



Our Ref: NMP612949

Mr Stephen Greene
Chair, NCS Trust
131-151
Great Titchfield Street
London
W1W 5BB

17 December 2013

NCS Trust SGEI entrustment

Dear Stephen,

This letter confirms that the Minister for Civil Society entrusts the NCS Trust CIC with the promotion, development, operation and delivery of the National Citizen Service (NCS) Programme as services of general economic interest (SGEI) in accordance with European Commission Decision 2012/21/EU (the "SGEI Decision").¹ The SGEI include but are not limited to:

1. **Stakeholder engagement**

Creating and maintaining stakeholder relationships with organisations interested in NCS.

2. **Centralisation, standardisation and innovation**

Making improvements to support the growth and quality of the programme, through continuous development, standardising processes and introducing innovations to programme delivery.

3. **Provider quality assurance**

Ensuring the consistent high quality of programme delivery by the NCS providers, through the sharing of best practice and training.

4. **Marketing, branding and awareness**

Creating a cohesive brand image and promoting NCS at a national level. In addition, offering support to NCS providers in order to ensure consistency of brand and messaging at the local level.

5. **NCS Provider contracting and management**

¹ Commission Decision of 20 December 2011 on the application of Article 106(2) of the Treaty on the Functioning of the European Union to State aid in the form of public service compensation granted to certain undertakings entrusted with the operation of services of general economic interest

Taking responsibility for commissioning new NCS providers and for managing provider performance against contract expectations.

6. National partnerships

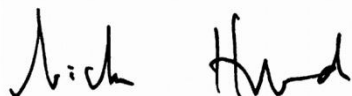
Developing and maintaining national level partnerships with business, public and civil society organisations and organisations that provide the services or products required for NCS programme delivery.

The status of the SGEI shall not apply to any other activities which may be entered into by the NCS Trust.

The entrustment is given under article 2(1)(a) in the SGEI Decision, for compensation not exceeding an annual amount of EUR 15 million for the provision of SGEI in areas other than transport and transport infrastructure.

The duration of the entrustment will be for five years (2013/14 to 2017/18 inclusive) and will be for services primarily benefitting England. To enable the NCS Trust to fulfil its SGEI obligations the Intellectual Property for the programme, including the use of the NCS logo, core reference guide and website, will be licensed to the NCS Trust, should the IP licence be withdrawn the entrustment will no longer be valid.

The amount of compensation offered shall not exceed what is necessary to cover the net cost incurred by the NCS Trust in fulfilling this public service obligation, including a reasonable profit (although the NCS Trust is a not-for-profit organisation, the SGEI allows a reasonable profit to be made). The NCS Trust's net cost will be calculated as the difference between its costs and its revenue in performing the SGEI, using the methodology contained in Article 5 of the SGEI Decision. The NCS Trust will submit an annual business plan and budget to the Cabinet Office, detailing its projected costs and revenue in performing the SGEI for the following year, and annual accounts, detailing actual costs and revenue for the SGEI for the preceding year. These documents will be assessed by the Cabinet Office to ensure that the costs incurred by the NCS Trust are not excessive and that any profit accruing is reasonable. In the event that the amount of compensation exceeds the amount needed (such that there is over-compensation for the purposes of the SGEI Decision), the NCS Trust will be required to repay that amount of excess funding to the Government (unless the over-compensation can be carried forward to the next year, and deducted from the amount of compensation payable in respect of that year, in accordance with Article 6(2) of the SGEI Decision).

A handwritten signature in black ink, appearing to read 'Nick Hurd', is centered on the page.

NICK HURD