



# Chief Executive's Briefing

May 2019

## Summary

1. Another positive month, with trading ahead of budget, and good progress across the organisation, including some successful high-profile events and meetings with Ministers and other key partners.

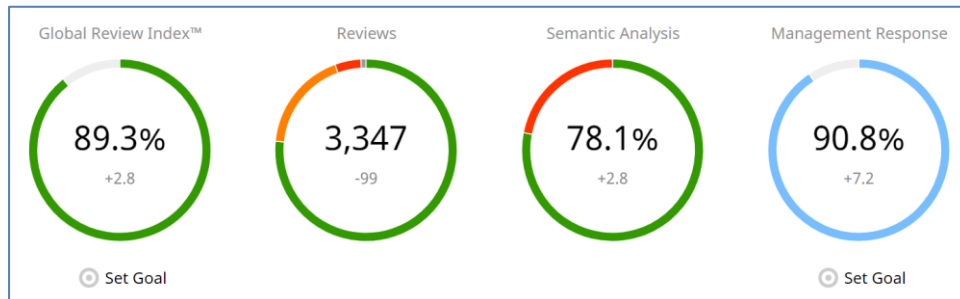
## Trading, financial and operating performance

2. An encouraging start to the year with revenues ahead of budget and last year and cost lines overall where we would expect them to be.
3. Trading in May has been strong compared to last year, and while volumes are a little lower than budget, revenue is on track to budget. Encouragingly we are also seeing positive movement into July and August as families and individuals gear up to book for the summer holiday period.
4. Work on pricing is now complete to ensure availability for F&I can be seen at a minimum of 12 months rather than the 90-day rule previously in place.
5. Winter groups pricing is now established and available to educational and funded groups.
6. The Central Sales Team have achieved significant gains in centralised group debt management (invoicing) for several groups.
7. This will result in more bed availability and more groups visiting YHA.

## Guest satisfaction

8. YHA's Operational Standards and Quality Manager was invited to speak at the recent Hostelling International (HI) forum in Brussels to share our learning which we hope aids the wider international agenda to have more consistent standards worldwide, and supports customers choosing HI hostels over other brands.

9. April ReviewPro (from external review sites like TripAdvisor) guest satisfaction scores continue the trend of improvement year on year with overall scores up 2.8% and like for like improvements in all categories. Supporting this our management responses (our Hostel Teams responding to online comments) are at 90.8% - this is industry leading and is indicative of the commitment of our Hostel Managers and their people.



<input checked="" type="checkbox"/>	GRI™	89.3%	+2.8
<input type="checkbox"/>	Service	94.2%	+4.8
<input type="checkbox"/>	Location	96.2%	+4.5
<input type="checkbox"/>	Room	88.7%	+6.2
<input type="checkbox"/>	Value	93.8%	+4.9
<input type="checkbox"/>	Cleanliness	92.0%	+1.7

10. April TLF (YHA guest surveys) remained over the 91% mark and whilst flat, has shown good consistency. Notably food and beverage (F&B) continues to perform well and Value for Money (VFM) / Net Promotor Scores (NPS) have now settled back to their high levels of the 2018 / 2019 year.

11. In line with our Trading Strategy to grow groups, groups guest satisfaction is indexing ahead of all other customer types. Alternative Accommodation (AA) has shown some slightly lower VFM scores and the team are looking at how to improve in this area.

Satisfaction Index	91.2	91.9	91.5	91.4
	Current Month	Previous Month	Same Month Previous Year	Current YTD
Bedroom Cleanliness	9.21	9.27	9.23	9.23
	Current Month	Previous Month	Same Month Previous Year	Current YTD
Shower & Toilet Cleanliness	9.06	9.10	9.09	9.08
	Current Month	Previous Month	Same Month Previous Year	Current YTD
Meals	8.48	8.48	8.49	8.48
	Current Month	Previous Month	Same Month Previous Year	Current YTD

Value for Money			
9.04	9.23	9.15	9.11
<small>Current Month</small>	<small>Previous Month</small>	<small>Same Month Previous Year</small>	<small>Current YTD</small>
Helpfulness of Staff			
9.46	9.51	9.48	9.47
<small>Current Month</small>	<small>Previous Month</small>	<small>Same Month Previous Year</small>	<small>Current YTD</small>
NPS			
73.4	74.9	73.2	74.0
<small>Current Month</small>	<small>Previous Month</small>	<small>Same Month Previous Year</small>	<small>Current YTD</small>
Problem Handling			
7.12	6.87	7.32	7.04
<small>Current Month</small>	<small>Previous Month</small>	<small>Same Month Previous Year</small>	<small>Current YTD</small>

Satisfaction Index		
91.8	93.2	92.4
<small>Alternative Accommodation</small>	<small>Educational Group</small>	<small>Non-Educational Group</small>
Bedroom Cleanliness		
9.33	9.27	9.41
<small>Alternative Accommodation</small>	<small>Educational Group</small>	<small>Non-Educational Group</small>
Shower & Toilet Cleanliness		
9.05	9.24	9.22
<small>Alternative Accommodation</small>	<small>Educational Group</small>	<small>Non-Educational Group</small>
Meals		
8.47	8.90	8.60
<small>Alternative Accommodation</small>	<small>Educational Group</small>	<small>Non-Educational Group</small>

## Capital projects

- The Board have now approved in principle to proceed with the YHA Bryn Gwynant project. The wider project team met on site on 21<sup>st</sup> May to undertake final review and sign of the project scope to enable tender documents to be finalised.
- We are awaiting the determination of the planning application on the main building and coach house. No objections have been lodged and we are expecting consent to be granted by the middle of June. We continue to correspond with the senior team at the National Park to gain support to our AA plans on the site. The CEO of the Park has offered to arrange a meeting with their Director of Planning and we are taking further advice on their emerging planning guidance on what is determined to be a 'Visitor Attraction'.

## Operations & Sales

- In maintaining the commitment to financial sustainability, the Operations team are currently focusing on delivering the P&L and guest satisfaction. Food and Beverage (F&B) income and margins were in growth against budget and last year, and Alternative Accommodation (AA) continues to shine as an income stream for YHA.
- The F&B team are looking at where YHA can develop further. So far this financial year, Supper Club has provided 4,000 meals, and supports our aspirations to encourage social interaction in our hostel shared spaces. The expectation is that

YHA could significantly increase this number if more hostels pick up on best practice.

16. The current drinks contract is due to end in February 2020 and the Team will shortly commence the tender process, mindful of our need for local produce and environmental credentials.
17. There is a significant amount of local activity in hostels. For example, various events happen locally which help our hostels link in with the local community, whether that is the recent Open Day and Dog Show at YHA National Forest or music event at YHA Manorbier. This provides a good basis for our strategy aspirations, and work with the Fundraising Team on wider network wide funded initiatives.
18. Project London is now advancing to implementation stage. The feedback from our customers staying in the test rooms at YHA St Pancras has proved very positive and we are keen to push on at pace to ensure in year guest satisfaction benefit to YHA. Aspects of Project London will feature in forthcoming work at YHA Whitby and elsewhere - reflecting our position of a network of unique locations with a consistent operational journey for our customers – especially our groups.
19. The appointments of the Volunteer Engagement Manager (VEM) and Groups Sales Manager (South) were recently completed and both will shortly finish their respective Induction periods. Our VEM will be working with colleagues on enhancing network capacity for volunteering, including developing our partnerships with Universities work as well as tapping into the potential for volunteering within the Network.
20. In doubling our field-based groups sales capacity (now 2 people) we expect our new Groups Sales Manager (South) to bring new groups to YHA in the second half of the financial year and beyond.

## **People**

21. It is good to report relatively few current job vacancies in YHA. Two key roles in property (Estates Manager and Regional Buildings Manger) and two Hostel Manager roles, Cambridge and Helvellyn, which arose from the promotion of the current managers. Windermere and Whitby are at offer stage, both to existing Deputy Managers.
22. YHA have appointed HIT Training to lead on our Apprenticeship work. HIT have a strong track record in the hospitality sector, are rated good by Ofsted, and can support YHA nationally. HIT will provide YHA with a diversity of Apprenticeships beyond hospitality (sales, impact et al) and become the core of our development programmes.  
<https://hittraining.co.uk/>

23. The 2019 Employee Survey will be completed in July 2019. Previously the survey was completed in September, however as reported at the Board we have decided to bring it forward to allow us to capture seasonal workers mid-way through their tenure with YHA, and so they can see the outcome of the survey.
24. We are progressing well with the plan for ensuring we meet all of the new standards for Investors in People (IIP) Gold. Our Head of People has met with IIP and established an agreed action plan for completion and review by November 2019.
25. The People Team have established a process to ensure all new starters have completed the DBS check from the 1<sup>st</sup> July. The phased checking of existing employees will be fully completed by the end of June.

### **Reach and impact**

26. The first set of more detailed figures on impact measurement for 2019-20 are due to be published next month.
27. The 2018-19 Impact Review is now being designed, incorporating both statistical evidence and case studies to highlight our achievements over the past 18 months. This will be launched internally on the 28<sup>th</sup> June, and externally at our Showcase event / AGM on the 29<sup>th</sup> June, along with the Strategy 2020 discussion document and associated materials.
28. The Impact Review will include some early feedback from our recent survey of children and young people staying on our activity residentials, which is looking very encouraging.

### **Events, stakeholders and partnerships meetings**

29. A highlight over the last month was the celebrations of the 50th Anniversary of Cleveland Way, attended by the DEFRA Rural Affairs Minister Lord Gardiner, the CEO of Natural England Marian Spain and organised by North York Moors National Park. Margaret and I represented YHA, along with our Head of Capital Fundraising and the managers of Helmsley and Boggle Hole.
30. It was YHA's idea to create the Cleveland Way back in the 1930s, and we still have five hostels on its route, including YHA Helmsley which was built with 75% Government funding in 1964.
31. I spoke at the initial reception at Helmsley, attended by around 150 guests and VIPs, which was a good opportunity to put across the contribution we do and can make to enabling more young people access the countryside and National Parks. We then followed that up in conversation with Lord Gardiner and others, which has resulted in an invitation to meet later in the year.



32. We also hosted Nadhim Zahawi – the Minister for Children and Families - on a constituency visit to YHA Stratford-upon-Avon. He was very interested and impressed by what we do, and is keen to follow up with a senior level meeting.

33. Plans for the showcase and AGM event are well advanced, with over 270 people currently registered for the event and 117 Company Members for the AGM. After two weeks of electronic voting, so far over 4,700 people have voted in the trustee and Nomination Panel elections. This is a significant increase on the 80-100 who have traditionally voted at the AGM – and proportionately much higher than the equivalent figures for the National Trust.

34. Other key meetings of note this month include:

- The annual British and Irish Youth Hostelling Conference this year held in Knockree Youth Hostel in the Wicklow mountains - Peter and I attended. As I reported at the Board, it was clear that all associations had a similar tougher trading year in 2018, especially in key cities such as Dublin and Edinburgh. Before the conference I spent a day with the An Oige CEO and got to visit 5 Irish hostels on a whistle-stop tour of the country.
- A meeting with the new CEO of the Family Holiday Association, who we work with to provide free breaks for low income families in York and through our Family Activity Breaks in Ravenstor. It is clear the two organisations are well aligned, and we discussed expanding the scope of what we do together in future years.
- Attending an evening reception with other charity leaders hosted by NCVO to celebrate NCVO's 100<sup>th</sup> birthday, including the launch of a new book on NCVO's history. YHA gets a mention as one of the key organisations that NCVO helped set up in the 1930s – others include Age UK and Citizens Advice. See the Chair's blog here:

<https://blogs.ncvo.org.uk/2019/05/16/from-home-grown-initiatives-to-household-names/>

- A follow up meeting with the CEO of the Scouts, where we discussed progress with refreshing our Memorandum of Understanding between the two organisations (covering mutual promotion, joint working on activities etc.) but



also opportunities for YHA to take a more active role in the recent Youth Charter initiative that Scouts and others have been developing with Government.

- A meeting with the CEO of Outward Bound at their site in Ullswater, where we discussed opportunities to work together practically in the Lakes, as well as the possibility of joint initiatives and work to promote the outdoor learning sector.

## Communications

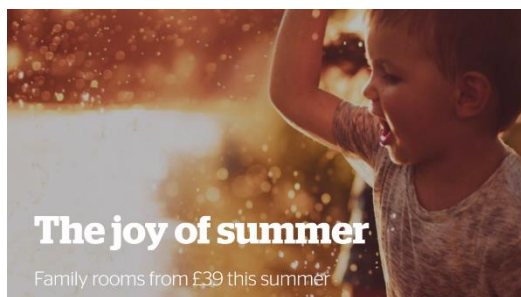
35. The 23rd of May was Outdoor Classroom Day, a global campaign to celebrate and inspire outdoor learning and play. On this day, thousands of schools around the world took lessons outdoors and prioritised playtime. It's anticipated that more than 3.5 million children worldwide took part, and in excess of 550,000 of those



were in the UK and Ireland. To support the initiative this year, we identified hostels that had schools staying with them on the day, and provided postcards to hand out to the teachers and children, telling them about Outdoor Classroom Day and how to get involved – we estimated we had over 4,000 young people experiencing outdoor learning that day. There were two designs, one with information for teachers;

and one for children to draw a picture, write about their day, and take home to their parents – including a discount off a YHA stay for their family.

36. Our summer campaign has been launched, first of all to our members and subsequently more widely. The campaign focuses on the joy of summer, the



memories of summers past and the joy of creating new memories with your friends and family. This is supported with strongly emotive photography across digital, social media, in hostel AV and email. With a strong family focus, the price-led message is promoting rooms from £39 throughout July and August. A full list of hostels included is available at

[www.yha.org.uk/summer](http://www.yha.org.uk/summer)

We are also in the process of producing a children's activity pack to support the summer campaign, which will be a merchandised item in 20 trial hostels. They have been designed to be both fun and supportive of children's learning outcomes, with a variety of activities to have as wide appeal as possible. It will also include a branded notebook, karabina and pencil. These will be in selected hostels at the beginning of July.

37. A new and regular initiative to provide our members with better benefits and reasons to stay with us more often has been successfully launched. Member-only offers are monthly email-based communications that provide members with

exclusive discounts in hostels or regions that have unexpected capacity. The first of these offered a 3-day window to book selected hostels at 50% discount. This initiative enables YHA to address short-term occupancy issues, whilst adding value to our membership.

38. We have begun to roll out the new brand standards and presentation template, and will be working our way through the key communicators in each department. The staff induction presentation felt like a clear starting point, as for many people it is their first real introduction to YHA.

39. Two interpretations have been completed in the past month. As part of the YHA Holmbury re-opening, a fabulous rework of the social space has been



undertaken. Its location and heritage were brought to life through a stunning set of 'visuals' created by our own in-house marketing team.

This was also complimented with its very own guidebook, helping guests discover more about its unique place in YHA's history.

40. Occupying a unique place in YHA's history and having both a stunning location and heritage, YHA Street gave lots of inspiration for its the interpretation artwork. Here the focus was on nearby Glastonbury Tor, its unique relationship with the Clarks shoes family, combined with a delightful selection of fairies for the younger guest to discover. It's a fabulous example of developing YHA hostels with an appreciation of its location and heritage for all to enjoy.

## **Communities/Fundraising**

41. I am very pleased to report that YHA have been successful in securing a grant of £170,000 from the Waitrose & Partners Plan Plastic fund for our Water Refill project. 150 organisations applied, eight were shortlisted and there are five winners. We are proud to be among the winners of this £1m fund which was made available through the sale of 5p carrier bags in Waitrose. The project will see water refill stations installed at all our major hostels across England and Wales, removing over 500,000 single use plastic bottles from circulation annually. You can see more information on our winning project here - <https://planplasticfund.com/winners-1>

42. And hot on the heels of this success, YHA was also been awarded 1st prize and £10,000 in the Hostelling International Sustainability Fund competition.

43. Other successes in the past month include; £13,000 from Deaf Access Wales which will be used specifically to support breaks with YHA for young people from Wales with hearing impairments, and a £1,000 unrestricted donation has also been received from the PF Charitable Trust.



44. We continue to promote leaving a legacy to YHA through our ongoing programme of YHA Supporter Events. The latest held at YHA Grinton Lodge has led to 2 new legacy pledges.
45. With the aches and pains of our London Marathon runners now a distant memory, their fundraising efforts are currently being collated. This year we anticipate income to top £24,500 to date.
46. We are awaiting the outcome of our latest bid to Defra. We should know the result of our application to the Community Forest and Woodland Outreach project at some point in June.
47. Our application to the South Downs National Park Strategic Fund reaches the final stage in the approval process in early June.
48. We are launching a fundraising appeal in the June edition of the Wanderer, showing how members can help save Bryn Gwynant for future generations. It will be supplemented with a direct mail and social media campaign.
49. Relating to the same project, development of our application to the Welsh Government's Tourism Investment Support Scheme (TISS) is ongoing with submission anticipated in July.
50. With an eye to the future, our Director of Strategy and Engagement, Head of Fundraising and Head of Capital Fundraising met with senior staff from the National Lottery Heritage Fund (formerly HLF). The meeting held at YHA St. Paul's provided an opportunity to discuss our emerging strategy, future priorities and collaboration with a view to garnering their support for future capital and revenue funded projects.

## **Breaks Programme**

51. We have reviewed the Breaks Programme following a year's experience with the new format, and will be making some further changes this year.
52. The new format encouraged individuals and families who met various specific criteria to apply - helping to expand our scope beyond the original scheme, which largely focused on providing cheaper group stays to schools with disadvantaged pupils, by providing free bursary places. However, it is taking a lot of time and cost to administrate, and we remain unsure that the funding is being used to best effect, particularly with schools. We are therefore making some changes which we hope will improve access to YHA experiences for those who stand to benefit most.
53. The main shift is that we will be moving to a more proactive approach - seeking partner organisations to develop joint projects that make best use of YHA's spaces, places and expertise to support the physical and mental wellbeing, educational enrichment and life skill development of young people and their families. While we will also be endeavouring to encourage more under-

represented groups to experience the magic of hostelling, our priority target beneficiaries for 'Breaks' will continue to be:

- Families in need
- Young people with challenging lives
- Disadvantaged young people

54. This means that we intend to stop encouraging people to write to us outlining why they are worthy of Breaks Funding. This doesn't feel right, and it also doesn't make best use of our resources – as we end up having to judge the worthiness of different applications, without having the relevant expertise. Instead, we intend to work with partner organisations to support groups of 12 or more beneficiaries at a time. Our partners will be asked to provide pastoral care and transport as their contribution. Sometimes we will ask our partners to fundraise for the project with us.

55. With this in mind, we intend to make changes to how the Breaks Programme is messaged and delivered going forward. The key changes we intend to make to the Breaks Programme are as follows:

- Whereas, once a school could apply for **Educational Breaks** bursary funding for up to 10 children, this will no longer exist. Instead, schools with high numbers of disadvantaged pupils will be targeted with our highly affordable winter residential offer, with discounts also available for summer residentials. Funds received for Educational Breaks will be used to support dedicated projects for vulnerable learners such as young people in Alternative Provision and young people who are at risk of failing at school, as well as children who tend to miss out on residential experiences such as home-schooled children.
- **Challenging Places** (the postcode related scheme) will be merged into either the Family Breaks or Challenging Lives programmes.
- Funds raised for **Family Breaks** will be used to support projects like family activity camps organised with partners like Family Action and Family Holiday Association, as well as bereaved families and others we identify. This builds on the very positive feedback and evaluation of our programme there, which showed a real depth of impact with those coming with us.
- **Challenging Lives** – this will be used to fund projects for groups of young people with challenging lives - including, but not limited to young carers - again these will be projects we run in partnership with other organisations such as Action for Children and Carers Trust.

56. These changes will be phased in going forward. In the meantime, we have a significant pipeline of schools, families and groups of young people who will benefit from a funded break over the coming summer and autumn months.

57. We also have some funding set aside to test some new approaches this year, with some new exciting pilot projects already under development.

## And finally

58. After a very wet few days camping in the Lake District, I joined our Chair Peter for a whistle-stop tour of our hostels in the Lake District, with stays in Ambleside, Helvellyn, Coniston (in a tipi and a landpod!), Wasdale Hall and Keswick.
59. As well as giving us a chance to see the results of our recent refurbishments in Coniston Coppermines and Helvellyn, I was struck by the passion of our teams who have moved on standards and experience in hostels significantly, with relatively limited investment, since my last visit a year or so ago.
60. We were joined for a time by our Ambassador Alan Hinkes and the local Operations Manager. The planned evening ascent of Great Gable had to be abandoned in the gales, but we did manage to get up to Black Sail Pass – which seemed an appropriate point to mark Peter's last hostel visits as Chair.

