

The Ogilvie Charities

Consultation document in connection with a proposal to merge and incorporate.

Dated: 20th April 2021

1. Introduction

The Ogilvie Charities (The Charities) are proposing to apply to the Charity Commission to merge and to incorporate as a Charitable Incorporated Organisation (CIO).

In order to effect this restructuring, the trustees must seek the consent of the Charity Commission by asking the Charity Commission to make what is known as a “scheme”, a type of legal document which will make certain changes that the trustees are themselves unable to make.

Whilst the merger and incorporation will impact on the structure of The Charities and on their governance and administration, the services and activities offered by The Charities will themselves remain unchanged.

This document has been prepared for the information of stakeholders: beneficiaries, potential beneficiaries, residents, employees, The Almshouse Association and The Regulator of Social Housing. Feedback will be welcomed and will be taken into account in finalising the proposal and the formal application to the Charity Commission to request a scheme. We have set out in paragraph 11. below the ways in which you can do this and the deadline for doing so.

2. Background

The Charities are a group of seven unincorporated charitable trusts with common trustees being:

Ogilvie Charities (Deed No.1) (charity registration no. 211777)

Ogilvie Charities (Deed No. 2) (charity registration no. 211778)

Charity of Mary Catherine Ford Smith (Mary Smith) (charity registration no. 1080530)

Charity of Estella Michaela Louisa Canziani (Estella Canziani) (charity registration no. 262040)

Straitened Circumstances (1961) Fund (charity registration no. 289922)

The Margaret Champney Rest and Holiday Fund (charity registration no. 211646)

The Pauletta Edwards Education and Training Fund (Pauletta Edwards) (charity registration no. 1147233)

Deed No.1 operates social housing schemes at Ogilvie Homes and Ogilvie Almshouses in Aldringham, Suffolk and Charles May House in Colchester. Estella Canziani operates sheltered accommodation at Estella House in Colchester.

All of the charities undertake grant making to a lesser or greater degree; in most cases the grants are made for the relief of need but some of the charities are able to make grants for wider objects such as for charities in London, Suffolk or Essex

The oldest charities are Deed No.1 (1887) and Deed No.2 (1890). They were established by Margaret Ogilvie, a Victorian philanthropist who lived at Sizewell and gave generously to charities locally and further afield. The other charities in the group date from the 1920s to 2012.

3. Reasons for the proposed change

Many of the governing documents are aged and complex and the language is sometimes archaic. This can make it difficult to apply the founders' wishes to modern circumstances. Over the years there have been various amendments which while well intentioned have tended to add to the complexity. Also, the current unincorporated structure is unsuitable given the operational nature of some of the activities (e.g. providing social housing). It creates complexities when entering into legal arrangements and could expose the trustees to personal liability (as the trusts do not have separate legal personality).

The Charities hold a mix of restricted and unrestricted funds as well as permanent endowment (being property held on the basis that the trustees have power to spend the income produced but not the underlying capital) and functional endowment (being property that must be retained for particular purposes). Separate accounts are produced for each charity and each holding is recorded separately which means the accounts are complex.

The trustees have carefully considered a number of options for the incorporation of The Charities and believe that the proposed new structure will make it easier to operate The Charities more efficiently and economically which will benefit beneficiaries, potential beneficiaries and management alike. The merging of funds should enable the trustees to calculate more easily the money available for their priorities: maintaining and improving the housing schemes and making charitable grants. This should in turn make it easier to attract new trustees.

4. Proposed new structure

It is proposed that a new Charitable Incorporated Organisation (CIO) will hold all of The Charities' unrestricted funds in one merged fund and a subsidiary trust (Deed No.1) will hold the permanent endowment properties, Charles May House and the permanent endowment funds. In the case of the small permanent endowment fund held by Mary Smith, it is anticipated that the permanent endowment restriction will be released using the statutory powers available to the trustees so as to effect the merger and fulfil its objects more effectively.

All of the properties that are currently held as functional endowment will continue to be held in this way.

To ensure maximum flexibility and simplify administration as far as is possible, it is proposed that the new CIO and the subsidiary trust will have the same charitable purposes.

In the immediate future, the existing charitable trusts will not be dissolved but will be retained as dormant 'shell charities' to receive future legacies.

5. Constitution

The proposed CIO constitution is based on the Charity Commission model with some modifications. The proposed objects are:

For the public benefit, the objects of the CIO are:

1.1 primarily for the relief of those in need by reason of youth, age, ill-health, disability, poverty, financial hardship or other disadvantage including but not limited to by the provision of:

1.1.1 social housing in the form of almshouses and other sheltered housing accommodation; and

1.1.2 grants of money for providing or paying for items, services or facilities

1.2 secondly to further the objects of any charity situated in Suffolk, Essex or any London borough; or any charity established in England and Wales which is primarily for the benefit of people normally resident in Suffolk, Essex or any London borough.

The trustees believe that this wording will enable them to respect the wishes of the founders by directing their activities to the relief of need in the first instance with a secondary object allowing a wider class of beneficiary.

6. Charity Commission Schemes

The Charity Commission has indicated that it would be willing to make a scheme to assist with incorporating and merging The Charities. The effect of the provisions of the draft scheme are to:

- at clause 3 (1), amend the charitable objects of Deed No.1, Deed No.2, The Margaret Champney Rest and Holiday Fund, Estella Canziani and Straitened Circumstances so that they mirror those of the CIO (as outlined in paragraph 5 above). This will enable the unrestricted funds of these charities to be transferred to the CIO;
- at clause 3(2), modernise the wording of the purpose of the functional permanent endowment property held by Deed No.1 and Estella Canziani.
- at clause 4, appoint the CIO as the trustee of The Charities;
- at clause 5(1) vest and merge the investment permanent endowment funds of Deed No.2 and the Margaret Champney Rest and Holiday Fund as a merged investment permanent endowment fund in Deed No.1;
- at clause 5(2) vest the functional permanent endowment of Estella Canziani in Deed No. 1.

It is proposed that a separate Charity Commission scheme will transfer the property of Pauletta Edwards to the CIO where its funds will be held on an unrestricted basis in common with the unrestricted funds transferred from The (other) Charities. These funds are dealt with separately because of complexities relating to the way in which Pauletta Edwards was established and as it is not intended that the existing trust will be retained as a dormant shell following the restructuring (in contrast with the other charities).

7. Beneficiaries and potential beneficiaries

On a day to day basis nothing will change for those living in Ogilvie accommodation. Accommodation agreements will be in the name of the CIO but there will be no change to our admission criteria or other policies and the services we provide will remain the same.

The grant giving process will benefit from the greater clarity of the accounting function. A grants committee will draw up a list of recommended beneficiary organisations and classes of individuals and we will continue supporting the types of people and groups that we believe would be favoured by our founders.

8. Employees

Employees will transfer to the CIO with no change to their terms and will continue to work in their current locations.

9. Trustees

The Charities' trustees in office at the launch date will transfer to the CIO.

10. Head Office

The head office will continue to be at The Gate House, 9 Burkitt Road, Woodbridge IP12 4JJ Email: ogilviecharities@btconnect.com

11. Responses

If you have any comments, we would like to hear from you.

The deadline for responses is 31st May 2021. Please let us have your feedback:

- by post to The Gate House, 9 Burkitt Road, Woodbridge, IP12 4JJ
- by email to ogilviecharities@btconnect.com
- if you are interested in attending an online meeting to discuss the proposals, please let us know by email and we will circulate details of this to you;
- if you are a resident in Ogilvie accommodation, please contact Gillian Galvan at the Gate House, if you would like us to follow up with you on the proposals so that you can put forward any views.