

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

The World's Big Sleep out Trust SC049124

The World's Big Sleep out Trust (WBSOT) is a Scottish Charitable Incorporated Organisation (SCIO) created in March 2019.

The charity was set up to operate a global mass participation sleep out event in December 2019 where several cities would participate worldwide to increase awareness of and raise funds for homelessness. The charity successfully organised 52 events globally with 60,000 participants sleeping out on the same night.

The Chair of the Board of WBSOT notified OSCR in April 2021 that the charity had inadvertently breached the terms of an agreement it had entered into with a connected charity, The Social Bite Fund SC045232. OSCR opened an inquiry into WBSOT to understand the position more clearly.

During the inquiries, OSCR also received information about contracts entered into before the creation of the WBSOT that related to the global event. There were concerns raised about whether all the initial charity trustees were aware of and understood those arrangements.

In addition, OSCR reviewed the agreements between the charity and trustees who received income from their employment with the charity.

OSCR reviewed a considerable amount of information during the course of our inquiry and met with the former and current charity trustees.

The current and former charity trustees and others involved cooperated with the inquiry.

OSCR is publishing this report to:

- explain the regulatory work we have undertaken and the conclusions arising from this, and
- help other charity trustees to learn lessons that will support them in their role.

Findings

From our inquiries, OSCR found that the charity trustees acted with the care and diligence OSCR would expect of charity trustees acting under the Charities and Trustee Investment (Scotland) Act 2005. While there are areas where governance could have been improved, OSCR do not consider that this amounts to mismanagement. OSCR have found no evidence of wrongdoing in relation to the governance of the charity.

Wider lessons for the charitable sector

OSCR's inquiry has identified some areas where we consider there to be useful learning lessons for the wider charitable sector. These are areas that we consider may affect other charities.

Ensure staff and charity trustees understand all agreements fully.

The charity trustees, in their self-report to OSCR, informed us that they had inadvertently breached an agreement with another party. This was because the agreement used a specific term, the ramifications of which were not fully understood by all parties involved.

Lessons for the sector

Care should be taken in the preparation of agreements that the charity is a party to, to ensure that the terms accurately reflect the intentions of the charity trustees.

Contracts entered into should be fully understood by the charity trustees and staff to whom operational responsibilities are delegated. This ensures that all payments are made and responsibilities fulfilled in accordance with these contracts.

Multi-Jurisdictional Fundraising

When reviewing the background and supplemental material, OSCR found that the funds raised from the sleep-out events, in international locations in particular, were less than initially targeted although we recognise the event led to a number of ongoing fundraising opportunities and partnerships. Whilst the projections had been based upon the model used for previous sleep-out events in the United Kingdom, there had been insufficient understanding of the different fundraising environments and cultures in other countries.

Lesson for the sector

Where a charity is intending to operate in a new location, particularly overseas, the charity trustees should, as far as possible, review the fundraising profiles of such locations and ensure that any projections made are as comprehensively reviewed as possible.

Remuneration

When OSCR reviewed the agreements between the charity and the charity trustees who received remuneration, OSCR found that in one instance, while there was a job specification and written correspondence approving the level of remuneration, there was a lack of a formal contract in place which is considered best practice.

Lesson for the sector

Where a charity trustee is remunerated, it is best practice for there to be a formal contract that clearly sets out the terms and conditions of the remuneration.