

- 1.5 Mr Wigdortz will contact Ms Okezie following further advice from DCMS on managing any perceived conflict of interest and will provide an update at the March Board meeting..
- 1.6 Mr Summerfield questioned whether a person specification would be required. Mr Wigdortz agreed this would be helpful and was meeting with the Director General of DCMS and would follow-up.
- 1.7 Mr Lynas offered support from the organisation for determining the job specification as well.
- 1.8 Lord McNicol and Mr Cleal declared that they were both now being paid to act as members of the CEO transition team for up to 2 days a week with clear deliverables agreed.

2. The Challenge- Board overview

- 2.1 Mr Earle joined the meeting.
Under legal/litigation privilege the board discussed with Messrs Cleal, Enstone and Earle the latest update on the legal case launched against the Trust by The Challenge and reconfirmed the objectives of seeing that the NCS providers not suffer financial or other harm and that the matter be settled if an acceptable basis for doing so could be achieved.
- 2.2 Mr Earle left the meeting.

3.. Management Reporting

- 3.1 Overview: Mr Lynas detailed that the management update today would largely cover Recruitment and Finance. Mr Lynas updated the board on the recent momentum in the Innovation programme, where the aim is to improve the future design of the programme and to prepare for the future recruitment. Focus for the programme is on NCS Creates (an arts based version), the partnership with the Scouts, school-based focus for embedding the programme and finally the condensed residential model. These innovations will be tested to support future decision making.
- 3.2 Mr Lynas thanked Dame Julia for her support with the EFL and associated meetings.
- 3.3 Mr Lynas updated that the work continues on the advanced analytics including forecasting of a) propensity to turn up, b) programme NPS and drivers and c) real time NPS.
- 3.4 Finally, Mr Lynas updated the board that the Training Academy with the National Youth Agency was currently being delivered as part of the first centralised training to be provided.
- 3.5 Recruitment: Ms Jordan Keane presented to the Board beginning with an outline of the structure for the function, and handed to Mr Brown to present the overview. Mr Brown explained to the Board following NCS 2.0 that the sales function had changed to include Heads of Sales, and detailed the purpose of those roles as well as the individuals involved with their sales experience.
- 3.6 Mr Brown detailed the recruitment journey, its average cycle time (just over 6 months) and complexity. Mr Brown felt that the cycle time was an area for focus. Mr Brown explained the various points in the journey between payment and turning up on the programme and the attrition that occurred and the key moments on the journey.
- 3.7 Mr Brown detailed the recruitment funnel and attrition (vs Budget/Plan). Lord McNicol commented on the drop-off from the top of the funnel and this was a dramatic reduction from c300k to c100k that turn up. Mr Livingstone questioned the process and the rationale for dropoff post payment and full signoff and the delay between elements would impact the delivery. Mr Brown explained this was due to the complex medical form that needed to be completed as it required parents and also effort but agreed that it could be

improved. Ms Jordan Keane then detailed that English competency issues may also be causing drop off.

- 3.8 Mr Summerfield questioned whether where we are as of today, if NCS are two thirds as good as where we were last year, what's to stop NCS being two thirds towards number of places for turn-ups. Dame Julia relayed to the Board that her visit to Blackpool had led her to believe that the issue was with schools receiving presentations. Mr Lynas reminded the board that the timing of assemblies in 2019 was earlier than has taken place in 2020 and that there is a chance to deliver the schools before Easter. Lord McNicol asked what the plan is to get into the schools needed to meet the number and what support Mr Brown needed to get this plan in place. Mr Summerfield agreed and commented that the funnel was complicated and the sales journey had key moments that needed to be worked on but these were longer term and the schools were the immediate concern. Dame Julia then provided further Blackpool information that the yield was high and questioned what responsibility was being put on the school coordinators to ensure the quality was achieved.
- 3.9 Dame Sally questioned how school coordinators were paid. Mr Brown advised that these roles were started recently, and up to 400 would be recruited and paid £800 in two tranches in 2020 and will be used more to support the recruitment.
- 3.10 Mr Brown detailed his concerns about being behind on the recruitment figures, he saw some of the top performing regions closer to targets, but with no regions achieving the target for percentage accessed or booked. Mr Brown explained the actions underway by the school engagement team to prepare school conversations. Challenge remains that staffing for recruitment remains behind target in some partners. Mr Brown detailed mitigations underway to provide further confidence and what the focus was to ensure that tight management was undertaken.
- 3.11 Mr Summerfield questioned whether the most was being done to use the digital channel and new brand, and whether the young people were advocating the programme. Ms Jordan Keane responded that the online signups from media activity had increased from last year at 44000 to 53000 (with 57000 likely to be the end figure). Ms Jordan Keane stated that each £500k spent on media sourced 5200 places. Mr Summerfield reiterated his question was about using past attendees and their digital channels.
- 3.12 ***Action: Understand the potential usage of past programme attendees and their advocacy to support a 'friend get friend' campaign***
- 3.13 Mr Wigdortz questioned the figure on media spend to drive the numbers of recruitment and the spend that Ms Jordan Keane had detailed as a potential way to do this as he hadn't heard that figure previously. Ms Jordan Keane explained this was something the agencies were looking into in terms of what was on offer.
- 3.14 Lord McNicol commented that before £1m was spent on advertising, the focus needed to be on the school participation due to the high yield and again asked what help Mr Brown needed to get to the numbers required.
- 3.15 Mr Brown emphasised the focus on and dependency on partners and working together with Operations in addition to other activities underway.
- 3.16 Mr Summerfield questioned whether the £1m could be used to get people to sell the programme (as opposed to media).
- 3.17 Dame Sally commented that the NCS Twitter account didn't seem to be used to sell the programme through videos and other media, and the ability to have people in the community to sell would also work.
- 3.18 Dame Julia advocated for a focus on underperforming areas and a focus on using good performers to help the less good performers and the expertise of the Board and their connections and expertise.

- 3.19 Mr Mayhew commented that the return on media spend could drop off and not always have the same yield. Mr Mayhew questioned whether a cheaper campaign to incentivise grads within a school to run their own assemblies instead of using an outsider.
- 3.20 Mr Maltby commented that this was a serious situation but that he was encouraged by the thought process and ideas separate from a sole focus on regional partners.
- 3.21 Lord McNicol commented that the slides should be sent in advance of future meetings (with the numbers updated). Lord McNicol pointed out that there were some simple actions undertaken to date but the more coordinated plans that allow the organisation to meet the targets were not in place. There were ideas being discussed but not plans to deliver. There were actions around attrition and quality but the focus had to be on effective delivery into the schools.
- 3.17 **Action: That a list of areas for help/focus is sent to the Board and Patrons to utilise their skills and contacts**
- 3.18 **Action: That Lord McNicol provide a fortnightly update to the board on progress against recruitment targets**
- 3.19 Management Accounts: Mr Wigdortz thanked the membership of the ARC committee, in particular Mr Bowers for their strong oversight of the Budget and Annual Report. Mr Cleal thanked Mr Bowers and commented on the strong support from DCMS and NAO and other members of ARC.
- 3.20 Mr Bowers presented the management accounts and detailed the vacancies remained above plan but that most of these roles were not 'front-line'. Mr Bowers reminded the board that there were no front line vacancies (some roles filled with interim) but that there were no major holes in staffing to support the sales efforts.
- 4. 2020 Budget**
- 4.1 Mr Bowers updated the board that the budget had been approved by the Audit and Risk Committee on 9 January. DCMS had indicated an appetite for further savings out of the central costs but that this was under discussion. The approach for this budget had been conducted in a more collaborative way with a top down view from the funding envelope combined with a bottom up directorate by directorate approach.
- 4.2 Mr Bowers detailed the changes to the operating model with like for like comparisons made difficult, therefore the overall unit cost number became the focus. This unit cost is budgeted to be £1,626 (a 7% reduction in real terms, and under the full business case target) thanks to lower provider costs and central costs. Mr Wigdortz questioned where any money settled with The Challenge would show. Mr Bowers commented that it depended on the year and that it may be mentioned as a one off.
- 4.3 Mr Bowers presented the £2m budgetary reduction from a central review of costs due to £1m in reduced headcount (largely from central teams), a c£460k reduction in reduced professional fees (mostly from procurement support, legal and IS) and c£400k reduction in contact centre costs and C£140 reduction in Property. Mr Wigdortz requested an update on the Property work and the potential for a Board sub-committee to be established following the March Board
Action: A property update will be included in the March Board and provide appropriate Board governance for the London property decision.
- 4.4 Mr Bowers detailed the key risks to the budget as outlined in the presentation. Mr Lynas detailed an additional risk that the change in Secretary of State might cause a delay to the signing off of the budget, and there may be a further pressure to find cost savings which may impact the delivery of the programme and recommended Board active advocacy to defend these risks. Mr Wigdortz will raise this point with the Director General in his next meeting

4.5 Mr Summerfield questioned the impact of a participation rate of 75000 young people on the unit cost. Mr Bowers detailed this may push it to around £1800 after action to reduce central costs accordingly. Mr Maltby updated the board that he was very supportive of the Budget process and outcome, Mr Cleal concurred.

4.5 The Board approved the 2020 Budget and thanked Mr Bowers and the finance team for their work to date.

5. Annual Report

5.1 Mr Cleal requested that Mr Bowers ensure in the final version that the feedback from Audit & Risk Committee was incorporated into the report.

5.2 Mr Bowers outlined the accounting policies and use of estimates and judgement in the report. Mr Bowers detailed the process remaining to finalise the report and detailed the reasons for the lengthy time taken to produce the report, including the change from CIC to RCB and the NAO's role in providing the audit opinion. Mr Wigdortz requested for any comments to be provided to Mr Devlin for inclusion in the final report.

5.3 The Board agreed that a final version of the 2018/19 Annual Report would be sent to Mr Cleal and Mr Wigdortz for their final review and then circulated to the Board members for their approval by email. The Board thanked Mr Cleal for his stewardship with the NAO.

6 Lessons Learned - NCS 2.0

6.1 Mr Wigdortz thanked Ms Tierney and Mr Lyons for their work on the recommissioning project to date that had transformed the procurement landscape for NCS Trust.

6.2 Mr Lynas outlined the rationale for the recommissioning work of NCS 2.0 to the Board, that would ensure an increase in quality of service provision, a reduction in inefficiency, inconsistent experience and unit cost and the removal of any monopolies in regions.

6.3 Ms Tierney outlined key lessons learned: the first being that clear objectives were useful, but without priority or hierarchy would have supported better delivery. The second was that improved planning and respect of critical milestones early on would have prevented crush in later delivery. The third lesson concerned better and earlier DCMS engagement and could have ensured no loss of trust and confidence with the department and a reduction in hurdles set for the project. The full business case was over 500 pages as a result and was seen to be inordinately long and may have been less strenuous if better relationships existed. Mr Lyons detailed the fifth lesson which were in terms of the costs and impact of the programme as delivered, and the external and internal mix of spend and ensuring that future commissioning spend would be smaller and able to be completed internally.

6.4 Mr Wigdortz commented on the operational lessons detailed as being useful for Mark as new CEO but that from a Board perspective this recommissioning project had been successful, poised for growth and control and that a bold choice had been made and will deliver a lot of value for the future. Dame Julia reiterated that this was very true and that the move to be closer to the community was also directionally correct including the increase in direct control.

The Board thanked the recommissioning team for their work, and Mr Wigdortz thanked the previous CIC board for their foresight, in particular current members Dame Julia and Mr Maltby.

7. CEO Transition

7.1 Mr Wigdortz thanked Mr Lynas for all of his efforts and focus during his tenure with NCS and reflected on the work done to build NCS from an idea to the organisation that it is, remains a lifetime achievement. Mr Lynas thanked Mr Summerfield and the wider CEO selection panel for their work to identify and recruit Mr Gifford as his replacement. Mr Lynas thanked the Board for their efforts and support.

8. Governance

- 8.1 Minutes from board meetings on 11th December 2019 and 20th December 2019 were approved.
- 8.2 The action log from 11th December was reviewed and all actions were complete except for 1 that is carried over.
- 8.3 A report was received from Mr Jackman due to his last minute apology and Mr Devlin was asked to circulate the report to Board members.
Action: The National Youth Board update from Mr Jackman be emailed to the wider Board
- 8.4 The Board noted and approved Mr Livingstone will join the Impact & Safeguarding committee effective immediately.

9. AOB

- 9.1 Mr Wigdortz updated the Board that he had been approached by an official for a member of the royal family and there may be interest from their office for their involvement with NCS.
Action: Mr Lynas, Mr Wigdortz and Dame Julia to meet and determine the NCS response to the potential of a royal patron
- 9.2 Mr Wigdortz updated the Board on the proposal to second a member of staff from DCMS, Georgia Hutchinson, into NCS for a few months to perform a part time role supporting the relationship with DCMS and the wider government . The Board approved the appointment.

The meeting closed at 6:10 pm.

These minutes were approved as a correct and complete record of the proceedings by the board at its meeting on 18 March 2020 and signed by the chairman as authentication.



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Chairman