



NATIONAL CITIZEN SERVICE TRUST

Minutes of a meeting of the board of directors held at the Pembroke Building,
Kensington Village, London at 5:00 pm on Monday 28 January 2019

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| Present: | Brett Wigdortz (Chairman) | Michael Lynas (CEO) |
| | Paul Cleal | Dame Julia Cleverdon |
| | Dame Sally Coates | Flick Drummond |
| | Ian Livingstone | John Maltby |
| | Tristram Mayhew | Lord Iain McNicol (by phone) |
| | Ndidi Okezie | Ashley Summerfield |
| | Rob Bellhouse (Secretary) | Jermain Jackman (Youth Board Representative) |
| In attendance: | David McLauchlan (item 3.6) | Simon Woods (item 5) |
| | John Kerlake (item 7) | Naim Moukarzel (item 7) |
| | Andrew Callaghan (item 7) | Lira Lewis (item 7) |
| | Tolu Ogbaro (item 7) | Cleo Parker (item 7) |
| | Kian Ward (item 7) | Michael Davie QC (item 8) |
| | John Enstone (item 8) | |

1. DCMS board induction

All of the directors, save for Dame Sally Coates and Lord Iain McNicol (who had each provided an apology for absence), had participated in a board induction session conducted by DCMS earlier in the day. A repeat induction session would be offered at a future date.

Action: Rob Bellhouse

2. Meeting formalities

- 2.1 Welcome - the chairman welcomed all of the directors to the first meeting of the NCS Trust board as a live operating entity. He introduced Jermain Jackman to the board and had offered him an open invitation to be an active participant at future meetings over the next 12 months, with a view to supporting the National and Regional Youth Boards and ensuring young people's voices are heard by the board. The board endorsed the chairman's initiative.
- 2.2 Company Secretary - the chairman welcomed Rob Bellhouse to the meeting. The board ratified his appointment as company secretary of National Citizen Service Trust, with effect from 14 January 2019.
- 2.3 Previous meeting - the minutes of the meeting of the directors held on 14 November 2019 were approved by the board as a correct and complete record and signed by the chairman as authentication.
- 2.4 Brought forward actions - the secretary confirmed that all of the actions arising from the previous meeting were being addressed or were to be considered at this meeting.
- 2.5 Board committee membership - the board resolved to appoint Darren Xiberras FCCA (currently CFO and Executive Director for Charity Services, Teach First) as an external member of the Audit and Risk Committee (ARC), with immediate effect. The board noted and agreed that he



would be unremunerated in this role. It was further agreed that, given the past or present connections of Mr Wigdortz, Dame Julia and Ms Okezie with that organisation, we should write to DCMS advising his appointment and confirming that there was no actual or potential conflict of interest, but that there were personal connections between him and the three directors.

Action: Rob Bellhouse

Mr Cleal confirmed that he was seeking a second external member for the ARC. At Dame Julia's suggestion, Mr Cleal would contact Sacha Romanovitch to seek the names of potential candidates.

Action: Paul Cleal

- 2.6 Audit & Risk Committee - Mr Cleal provided an update on the material items discussed at the ARC meeting on 17 January. This had been attended by Sid Sidhu of the NAO (the auditors of the new Royal Charter Body) and detailed comments had also been received from David Rossington, the DCMS Representative who serves as a member of ARC. Both had made constructive and useful contributions.

The key items discussed had been the budget and the current status of the re-commissioning process. There was also a substantive discussion of the potential application of the reserves held in the predecessor Community Interest Company. Mr Lynas agreed to liaise with the CIC Board and report back to the RCB Board at the next meeting.

Action: Michael Lynas

- 2.7 Impact & Safeguarding Committee - Mr Mayhew confirmed that this committee had met on 10 January with the relevant executives attending and had focused on the safeguarding aspect of its mandate. The committee suggested that the Trust's safeguarding policy, while comprehensive, could be strengthened by producing a shorter day-to-day document and the relevant executive, Naim Moukarzel, had undertaken to create a working document derived from the policy, which would be tabled at the May committee meeting. There had been further discussion of how the Trust monitored safeguarding issues within the LDP and RDP communities and whether there were any process improvement opportunities. The committee intended to focus on the 'impact' part of the mandate from the May meeting onwards and would prioritise three of the nine focus areas under this heading.

Mr Mayhew confirmed that there had been no Level 1 or Level 2 incidents since the Royal Charter Body became effective on 1 December 2018. To assist the board, it was agreed that a reference document would be circulated (i) summarising the definitions of these incidents and (ii) providing historic data on the numbers of cases at each level by programme year.

Action: Rob Bellhouse

- 2.8 People and Remuneration Committees - Mr Summerfield confirmed that these committees were meeting on 7 February, and outlined the issues that would be considered. He intended to seek an external member to join the committees, with his preference to find an experienced HR director with line management expertise. Mr Maltby undertook to provide Mr Summerfield with the name of a possible candidate.

Action: John Maltby

- 2.9 Critical organisational policies - the board noted that these were still making their way through the committee review processes, but that they would be presented for approval at the March board meeting.

Action: Rob Bellhouse

3. Management reporting

- 3.1 CEO's report - the board received a report from Mr Lynas.



He confirmed that the number of **summer 2019 programme participants** signed up at 24 January was 54,793. This amounted to 43% of the target number of places, only 2% behind the goal of having 45.6% signed up but some 25% ahead of the same point in the prior year. This reflected a significant increase year-on-year in the number of young people who had expressed an interest in the programme. The end-January 'checkpoint' was an important milestone as this would enable the management team to further refine the number of places booked for the summer programme.

The **re-commissioning** process continued to progress and a Sponsor Steering Group meeting had been held with DCMS within the prior week to ensure that they were fully informed. The biggest risk to implementing the new model by September was a delay in obtaining government sign-off. The executive team were working closely with DCMS colleagues to mitigate this risk.

The board felt that the forthcoming **Spending Review** was an important area of focus and recommended engagement with the Department for Education. The chairman confirmed that he and Mr Lynas had met with the DfE Secretary of State and the special advisor, to emphasise the benefits that NCS participation delivered and discuss options including term-time delivery of the social action phase. In the longer-term, the move to direct delivery would enable us to run trials to improve the programme and generate an evidence base more easily, with the north-east being our preferred region as it aligned with DfE's 'place' agenda.

The board discussed the **NCS programme more generally**, recognising the opportunity to refresh the brand as we move to a newly recommissioned network in order to better engage with the target audience. All understood that consistency in the programme experience was key, and Mr Lynas confirmed that the Trust was building a curriculum of core experiences into its standards.

- 3.2 KPIs for 2019/20 - the chairman noted that in prior years, the CIC board had been provided with a broad suite of performance measures, with some 60 or so individual metrics being provided, as a consequence of how DCMS approached their oversight of the Trust. His preference was for a smaller suite of 8-10 metrics that could be characterised as truly 'key' performance indicators and that these should be owned by the board, with DCMS invited to use the same metrics in its newly reduced role. The board strongly supported this approach.

Mr Lynas had circulated a proposal for the time periods over which measurement would occur, suitable strategically-aligned KPI metrics and suggested targets for 2019/20. The most crucial attribute of the KPI scorecard was that it should be able to deliver reliable reporting of actual performance on a real time basis, as distinct from the recent past when we were reliant on DCMS-owned data which was sometimes only available 2-3 years after each programme concluded. After extensive discussion, the following points emerged:

- Impact - this needed to include a measure of the effect that participation had on young people's lives. Ideally there would be a longitudinal study tracking the longer-term impact, but the board accepted that this could not be used as an in-year metric. Other suggestions included the number of participants seeking to join the graduate scheme, the number of 17-18 year olds volunteering in community work after participating, or a simple app-based question of "how confident do you feel talking about yourself" assessed before and after the programme. The board wished to use metrics which ultimately aligned with the goals of social cohesion, engagement and mobility.
- Other areas - Mr Lynas explained that in a number of areas we had yet to devise metrics and/or build data collection and assurance processes. The board asked that in the interim Mr Lynas include a RAG rating of the leadership team's satisfaction (or otherwise) with the status of the underlying strategic issue.



Mr Lynas thanked the board for their suggestions and would present a revised deck of proposed KPI metrics and targets at the March meeting.

Action: Michael Lynas

- 3.3 National Youth Board - at the chairman's request, Mr Jackman gave an overview of the matters discussed at the recent NYB meeting. All of the young people involved had contributed and expressed a strong desire to get involved in society and ensure that their voices were heard. He intended to find ways of creating a space and means to engage with the NYB members so that he could relay their views to the board, which was welcomed.
- 3.4 People metrics - the monthly report for December 2018 was noted by the board.
- 3.5 Management accounts - the accounts for the month of, and nine months to, December 2018 were reviewed and noted by the board.
- 3.6 Budget for 2019/20 - David McLauchlan joined the meeting for this item of business. Mr Lynas noted that the budget had previously been reviewed by the ARC and he thanked Mr Cleal and Mr Maltby for the significant time they had devoted to the review process since the ARC meeting. The proposed budget tabled at this meeting anticipated keeping the absolute cost base (programme costs and Trust overheads) flat in real terms, while delivering a target 2% uplift in programme participation, such that the unit cost of each programme participant fell year on year.

The budget included funding the short-term costs of the recommissioning process and the costs of employing staff in readiness for the move to further direct delivery, from September onwards. As the outcome of recommissioning was unknown at this stage, there was considerable uncertainty within the budget and it was intended to ask DCMS to hold contingency funding in addition to the funding 'ask' contained within the budget.

Mr Lynas noted that at the target level of participation we anticipated receiving around £3.6 million of parental contributions (earned income). It was proposed to apply the whole of this money to the 2019 programme and so to ask DCMS to provide the balance of the required finance of £177.3 million (ex-depreciation).

Mr Cleal and Mr Maltby confirmed that the budget had their support.

After further discussion, the board approved:

- (i) the use of the £3.6 million expected to be received from programme participants to fund the 2019 programme; and
- (ii) the budget as tabled.

It was noted that the budget would now be presented to DCMS for final approval, who would be advised that it had already been approved by the board.

4. Strategy development

The chairman advised that McKinsey had offered to support the development of a 5-10 year vision for the development of NCS Trust on a pro bono basis. This work would be the focal point of the board's June strategy meeting and then developed further through the remainder of the year. An outline of their involvement and the key milestones was provided to the board. McKinsey wished to meet a wide range of stakeholders and it was agreed that each director should have the opportunity to meet their team.

Action: Michael Lynas

Dame Julia counselled that McKinsey should take a very wide view of who should properly be considered a 'stakeholder' and that it was important to hear critical voices when formulating



the vision and strategy, a view which Mr Lynas supported and endorsed.

Lord McNicol left the meeting at this point.

5. **Board portal**

Mr Woods joined the meeting for this item of business. He and Mr Bellhouse outlined the potential benefits of using a board portal to distribute papers for board and committee meetings and to hold a reference library of other materials. The portal would also facilitate secure communications between directors. There were a number of other advantages to the Trust in relation to information security, data protection and other legal risks if we adopted a portal.

The board confirmed its willingness to move to the use of a portal, subject to an appropriate justification for the cost being advanced. Mr Bellhouse would lead the procurement process, with Ms Drummond and Mr Mayhew offering to be part of the end-user evaluation. Mr Bellhouse was also encouraged to find out what portal, if any, DCMS and their other significant arm's length bodies used.

Action: Rob Bellhouse

6. **Management Agreement**

The board noted the current status of negotiations with DCMS in relation to the management agreement that would take effect from 1 April 2019. The importance of this document in defining the respective roles and responsibilities of the board and DCMS had been highlighted in the induction session.

7. **Strategic pillar deep dive - "Programme Quality"**

Mr Kerslake, Mr Moukarzel joined the meeting, together with five members of the National Youth Board - Mr Callaghan, Ms Lewis, Ms Parker, Mr Ogbaro and Mr Ward.

The meeting adjourned to enable the directors to spend time informally with the NYB members in small focus groups discussing which aspects of the current programme were relative strengths/weaknesses and what changes could be made that would give the programme the greatest chance of achieving the overall goals. A wide range of further topics cropped up in the course of those discussions.

The meeting reconvened and Mr Moukarzel outlined the work done in 2018, which focussed on safeguarding, the programme curriculum (and in particular what young people need/want), inclusion (removing barriers to participation) and supporting our delivery partners in recruiting, training and supporting a seasonal workforce of around 10,000 people. The current work on programme quality was aimed at generating greater consistency and creating the optimum balance between a national standard curriculum and enabling the delivery partners to exploit perhaps unique opportunities that might be available locally.

He then outlined the challenges from the historic approach to research and evaluation. A rich evidence base was available to us, variously gathered by DCMS, the Trust or by academics. However, much of the DCMS data was generally only available some time after the conclusion of a programme and tended to be gathered from young people only, unlike the Trust-led surveys which obtained views from a broader range of stakeholders. Finally, most of the studies looked at the short-term impacts of programme participation, whereas the challenge posed by the Public Accounts Committee was to assess and measure the longer-term impact. A longitudinal study had been priced at £1 million per annum over the 5 year term and DCMS had declined to fund this. There was an alternative approach of looking at wider educational



and employment impacts: while data was held in government that could support this approach, it was not available to DCMS or the Trust for data privacy reasons.

Mr Moukarzel outlined the current drivers of programme innovation, which were (i) to improve consistency of programme quality and reduce local variability, (ii) to explore alternatives to Outward Bound in the 'Adventure' phase to broaden the appeal of NCS and (iii) to create a range of options for DCMS, who were looking to reduce the unit cost per participant. On (ii), a market segmentation project had been conducted that had identified five broad groupings and work was underway to apply these to possible future programme variations.

In relation to research and evaluation (R&E), the key requirement at this stage was for 'in-flight' real time data that could be applied in year to help drive programme quality and therefore impact. Mr Moukarzel invited comments from the board on the question of how best to approach our R&E strategy and on the related question of where we should focus plans for programme innovation.

A lengthy discussion followed, with the key points arising being:

Communication

- The data suggested that NCS is not sufficiently well-known to young people or their parents/guardians and their schools, and there may be a need for a public 'face' of the programme. Mr Lynas believed that we needed to do more to communicate the impact of NCS to all these audiences in ways that appealed to them, but significant change was underway.
- There was a further challenge in building policy makers' awareness, due to the disparate nature of this audience and the nature of interaction with government departments.
- The board encouraged the use of social media, not just more traditional forms of advertising.
- The board also encouraged marketing messages that focussed on the outcomes of the programme (why), rather than the programme content (what). Mr Jackman tended to focus on how NCS would help create distinctiveness in the young people's CVs and give them relevant skills when they were moving into higher education or entering the workforce. Another suggestion was to obtain endorsements from universities, who may see NCS as a source of the meta-skills that they were looking for in prospective undergraduates.
- Overall, management was encouraged to focus on what the young people could get out of NCS participation, with an evidence base to support this, but Ms Lewis cautioned against the overuse of data - young people were bombarded by statistics every day and an appeal to the heart would be more powerful. It was also essential that we exploit the full opportunities of advertising on social media. One further idea was to develop an app that could provide us with a source of feedback and personal stories from young people as they took part in the programme, that could help inform both decision-making and marketing.

Research and evaluation

- The board cautioned against excess reliance on commissioned academic research, as the messages this delivered risked being tainted by the fact that it was paid-for evidence.
- The board noted that the historic datasets were assembled by programme year and did not allow us to look at geographic variability, which is a key challenge.

Programme innovation

- A number of the directors felt strongly that moving the programme to the summer at the end of Year 10 (from Year 11) would be advantageous. Schools were far more likely to support NCS and devote time to promoting participation in Y10, whereas their main focus



in Y11 was in preparing the young people for their GCSE exams. The schools would be further incentivised if a Y10 summer programme had a demonstrable positive effect on academic outcomes at the end of Y11. Finally, good peer group anecdotal evidence could also encourage any stragglers to participate at the end of Y11 - at present a number of young people change school between Y11/Y12 and we lose the benefit of the original marketing if the young person has transferred to a sixth form college. The NYB members strongly supported all of these points.

- The NYB members and several directors felt that participating in NCS at the end of Year 9 was not appropriate, as the potential participants were simply too young. There were also additional safeguarding challenges and switching to Y9 might require an amendment of the Royal Charter.
- The four week duration of the standard summer programme (followed by 74% of participants) was also a potential issue, and the 'Action' phase was often rated as the weakest part of the programme. There were attractions in moving to a three week model, which could also help to boost participation. It might also be possible to use the LDPs to act as social action co-ordinators throughout the following year, to enable the young people to continue to participate in social engagement.
- An option suggested by the NYB was to run a one week 'taster' in a half term holiday, ahead of a full programme in the summer.
- The board felt that it was crucial not to lose sight of what 'made NCS NCS'. Boosting participation numbers was helpful, but not if the underlying objectives of social cohesion, engagement and mobility were diluted. The key outcome must always be the impact of NCS on young people's lives.

Mr Lynas and Mr Moukarzel thanked the board for their insights and would reflect further on the points made.

8. Private session

The non-executive directors met in private session, with Michael Davie QC, Mr Enstone and Mr Bellhouse in attendance, to discuss a matter previously considered in detail by the People Committee. This related to a whistleblowing event and a separate expression of concern, which the committee decided to treat as potentially related. Given the serious nature of the allegations and concerns raised, Michael Davie QC was retained to conduct a formal independent investigation. He presented the conclusions from his investigation of the various allegations and concerns raised and was satisfied that none of the allegations were substantiated. He did not find that there had been any improper conduct by the executive against whom the allegations were made or by NCS Trust itself and did not find substance in the allegations made or concerns raised..

The board thanked Michael Davie QC for the careful consideration of evidence, time taken to interview multiple individuals and the resulting thorough nature of his report. They were satisfied to conclude that the executive against whom the allegations were made and NCS Trust had acted with complete propriety and that the allegations were completely unfounded. On this basis, they agreed to close the investigations and share the results with the whistleblower.

The meeting closed at 9:40 pm.

These minutes were approved as a correct and complete record of the proceedings by the board at its meeting on 28 March 2019 and signed by the chairman as authentication.

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Chairman



NATIONAL CITIZEN SERVICE TRUST

Board meeting 28 January 2019 - Action schedule

| Min | Action | By whom? | By when? |
|-----|--|---------------|----------------|
| 1 | Arrange a repeat induction session as needed | Rob Bellhouse | No date set |
| 2.5 | Advise DCMS of Darren Xiberras' appointment to the ARC, and of his personal connections to three directors | Rob Bellhouse | ASAP [Done] |
| 2.5 | Seek names of potential ARC external members | Paul Cleal | No date set |
| 2.6 | Proposal for the board to consider for the use of the CIC reserves | Michael Lynas | No date set |
| 2.7 | Circulate a summary of Level 1/2 incident definitions and historic data by programme year | Rob Bellhouse | ASAP |
| 2.8 | Provide details of a potential People Committee member to Ashley Summerfield | John Maltby | No date set |
| 2.9 | Table critical organisational policies for final approval | Rob Bellhouse | March meeting |
| 3.2 | Present proposed 2019/20 KPIs for final approval | Michael Lynas | March meeting |
| 4 | Arrange an opportunity for McKinsey to meet each director 1:1 | Michael Lynas | ASAP |
| 5 | Find out what board portal (if any) is used by DCMS and other significant ALBs | Rob Bellhouse | ASAP [Done] |