Scottish Charity Regulator (OSCR)

Inquiry Report made under Section 33 of the Charities and Trustee Investment (Scotland) Act 2005

West Wemyss Community Trust Limited, SC043268

1. Background

West Wemyss Community Trust Limited, SC043268 has been registered as a charity since 05 July 2012. It is a charitable company – <u>SC380458</u>.

The charity operates in the West Wemyss area of Fife. The charity's purposes are:

- the maintenance, improvement or provision of public amenities;
- the protection or conservation of the environment; and
- the promotion, operation and/or support of other charitable projects and programmes for the benefit of the community.

2. Concerns received by OSCR

We have received a number of concerns about the governance of the charity and are making inquiries following our assessment of the issues raised. **Opening an inquiry does not mean that we have found any wrongdoing by the charity trustees, simply that we need to know more about the situation.** Given the significant public interest, we have published this interim inquiry report in line with our <u>inquiry policies</u>.

3. OSCR's inquiry

Our inquiry focuses on how the charity is being managed by the charity trustees (the directors). They are the people who are in management and control of the charity and have responsibility for running it. Charity trustees have legal duties that they must comply with and our focus as a regulator is on how they are meeting those duties. A key part of that is ensuring that the charity trustees are running the charity in line with the charity's governing document (its constitution) and the relevant legal requirements. We also want to ensure that the charity trustees are able to make and implement any decisions required in the best interests of the charity.



Our inquiry is also focused on the activities of the charity; we are concerned that the charity is only undertaking limited activities that provide public benefit in furtherance of charitable purposes.

In carrying out our inquiry, we are not acting on behalf of any individual or group of individuals.

At this stage of our inquiry, we have directed the charity under section 28(3) of the Charities and Trustee Investment (Scotland) Act 2005. Our direction was issued on the 20th December 2024. This direction requires the charity not to undertake any of the activities detailed in it for a period of 6 months while our inquiries are ongoing, in order to make sure the charity's assets are protected. We are looking to protect the charity's assets from risk of being used for non-charitable purposes.

The charity's assets include a property in West Wemyss. There is an agreement between the charity and a group, consisting of a body of members, who are responsible for the operation of a pub that is situated in the charity's property. The rental of this part of the charity's property is income generation, rather than an activity that furthers the charitable purposes as outlined in the constitution for the charity. Part of the direction instructs anyone acting on behalf of the charity not to make payment of any outlays on behalf of the pub group. A charity's assets must be used to further its charitable purposes. Its assets should not be used to meet the expenditure of a third party, where this would not further its charitable purposes.

Disagreements regarding the operation of the pub between the charity trustees and third parties seem to be the cause of much of the charity's ongoing issues.

We will continue to work with the charity trustees throughout our inquiry to gather information, ensure the charity trustees are fulfilling their duties and protect the assets of the charity. We are aware that the charity trustees are seeking professional support and advice to help them deal with the charity's affairs.

We will publish an updated report when we consider it to be appropriate, but in line with our published policies will not otherwise comment on our ongoing work.

OSCR 10 February 2025

