

## CEO REPORT – SEPTEMBER/OCTOBER

### Summary

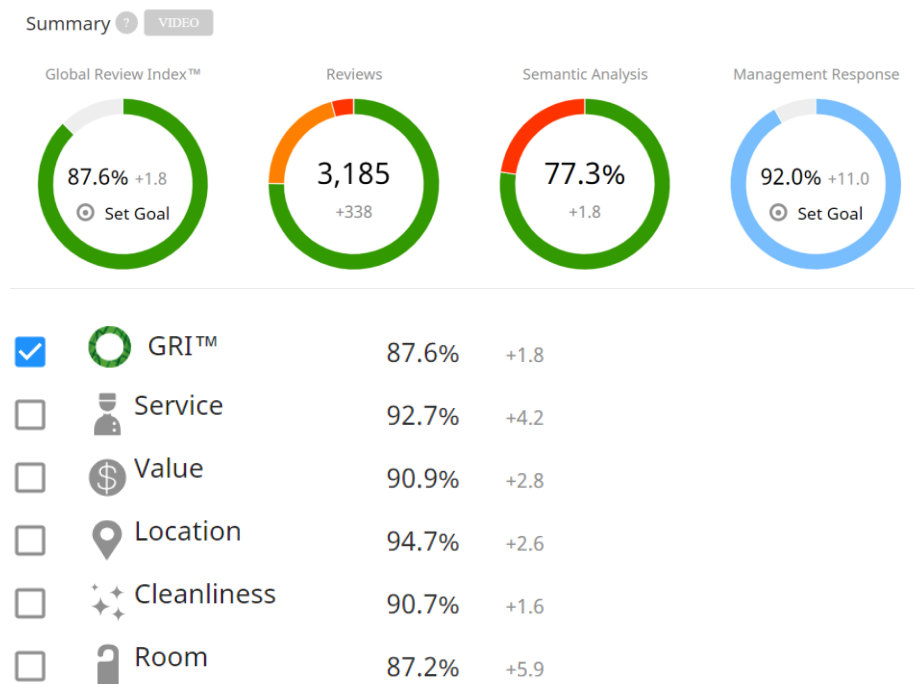
1. Overall, a positive last month, with improving trading volumes; the submission of our bid to Government (DEFRA); encouraging headline results from the employee survey; a successful Hostelling International conference and further development of our work on purpose messaging, profile and partnerships.

### Trading, financial and operating performance

2. After a more mixed August and September, October trading has shown a continued pick up – volumes added in month are just shy of 5.0% up on last year and we should now finish ahead of both last year and budget volumes for the month.
3. However this has been at the expense of a softer yield, meaning we expect to finish a little behind our stretch budget for the month.
4. Total orders added for this financial year in the three weeks since the Board meeting have been 6.2% above last year's levels. With November, December and January now all up on volume compared to this point last year, the prospect of a stronger end to the year is increasing.

### Guest satisfaction

5. ReviewPro guest satisfaction scores (based on comments and feedback from those booking via OTA channels) continue to perform ahead of last year in all categories with room and service particularly strong.



6. TLF satisfaction scores (based on surveys to those booking via YHA) have been more promising than recent months. Meal satisfaction has again improved and

value for money is back up to 91%, which may reflect recent pricing decisions and a softer yield position.

Overall satisfaction Guests	Previous month	Previous year	YTD
91.2	90.7	91.4	91
Cleanliness satisfaction Guests	Previous month	Previous year	YTD
91.2	90.3	91.5	91
S&T Cleanliness satisfaction Guests	Previous month	Previous year	YTD
90.8	89.6	91.2	90.4
Meals Guests	Previous month	Previous year	YTD
85	84.5	83.1	84.4

Value for Money Guests	Previous month	Previous year	YTD
91.6	89.8	91.7	90.4
Customer Service Guests	Previous month	Previous year	YTD
95	94.8	95.2	94.8
NPS Guests	Previous month	Previous year	YTD
69.5	68.6	73.2	69.7
Problem Handling Guests	Previous month	Previous year	YTD
74.2	69.3	69.2	69.9

7. A programme of improvements is underway to enhance both the customer experience and internal analysis of the feedback we get from our guests, and enable us to be far more responsive to customer feedback:
- Following on from the re-focussing of the survey questions, October saw the introduction of a daily rather than weekly send of the guest satisfaction email, triggered by the guest checking out of their hostel.
  - Additionally, the survey is now also sent to camping & cabin guests and non-education groups, adding to the existing segments of F&I hostel guests and educational groups.
  - In November, YHA's guests in the Enterprise network will also be included in the survey.
  - And new webtools will be launched that will provide both hostel staff and our data analysts with significantly greater capabilities to delve in to the nuances of the data, with visibility of the feedback available on a weekly rather than fortnightly basis.

## Capital projects

8. The Performance and Audit Committee (PAC) met on 6<sup>th</sup> November to review progress with the **YHA London Stratford** project, where the key issue on the critical path to getting on site continues to be gaining control of the land.
9. At **YHA Llanberis** we have let the contract to refurbish the exterior of the property, replace all the windows and install new metal beds. Works will be completed by the middle of December.
10. On **YHA Oxford**, we have had a further positive meeting with Network Rail and our development partners to advance plans around the redevelopment of the western side of the tracks to incorporate a new YHA.
11. In **Wales**, we have made good progress bringing forward our proposals for **YHA Bryn Gwynant**. We had a positive meeting with Visit Wales on 28<sup>th</sup> September who have confirmed their appetite to support work with YHA on joint marketing

campaigns but also the opportunity to apply for funding support for the refurbishment of the hostel. We are progressing this application with them.

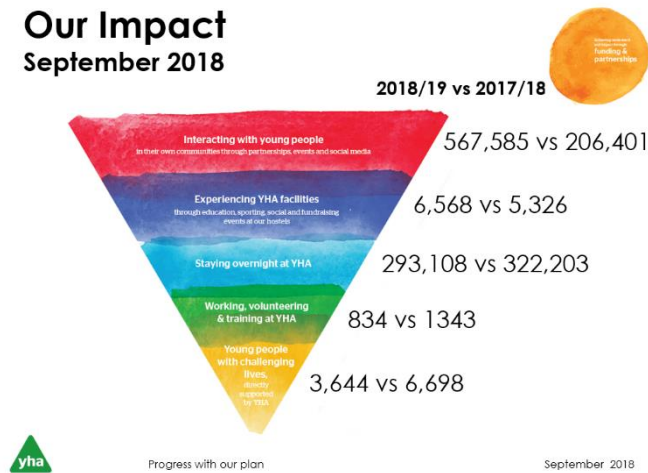
12. Separately Jake Chalmers, Property Director, and Jerry Robinson, Chief Operating Officer, met with the Head of Planning for Snowdonia National Park Authority, who helpfully clarified their emerging policy on alternative accommodation which is a key part of the investment plans at Bryn Gwynant. The YHA proposals will need to be evaluated by the planners but initial response was positive.

### Operations and people

13. Anita Kerwin-Nye, new Director of Strategy and Engagement, joined us formally on 1st November.
14. Our new Interim Head of People is now in post and working on several key areas including the salary benchmarking exercise which will report back to the November Remuneration Committee meeting.
15. On the recruitment front, the Contact Centre, which had a period of disruption during the summer, is now back up to full headcount and is seeing service levels improve. A project to review the Contact Centre focus is nearing completion and will ensure the team is progressively moving emphasis and resource towards our groups business and opportunities. For example, two of our Contact Centre Advisors are now working full time on the follow up of enquiries from school groups. Our Head of Central Sales returned from maternity leave on 5<sup>th</sup> November.
16. Elsewhere, a quieter month on recruitment has nevertheless seen a brand new appointment to the role of Products and Partnership Manager reporting to the Head of Products and Partnerships, and in the network, the new Hostel Manager at YHA St Paul's has been appointed to replace the previous Manager who was promoted to London Operations Manager. This will leave just four live Hostel Manager vacancies.
17. It is pleasing to report that the average time to fill a vacancy has fallen to 24 days which reflects the hard work of our Recruitment team.
18. In our continued commitment to the Volunteer Managers who have delivered over 600 weeks of hostel management in 2018 so far, Jerry and the team had a good turnout (full house...!) for the Volunteer Manager meeting on Saturday 6<sup>th</sup> October. The constructive feedback was excellent and a second meeting was held at YHA Manchester on 24<sup>th</sup> October. The purpose of the meetings is to review the year and consider actions to enhance the volunteer experience.
19. We continue to recruit for a Volunteer Development Manager to replace the gap left by the departure of our Head of Volunteering in August.

## Reach and impact

20. The latest 'year to date' slide on our impact is below.



21. As previously reported, we continue to track significantly ahead of last year (up 175% on September 2017) on 'Interacting with young people' due to the change to monthly reporting of social media engagement, which previously was only reported at the end of the year.

22. And, again as previously reported, due to the changes to the Breaks programmes application process, we continue to track lower than at the same point last year for 'Young people with challenging lives' – at 3,644 compared to 6,698 people supported over the same period in 2017.

23. We are 9% lower than last year for 'Staying overnight at YHA'. To some extent this reflects our overall trading position but we still have a deficit from Enterprise hostels to be added.

24. The numbers of young people 'Experiencing YHA facilities' continue to track well above last year – currently up 23% on last year. YHA the Sill contributed significant numbers to this month's reporting. 850 young people visited and experienced the hostel and its surroundings, as part of the Carlisle Freshers Fair.

25. The overall number of young people 'Working, volunteering & training at YHA' is currently tracking below the same point last year; however, within this figure, the number of U26s volunteering is considerably higher – 465 compared to 185.

## Events, stakeholders and partnerships meetings

26. Since the last Board report, we have had another busy month of senior stakeholder meetings, conferences and events.

27. A key focus has been on building YHA's profile within the youth sector. To that end I have had meetings with the CEO of Young Minds, the CEO of the Council

for Learning Outside the Classroom, the CEO of Leap (Confronting Conflict), and the new CEO of Action for Children. All have commented positively on YHA's new charitable focus and the opportunities to work in partnership, whether on referrals (for example Leap and Action for Children work with cohorts of young people who we are targeting for our Breaks programmes) or to develop joint programmes.

28. With her Outdoor Council hat on, Anita ran an Outdoor Citizens event for schools at YHA Lee Valley, at which I also spoke, aimed at sharing best practice on Outdoor Learning. As well as schools, the event was attended by senior figures in the Outdoor Education sector, as well as the civil servants who have led on the development of the DEFRA Invitation to Tender (see below).
29. We also hosted a lunchtime meeting at YHA Edale for Julian Glover and his Landscapes Review panel as part of their Peak District visit, which William Howarth, Chief Finance Officer, Anthea Page, our Head of Planning, and the Hostel Manager at Edale, ran between them. William also attended the National Forest parliamentary reception, at which he caught up with John Mann MP amongst others.
30. Peter Gaines, Chair, and I attended the HI Conference in Reykjavik. Overall, the conference exceeded our expectations, and we were successful in achieving the aims we had set, including supporting the development of a forward looking, financially sustainable future strategy for HI. Alan Bourne, ex YHA Treasurer, has been elected to the HI Board as Treasurer along with a new Chair, Rob McGuirk (Chair of YHA Australia). We have been invited to present at the next meeting of the HI Board, being held in the UK, on 14th December.
31. At the end of September/early October, our Corporate Affairs Manager went to both the Labour and Conservative Party conferences on behalf of YHA. He met with several of our APPG officers and MPs that we are targeting to get involved with our work. Five MPs indicated that they would like to visit their constituency hostels. The CEO team is working on the logistics.
32. He reported that both conferences were dominated by the continuing Brexit negotiations and internal splits and manoeuvring. As Brexit moves closer, we will be monitoring developing legislation. It currently forms part of our Risk Management Group assessments too. Our latest assessment of Brexit risks, including the possibility of 'no deal', went to PAC in November and will go to the Board in December.
33. In terms of domestic issues that YHA will monitor as a result of conference policy development, the Labour Party's 'Leading Richer Lives' policy includes fairer transport, a promotion of equality of culture and better inclusion in sport and recreation. They also talked about how a renewed pupil premium bursary should be used to give better access to deprived young people and communities to services and allow them to get a broader experience of the world. They are also proposing to scrap academies and take all schools back under Local Authority control.

34. The Conservatives announced that austerity was over – indicating there would be an increase in spending for the NHS, including more money for providers of support for young people's mental health. This has subsequently been reflected to some extent in the Budget. The Prime Minister also touched upon the need to protect the environment and promote opportunities for young people in rural areas as part of the new thinking in DEFRA - something that we are already hooking onto, not least with our DEFRA funding bid.
35. Additional upcoming events of Board relevance/interest are listed in the table below which has been updated since the last report.

<b>Date</b>	<b>Event</b>	<b>Attending</b>
14 December 2018	HI Board meeting – presentation and dinner – Welwyn Garden City	Peter and James
Early 2019 – date TBC	YHA Bath re-opening event, on completion of annex	All Board members welcome
5 <sup>th</sup> – 6 <sup>th</sup> February 2019	Supporter VIP event – YHA Stratford upon Avon	Board members welcome
4 <sup>th</sup> – 5 <sup>th</sup> March 2019	Supporter VIP event – YHA Conwy	Board members welcome
11 <sup>th</sup> – 12 <sup>th</sup> April 2019	Supporter VIP event – YHA Brighton	Board members welcome
20 <sup>th</sup> – 21 <sup>st</sup> May 2019	Supporter VIP event – YHA Grinton Lodge	Board members welcome

### External communications

36. The latest edition of The Wanderer was issued on 17<sup>th</sup> October. This edition features Countryfile's favourite British youth hostels, volunteer hostel managing, a special autumn guide, and a request for votes for Mick Blamires at YHA Eskdale for his 'Outstanding Contribution to Learning Outside the Classroom', and for YHA in the British Youth Travel Awards.
37. October's #LiveMore magazine was issued on 26<sup>th</sup> October, another great showcase of YHA, including a Q&A with me after finishing my visits to all hostels in the network, another with Ellie Simmonds, Prince Charles at the Sill, our Creative Academy, Exclusive Hire, our Working Holiday volunteering opportunities, nine city break destinations and five days out in Snowdonia. It was emailed to 106,180 contacts, and has so far delivered an open rate of 25.8% and an assisted conversion value (directly attributable bookings – and excluding any from Exclusive Hire or those generated by the print copies) of over £18k. You can take a look here to see for yourself:- <https://livemore.yha.org.uk/issue-13>.
38. The marketing team's main focus over the last month has been on our purpose campaign, the culmination of six months' planning of a fully integrated campaign.

The idea of this in a sentence is: *to show how important travel and adventure is, we're taking it away from someone who depends on it ... and giving it to children who've been missing out.* The campaign itself launched on 7<sup>th</sup> November and you can watch the powerful film here: [www.yha.org.uk/adventureeffect](http://www.yha.org.uk/adventureeffect) - please share it on social media if you can.

### Internal communications

39. Our annual Employee Engagement Survey closed at the beginning of October. This year we have run two surveys, one directly from Investors in People (IIP) as part of our IIP reassessment programme, and the other directly from YHA enabling free text commentary to ensure that we are able to continue to compare results year on year. In line with our annual plan, Jerry will be bringing the full outcomes and actions to the February Board meeting. Analysis is in progress although I am pleased to say the headline is that our overall employee engagement improved year on year from 67% to 70%, which is a good outcome following a period of significant change for YHA, and credit to all our managers for positively working together to establish the new directorate structures.
40. Wednesday 10<sup>th</sup> October was World Mental Health Day which we championed internally with a 'YHA 5 Ways to Wellbeing' challenge around activities linked to taking notice, connecting, being active, learning and giving, for teams or individuals to take part in and share. For example, taking notice is about making time to appreciate the world around us, the present moment and our own feelings and thoughts, and the challenges set were to try out an unusual lunch spot, be aware of the change in season by photographing five things that show it's autumn, and to share something that was done during the day which made you feel positive about yourself. It is clear that our focus on mental wellbeing is being received very positively by our staff.

### Communities/Fundraising

41. We have submitted our consortium bid to DEFRA for funding for a major 'Nature Schools' initiative. We expect to find out whether we have been shortlisted on 26<sup>th</sup> November. The process has been hugely helpful in building internal and external capacity and relationships in relation to grant bids and programme development, which will stand us in good stead for the future. It has also firmly re-established YHA's credentials as a leading body in the outdoor learning space.
42. No fundraising complaints have been received so far this financial year.

### And finally

43. After completing my round of hostel visits over the summer, my focus over the last few weeks has been on partnership development. However, my wife and I did celebrate our 20<sup>th</sup> wedding anniversary by spending three days walking the Cleveland Way, staying in our hostels in Whitby, Boggle Hole and Scarborough en route.