commission asked why the trustees wanted to make this change, and whether they had consulted about it.

The trustees explained that as an almshouse charity, St Nicholas Hospital provides accommodation to residents who are able to live independently. However, for an increasing number of residents, St Nicholas is no longer appropriate for them because of their health and/or age. While the charity has been helping residents move into care (for example, by liaising with care homes and social services), the trustees would like to be able to provide financial assistance to those beneficiaries who need it after they have moved out of the almshouse. The trustees showed that the charity had sufficient funds to provide this help.

The trustees explained that while they had not consulted about this change, it was known that moving out of St Nicholas is a real cause of anxiety for older residents who worry about the possibility of needing expensive nursing care.

### Impact of our involvement

The commission assessed the arguments presented by the trustees and decided that a scheme could be made, that there was a legal case for widening the charity's objects. For example, that beneficiaries were living longer and as a result, or combined with their health needs, had to move into care.

The commission also considered that the change being requested (to provide financial assistance to former residents in need) was in the spirit of the existing purposes, was close to the charity's original objects, and fitted with the charity's need to have purposes which are suitable and effective in the light of current social and economic circumstances.

The commission therefore made a scheme to widen the charity's objects as requested on 26 April 2016.

## Lessons for other charities

A charity's purposes or aims are usually set out in the 'objects clause' of its governing document. Where these become outdated, it is the duty of trustees to seek to change the purposes in order to ensure the charity's continuing effectiveness.

When trustees do not have the power themselves to change the purposes, they need to apply to the commission for a scheme. As we explain in our **schemes guidance**, where trustees do need to apply for a scheme, they should:

- be able to clearly show the grounds for changing the objects and how the requested change (reflected in their proposed new wording for the objects clause) is the most appropriate for their charity and the circumstances that apply; sometimes, the same information can be used to show both aspects, but trustees should be mindful that these are two separate legal tests (under s.62 of the Charities Act 2011 and s.67)
- include as much relevant information as possible in their application
- describe what the trustees have done to consult the people who will be affected by their proposed changes and what the result of that consultation was; the commission expects this to have been completed before the trustees apply for a scheme, although, as in this case, it recognises that there are cases where this may not be needed

Providing all this information at the start will help the commission make its decision more quickly.

For further information and guidance see:

- **Change a charity governing document by scheme**
- **It's your decision: charity trustees and decision-making (CC27)**
- **Changing your charity's governing document (CC36)** – this explains what other powers might be available to trustees and when schemes are needed