

Scottish Charity Regulator (OSCR)

Updated inquiry report made under Section 33 of the Charities and Trustee Investment (Scotland) Act 2005

Free Wheel North SC039789

1. Introduction

The Office of the Scottish Charity Regulator (OSCR) is making inquiries into Free Wheel North (the charity) under section 28 of the Charities and Trustee Investment (Scotland) Act 2005.

OSCR has taken action, under section 30B of the 2005 Act, to direct the charity to take specified steps that we consider to be expedient in the interests of the charity.

2. Background

Following concerns received about the governance of the charity, OSCR opened an inquiry into the charity on 15 July 2022. OSCR carried out substantial engagement with the charity until the conclusion of that inquiry on 1 June 2023. At that time OSCR acknowledged the Board were clear on the changes and improvements that needed to be made to the governance of the charity. Recognising it would take time to implement these changes, OSCR issued the charity a number of recommendations and advised that it would seek an update from the charity trustees in 12 months.

3. OSCR inquiry and direction

In July 2024, prior to contacting the charity for an update on its progress against the recommendations, new concerns about the governance of the charity were received.

OSCR therefore opened a new inquiry into the charity on 15 August 2024. Over the course of the inquiry to date, OSCR has been notified of various issues. Many of the issues raised with OSCR are ones that should be dealt with by the charity's

trustees themselves. However, issues about who was a charity trustee featured early in the inquiry with a dispute about the validity of a charity trustee's position. OSCR has continually set out its expectation that the charity trustees call and hold an Annual General Meeting (AGM), following the rules in the charity's governing document to ensure the proper election of charity trustees. Due to the severe breakdown in the relationship between the charity trustees this has failed to happen.

During April and May 2025 actions were taken by charity trustees which included the termination of an appointment and the holding of an AGM at which further appointments took place.

However, there is uncertainty and an ongoing dispute over the competency of the procedure carried out and the validity of decisions made in terms of the above actions. Whether the actions carried out have had the desired or intended effect is questionable. The outcomes of both actions are potentially open to legal challenge. As such there is a lack of clarity as to who is now a validly appointed charity trustee.

It is not OSCR's regulatory role in these circumstances to take a decision or determine who is a charity trustee. However, following the introduction of the Charities (Regulation and Administration) (Scotland) Act 2023, OSCR has the power to direct charities to take specific actions.

It is our view that it is necessary to now direct the charity to hold a competent Extraordinary General Meeting (EGM) so that the members of the charity can properly elect a new Board, in line with the relevant provisions of the charity's governing document. This will ensure valid appointments are made that cannot be challenged and will allow the charity to move forward.

Following the appointment of a new charity trustees, OSCR will meet with the Board, as a collective, to set out their legal duties as charity trustees.

4. Updates

Members appointed after 1 May 2025

Despite the uncertainty over the competency of the procedure carried out and the validity of the AGM held on 1 May, no formal legal challenge has been made to the appointment of directors at that meeting. As such, there are currently eight directors detailed at Companies House. The charity's Articles of Association require that meetings of the directors need to have a quorum of 40% of directors present.

Two of the directors listed at Companies House, along with one other person who is not listed as a director, held meetings on 30 June, 25 July, 9 August, and 30 August 2025, at which they approved new membership applications. However, the required quorum does not appear to have been met at those meetings. Therefore, the validity of those membership decisions may be open to challenge.

To ensure the EGM is properly constituted, OSCR has recommended that only members accepted prior to the 1 May 2025 AGM be invited to attend the EGM scheduled for 23 October 2025.

Morton Fraser MacRoberts LLP (MFMac) are part of the Scottish Council for Voluntary Organisations (SCVO) Legal Partners pro-bono service. They are independent of all directors of Free Wheel North and OSCR. They are seeking to enable the charity to achieve the holding of an EGM in order to comply with the OSCR direction.

MFMac have issued notices of the 23 October EGM to the members accepted prior to the 1 May 2025 AGM.

OSCR recommends that individuals who have not received a formal notice of the EGM scheduled for 23 October 2025 should not attend. This is to minimise the risk of further dispute and to support the charity in complying fully with the terms of OSCR's direction.

OSCR also recommends that all membership applications made on or after 1 May 2025 be resubmitted and considered afresh by the newly appointed board of directors, following their appointment at the upcoming meeting on 23 October 2025.

14 October 2025

Suspension of charity trustee

On 21 October 2025 OSCR suspended one of the charity trustees of this charity under subsection 31(4) of the 2005 Act – [Free Wheel North Inquiry Report – Suspension of Norman Armstrong](#). This suspension should not prevent the EGM on 23 October 2025 from proceeding.

21 October 2025