



National Audit Office

Report

by the Comptroller
and Auditor General

Department for International Development

International Citizen Service

Key facts

£4,028

unit cost per volunteer

£145m

International Citizen Service (ICS) budget (excluding VAT)

36,000

target number of volunteers for ICS over the programme's life

18 to 25 years

age range of ICS volunteers

£800

minimum volunteer fundraising contribution

12 weeks

duration of typical volunteer placement

1:1

ratio for UK to in-country volunteers

11:1

ratio of applicants to places in 2016

Summary

1 In October 2010, the then Prime Minister announced the government’s intention to launch “an International Citizen Service to give thousands of young people who couldn’t otherwise afford it, the chance to see the world and serve others”. In 2011, the Department for International Development (the Department) launched the International Citizen Service (ICS) to provide volunteer placements for 18- to 25-year-olds and team leader placements for 23- to 35-year-olds. It brings together young people from the UK and developing countries to volunteer together in some of the poorest communities in the world. ICS seeks to make a positive contribution to:

- poverty reduction and sustainable development in the host country;
- volunteers’ personal and social development; and
- build volunteers’ skills to better understand international development.

2 The Department has committed a total of £173 million (including VAT) to ICS between 2011 and 2019. It contracts with Voluntary Services Overseas (VSO) to deliver ICS. VSO is responsible for managing the programme and for delivering 25% of volunteer placements. It sub-contracts the remaining 75% to seven organisations specialising in development activities.

3 The programme has expanded rapidly since it was first established in 2011. A pilot scheme, which ran from March 2011 to November 2012, provided placements for around 1,200 UK volunteers and 720 in-country volunteers. Phase One, which ran from April 2012 to August 2015, provided placements for 7,000 UK and 7,000 in-country volunteers. Phase Two began in September 2015 – the contract ends in February 2019. It has a target to provide placements for 10,000 UK and 10,000 in-country volunteers.

Why we have completed this review

To review the current programme’s delivery against its objectives

4 ICS has offered volunteer placements overseas since 2011. When we started our work, the Department was considering whether to proceed with a two-year extension to the contract for Phase Two, and was exploring what form the programme might take as part of that extension. To help inform the Department’s decision we examined how:

- much the programme has cost;
- it is delivered; and
- it has performed against its objectives, including diversity targets.

As part of this work, we identified factors that have affected performance.

To inform the Department's consideration of the programme's future.

5 In July 2017, ministers asked the Department to consider new options for youth volunteering overseas. By combining our key findings on the current programme with findings from our wider work, we have identified design, procurement and implementation considerations on which the Department should focus if it develops a new programme for ICS.

The scope of our work

6 We examined the programme's cost, how it is delivered, and how it has performed against its objectives. We did not seek to make an overall judgement about the value for money of ICS. Our approach and methods are set out in Appendix One.

7 Our report is intended to inform both the Department's management of the current contract during its remaining months (paragraphs 8 to 18), and the development of any new work in this area (paragraph 22).

Key findings from our review of the current programme

On costs and benefits

8 Comparisons of the ICS's cost with similar programmes presents a mixed picture. Benchmarking is complicated by differences in design and access to information. Nevertheless, such comparisons can provide useful insights. VSO completed an exercise to benchmark the cost of ICS against the cost of volunteer opportunities provided by five other UK providers. After adjusting for differences in the between the programmes, VSO's analysis showed that it cost 8% less than two of the five and between 5% and 33% more than the other three. In its business cases the Department concluded that ICS was comparable with similar programmes in the US and Germany (paragraphs 1.13 to 1.14).

9 The programme's development impact is unclear. Early evaluations focused on two of the programme's three objectives – the personal and social development of volunteers and their continued interest in being active citizens – and identified evidence for positive achievements. However, these and subsequent evaluations have drawn attention to the difficulties with demonstrating development impact, the programme's third objective. VSO's most recent evaluation (finalised in October 2017) did identify some positive development outcomes linked to ICS. But it also concluded that these outcomes were not consistent across the programme and that it was not possible to assess with confidence that "changes are sustainable or have been sustained" (paragraphs 2.30 to 2.33).

10 The Department took the decision to expand the programme before the results of evaluations were finalised. In February 2012, the Department approved Phase One of the full programme based on evidence from the mid-term review of the pilot. To allow findings from this review to feed into the tender for the full programme, it was undertaken very early on in the pilot. As a consequence, some findings were necessarily predictive rather than evidence based. The Department then approved Phase Two ten months before completing the final evaluation of Phase One (paragraphs 2.25 to 2.26).

On applicants and diversity

11 ICS has met its targets for the number of UK applicants. Since the programme was introduced in 2011, the number of applicants has increased both in absolute terms and relative to the number of places. For Phase One (April 2012 to August 2015) ICS received almost 41,000 applications for 7,000 places – close to six applications for every place. For Phase Two, the target of 40,000 applications by November 2018 was met in August 2016, with two years still to run (paragraphs 2.2 to 2.4).

12 The Department's performance against its diversity targets for applicants is variable. While it has set targets for five characteristics of the applicant population these do not apply to the volunteer population as it considers it could not influence an applicant's ability to match selection criteria.

- **ICS has not met its gender targets.** 37% of applicants for Phase One of the programme were male against a target of 50%. ICS has not yet met the Phase Two target of 40% males (paragraph 2.14).
- **ICS has only met its target for disabled applicants in 2012 and 2017.** The percentage of applicants with disabilities has ranged from a high of 4.0% in 2017 to a low of 1.5% in 2015, against a target of 3%. In late 2016, the questions used to identify applicants with disabilities were changed (paragraph 2.15).
- **ICS has met some of its targets for ethnicity.** ICS has had success in attracting a higher proportion of applicants from Asian, black, mixed race and other groups compared to the UK population of 16- to 24-year-olds, but has consequently missed its target for white applicants (paragraph 2.16).
- **Performance against geographical targets is mixed.** For example, London, is consistently over-represented and East Midlands under-represented. The Department has committed to taking steps to tackle under representation (paragraphs 2.17 to 2.19).
- **ICS has met its targets for socio-economic background of applicants.** For example, in 2016, 33.8% of applicants met two of the five socio-economic criteria set by the Department. The target was 30% (paragraph 2.21).

13 Conversion rates – the proportion of applicants assessed who subsequently start the programme – are falling, and are worse for those from lower socio-economic backgrounds. In 2012, the conversion rate was 71%; in 2016, it was 60%. VSO is therefore managing larger number of applicants to meet the target number of volunteers. VSO has identified that conversion rates are lower among volunteers from lower socio-economic backgrounds. The Department has encouraged VSO to finalise its approach to improving conversion rates for this group (paragraphs 2.5 to 2.8).

14 The Department has not achieved its ambition that ICS UK volunteers are broadly representative of the UK population. And the volunteer population is less diverse than the applicant population. For example, in 2016, while 10.1% of applicants were Asian, 7.3% of participants were Asian; and while 1.6% of applicants declared a disability, only 1.2% of participants declared a disability. The Department receives diversity data for participants and is aware of these differences (paragraphs 2.9 to 2.13).

15 Monitoring of socio-economic characteristics of applicants was introduced five years after the programme began and lacks completeness. The Department set targets for the gender, ethnicity, disability and region of applicants over the programme's life at the start of Phase One. In 2016, five years after the programme was piloted, the Department set targets for the socio-economic background of applicants. It has met these targets although this performance should be seen in the light of the low response rates to questions about socio-economic characteristics (paragraphs 2.19 to 2.23).

On operational matters

16 The Department's 2017 annual review of ICS made 12 recommendations for improvement across all stages of the programme. Areas for improvement identified included attrition rates, pre-placement training, the programme's results framework, support for disabled participants and those with mental health issues, security and safeguarding, and value for money and financial management. Not meeting targets for the percentage of early volunteer returns and volunteer satisfaction with pre-placement training resulted in a lower score (paragraphs 2.27 and 2.28).

17 The payments that the Department makes to those delivering the programme are not linked to the achievement of the programme's outcomes. The Department's contract with VSO uses a payment by results mechanism. Each one of four payments is linked to the successful completion by volunteers of a specific milestone. For example, 55% of the total payment for a volunteer is available when a UK volunteer leaves for the host country. The payments are not linked to the achievement of any of the outcomes that the Department set for the programme (paragraph 1.15 and Figure 6).

18 The Department and VSO recognise and look to manage the safeguarding and security risks associated with the programme. Volunteers are based in countries that face a number of challenges, ranging from the risk of petty crime to exposure to endemic diseases. Volunteers have experienced a variety of incidents in 2015 and 2016. VSO served notice under the provisions of its contract with one consortium member and paused the contract of another following security and safeguarding concerns. The Department and consortium members have made a number of changes to their approach to address safeguarding concerns and have established an action plan (paragraphs 2.34 to 2.35).

Conclusion

19 The Department has established and funded a volunteer programme that looks to benefit not only volunteers but also the UK and some of the world's poorest countries. The programme has had some successes – it is over subscribed and it is meeting two of its three objectives. But the Department has missed some of the programme's targets for diversity and has not consistently demonstrated development impact – its third objective for the programme. This means that the Department has expanded ICS without clear evidence of development impact. Since its expansion, more evidence of development impact is starting to become available, which the Department should consider carefully in its future decision-making.

20 With the current contract for ICS ending soon the Department is considering its options for the programme's future. While it does so, it should not lose sight of the need to seek value from the current programme's remaining 15 months.

Considerations for a new programme

21 Based on the issues we have identified above (paragraphs 8 to 18), as well as drawing on findings from our wider work, we suggest the Department should consider the following issues if it develops a new programme.

On design

- **Produce a plan to manage the transition from the current contract to the new contract for ICS.** This is required to make sure the Department continues to get value from the current contract (so that performance does not decline as contractors reach the end of the contract) and that new providers have access to the information required to make an effective transition.
- **Consider, as part of the business case, a range of options for securing development impacts, to help it assess the programme.** Benchmarking a volunteer programme against other options for achieving development impact, including similar interventions, should help the Department to consider the value for money of its planned programme.

On procurement

- **Consider what delivery model would be most likely to secure value for money from the new contract.** The Department should consider a range of delivery approaches – ranging from in-house management to fee for service outsourcing to a payment by results mechanism – for the new contract. The Department should draw on its experience of using a payment by results mechanism for the current ICS contract.

If the Department opts for a payment by results mechanism it should make sure it aligns prices and payment regimes with the programme outcomes and researches the cost of the planned programme to inform the price structure.

- **Collect sufficient information about the market and potential bidders for the contract.** The Department should take action to make sure the procurement process stimulates competition by keeping potential providers up to date with the new programme's development.

On implementation

- **Make sure there is a 'pipeline' of volunteers to go on the programme.** As part of its research into the availability of potential volunteers, the Department should liaise with relevant stakeholders to identify practical challenges in recruitment.
- **Consider how the diversity objective for the current programme will feature in the new programme.** For example, the Department should consider what impact the programme's focus might have on its diversity objective. It should also monitor the diversity of the volunteer population as well as the applicant population.