

# The Key

## Youth Strategic Investment Fund

Partnership Summary  
2019-2025



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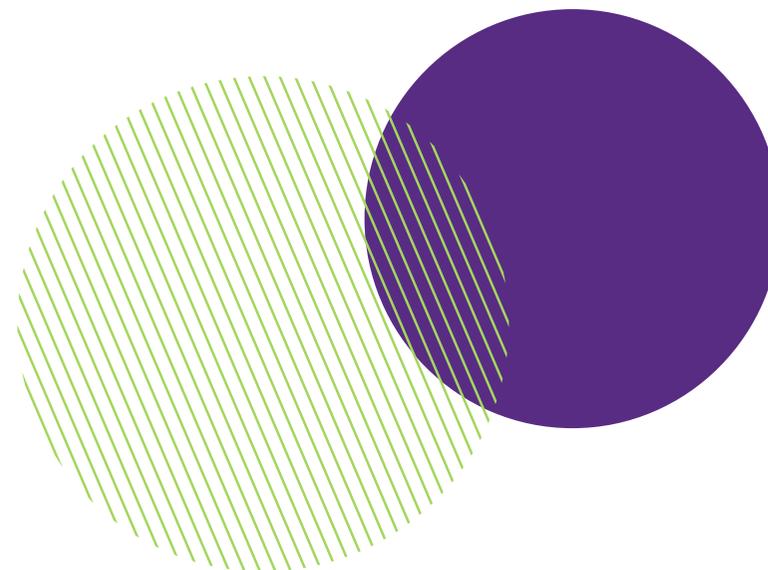
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# Welcome



The Key believes every young person deserves the chance to overcome barriers to personal growth and to shape a better future for all. Through their structured yet flexible model, young people build skills, confidence, and resilience — developing the agency to make meaningful contributions in their local areas.

However, young people in the North East of England face a complex web of social barriers that intersect across poverty, education, mental health, and employment. The region has some of the highest rates of child poverty in England with many families affected by food insecurity, economic inactivity, and low pay. These challenges make it harder for young people to realise their potential, express their talents, and participate fully in their communities.

In this report we highlight the achievements of The Key and the positive impact of their work throughout a five-year partnership with the Paul Hamlyn Foundation's Youth Strategic Investment Fund.

This document reflects on their journey, showcasing how they have navigated a challenging landscape and refreshed their approach to securing positive change for young people.

We hope this report provides valuable insights and inspires continued support from like-minded partners to ensure The Key continue to equip another generation of young people with the skills and values that will shape communities for the better.

**Thank you for your interest and commitment to this important work.**

# → 1 About The Key

## Who is The Key?

The Key is a charity in the North East of England dedicated to helping young people - especially those facing poverty and adversity - to believe in themselves, unlock their potential, and lead fulfilling lives. Working with local and regional partners, it enables youth-led projects that build skills, confidence, and resilience, while enabling young people to make meaningful contributions to their communities.

“ My favourite thing is young people having the opportunities they wouldn't normally get. I think it changes people's lives – doing things that you don't normally see. ”

Valerie, Facilitator at Gateshead Youth Council

## What does The Key do?

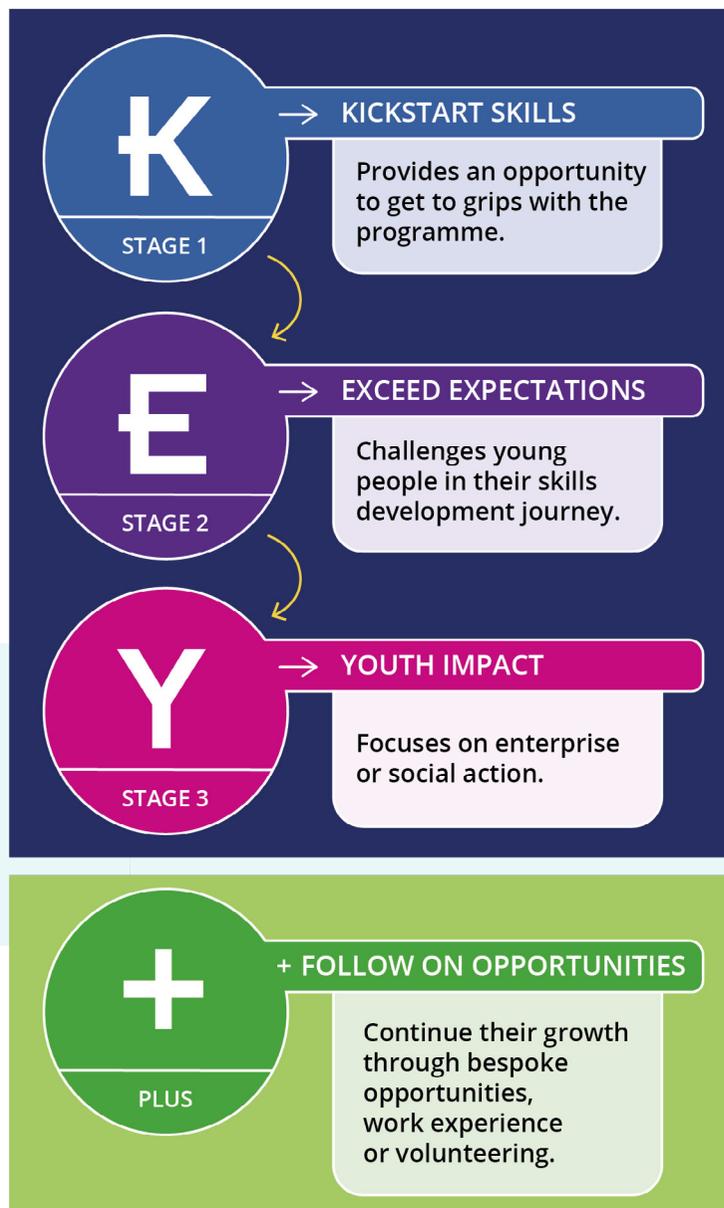
The Key uses its proven model, the KEY+ Challenge - shaped by over 30 years of experience - to engage, recognise, and reward young people's growth. It supports local youth projects and organisations with resources, expert guidance, and micro-grants that enable young people to design and lead their own impactful activities.



## What is The KEY+ Challenge?

The Key works with organisations who use the KEY+ Challenge to empower young people to realise their potential, develop the skills they need to thrive, and recognise the positive impact they can make in society. KEY+ is a comprehensive, versatile skills development challenge, informed from research and practice. It consists of progressive stages and provides young people with the opportunity to believe in themselves and develop agency in leading their own projects.

Within each stage of KEY+, young people form a group and progress through a five-step process to **think, plan** (including budget), **pitch** (to an external panel of volunteers), **do** and **review** levels of progressively challenging projects.



Transitioning through the stages doesn't only see young people build their confidence and grow as individuals, the structure also builds belief. Each stage is designed to meet the three conditions of self-determination: **Autonomy** (choosing the idea), **Competence** (building and applying skills), and **Relatedness** (working as a team and connecting with community). These conditions nurture a growth mindset, improve wellbeing, and build confidence to pursue future opportunities.

## 2 About Paul Hamlyn Foundation

### Who is Paul Hamlyn Foundation?

Paul Hamlyn Foundation (PHF) was established by Paul Hamlyn in 1987. He died in 2001 and left most of his estate to the Foundation, creating one of the largest independent grant-making foundations in the UK.

PHF uses its resources to support social change, working towards a just and equitable society in which everyone, especially young people, can realise their full potential and enjoy fulfilling and creative lives.

#### What is the Youth Strategic Investment Fund (YSIF)?

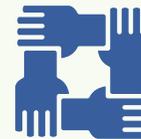
The Youth Strategic Investment Fund is a high-value and long-term package of support in the region of £750,000 over five years. The Fund is by invitation only and targets a small number of organisations each year that are already known to the Foundation through its Youth Fund.

The Foundation invites organisations to join the Fund that align with PHF's current priorities, share their values and have demonstrated a track record of working with young people to achieve positive change.

The Youth Strategic Investment Fund is designed as a strategic investment that will:



enhance the organisation's impact in working with young people



strengthen the organisation's position within a specified field of practice



secure its longer-term future through a focus on organisational development

The Fund was launched in 2017, and invites up to three organisations to join annually. It supports up to fifteen organisations at any one time through its five-year package of support.

“

The Youth Strategic Investment Fund is a reflection of the Foundation's commitment to long-term relational grant-making. We welcome the insights in this report that celebrate the impact of our funded partners and contribute to improving our practice in strengthening organisations that ensure young people can thrive.

”

Halima Khan, Chief Executive,  
Paul Hamlyn Foundation



# → 3 Why The Key was invited to join this Fund

The Key was awarded a Youth Fund grant from PHF in 2016 and received follow-on funding in 2018 to explore scale-up of its model. The Key utilised Spring Impact’s Accelerator toolkit, undertook market research and produced a comprehensive six-year scale-up plan. By 2019 they had also piloted new partnerships outside of the North East, working with partners in Humberside and London, and were forging new funder relationships. The Key presented an ambitious growth proposal aimed at UK wide access to The Key model through a combination of social franchising and a new digital platform. While there were recognised challenges and risks in The Key’s ambitions, overall the proposal was judged as well-aligned for a strategic investment.

“ The Key’s proven track record, strongly asset-based approach, and innovative model for growing impact, clearly aligned with the Fund’s priorities. ”

The Key demonstrated a readiness for the YSIF as it would build on the success of its network approach in the North East and extend its reach into new regions. The scale-up plans were carefully structured and mapped across three phases:

- **Phase 1** **Building the foundation (2019-2021)**  
Through co-creation and testing, platform design, securing new partners and tendering.
- **Phase 2** **Market testing and subcontracting (2021-2023)**  
Through recruiting early adopters, product testing and additional market research.
- **Phase 3** **Rolling Out (2023-2025)**  
Through moving all partners on to the new platform and social franchise arrangements.

The Key’s proven track record, strongly asset-based approach, and innovative model for growing impact, clearly aligned with the Fund’s priorities and made it a good match for the long term investment offered through the Youth Strategic Investment Fund. However, the Foundation recognised this would be an iterative process and that scaling plans would need to be evaluated periodically in response to product development and testing. The investment was seen as experimental and it was acknowledged that agility would also be needed to redirect effort towards outcomes from product testing and user feedback.

## Organisational and strategic development needs

The Key identified three areas of strategic development that would require support during phase 1 of the project: managing leadership transitions; capacity building; and sustainability planning. They also identified a number of specific organisational areas where the Funds expert support package would be utilised, including: digital platform design, marketing, contracting for social franchising and internal systems development. These areas complemented the phased approach to scale-up plans and the need to restructure the organisation for the scale-up journey.



## Anticipated impact

The Key planned to enhance its impact through a combination of:



### Reach

to extend access to The Key Framework across the UK and engage 6,500 young people annually by 2025.



### Quality

to strengthen the organisation's position as a leader in the field of young people's skills development



### Scale

expanding its impact by over 300% and growing the organisation by 80%.

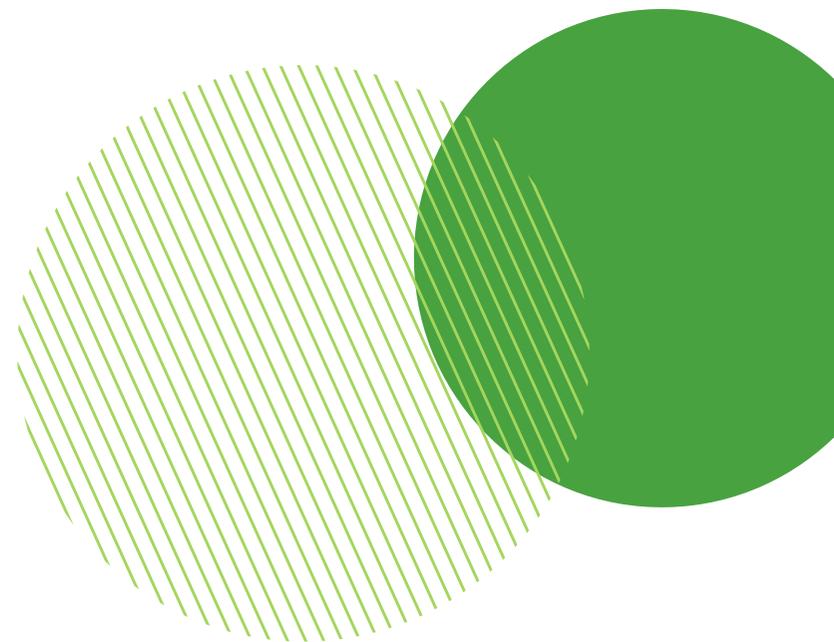
The Key anticipated the Fund would provide the resource and expert support to scale up its reach and build a platform for wider impact.

## → 4 The Journey 2019-2025

### Overview:

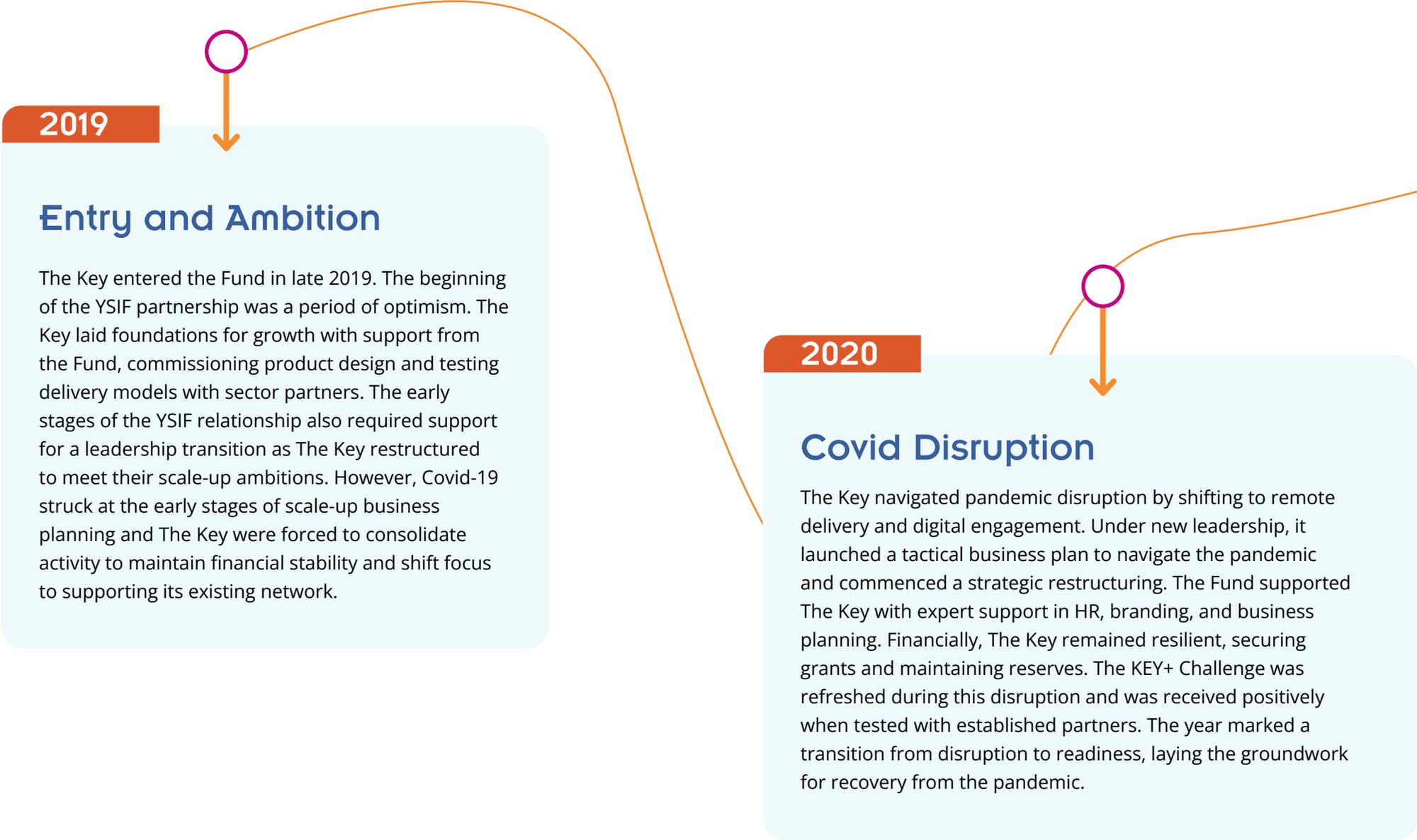
The Key – like all YSIF partners who joined in 2019 – navigated significant organisational, social, and societal shifts throughout the funding partnership. They started the YSIF journey with ambitions to scale-up through digital product development and social franchising to become a national provider. However, in testing these ambitions, it became apparent that its scale-up plans would require additional investment that was not forthcoming and the shift towards social franchising was not embraced by network partners. Furthermore, the onset of Covid-19 severely disrupted its existing delivery model and regional partners, prompting a strategic reassessment.

Emerging from the pandemic, The Key pivoted and refocused on regional depth –rebuilding partnerships across the North East and evolving KEY+ into a flexible, quality-assured model for youth-led action. Governance, staffing, and operations were restructured for resilience, positioning The Key as a recognised regional anchor. On exiting the Fund, The Key launched a new strategic plan that reflects a confident, values-led organisation committed to enabling others to create better futures with and for young people across the North East.



“ It [KEY+] has helped me to improve my skills, build my confidence, become more independent and talk to different people. ”

Ethan, a KEY+ participant



2019

## Entry and Ambition

The Key entered the Fund in late 2019. The beginning of the YSIF partnership was a period of optimism. The Key laid foundations for growth with support from the Fund, commissioning product design and testing delivery models with sector partners. The early stages of the YSIF relationship also required support for a leadership transition as The Key restructured to meet their scale-up ambitions. However, Covid-19 struck at the early stages of scale-up business planning and The Key were forced to consolidate activity to maintain financial stability and shift focus to supporting its existing network.

2020

## Covid Disruption

The Key navigated pandemic disruption by shifting to remote delivery and digital engagement. Under new leadership, it launched a tactical business plan to navigate the pandemic and commenced a strategic restructuring. The Fund supported The Key with expert support in HR, branding, and business planning. Financially, The Key remained resilient, securing grants and maintaining reserves. The KEY+ Challenge was refreshed during this disruption and was received positively when tested with established partners. The year marked a transition from disruption to readiness, laying the groundwork for recovery from the pandemic.

2021

## Pivot and Recovery

The Key completed its transition to the refreshed KEY+ Challenge and stabilised operations post-Covid. It set about developing stronger regional partnerships and sought to deepen impact through strengthening the quality of youth-led projects. A new three-year strategic plan was developed, focusing on regional anchoring, quality assurance, and youth voice. This confirmed the pivot to rebuilding post-pandemic with its network of partners, shifting from scale-up ambitions to deeper regional impact.

“

KEY+ boosted my confidence more than I could've imagined and it also allowed me to come out of my shell and meet new people that I never thought I would meet.

”

Erin, a KEY+ participant

2022

## Strategic Realignment

The Key fully launched the KEY+ Challenge with regional partners and secured a significant National Citizenship Service (NCS) partnership to co-deliver 146 youth-led projects over two years from 2023. This partnership created a powerful opportunity for The Key to expand its collaborative approach, attracting additional investment into the North East and channelling it to grassroots organisations delivering youth-led projects. The YSIF supported the new strategy through marketing, IT, and peer-led evaluation. The staff team were reshaped to focus on the shift from national scale-up to regional anchoring, leading to deeper partnerships and structured youth engagement. The Key matured into a trusted North East provider, preparing for long-term sustainability and impact.



Through the KEY+ young people take ownership of a project or what they want to do. The skills they learn [include] to work as a team, to plan, to phone, to price things up, to organise transport. These are 21st century skills that a lot of employers are looking for outside of academic learning.



Caroline, Key Partner

2023

## Re-Growth and Transition

The Key focused on deepening its partnerships across the North East and grew engagement in the KEY+ Challenge to over 900 young people. The Key continued to mature through its partnership-led delivery model with a clarity of focus on being a values-driven provider, amplifying the voices of young people within and outside of the organisation's structures. This year also represented a further leadership transition as the baton was handed on to an interim-CEO while the search for a new CEO commenced.



2024

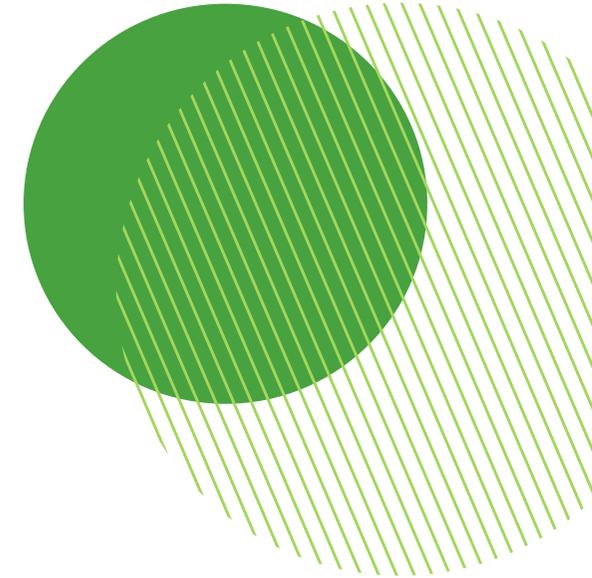
## Regional Anchoring

In 2024, The Key solidified its role as a regional anchor for youth-led action. Under a new CEO, it consulted on and refreshed its strategy to embed reach, quality, and impact. The KEY+ Challenge expanded through new and established regional partnerships, Governance and staffing was strengthened and finances increased to serve the expanded network. The Key prepared for YSIF exit with a growing reputation as a values-led, regionally embedded youth organisation.

2025

## Exit and Legacy

The Key ended its YSIF term in strong health, with a clear strategic direction and growing regional influence. The KEY+ Challenge continues to support communities across the North East, with a renewed approach that intentionally prioritises young people in high-need areas and those from underserved groups, while building new partnerships with regional organisations. The Key exit the Fund with a renewed resilience having successfully shifted from national scale-up ambitions to a trusted regional anchor.



“

The Key allows the young people I work with to set, pursue and attain a goal – the pursuit of which took them down a path of skills development and self-discovery. It's immeasurably satisfying to see this come together and be part of that process.

James, Key Facilitator

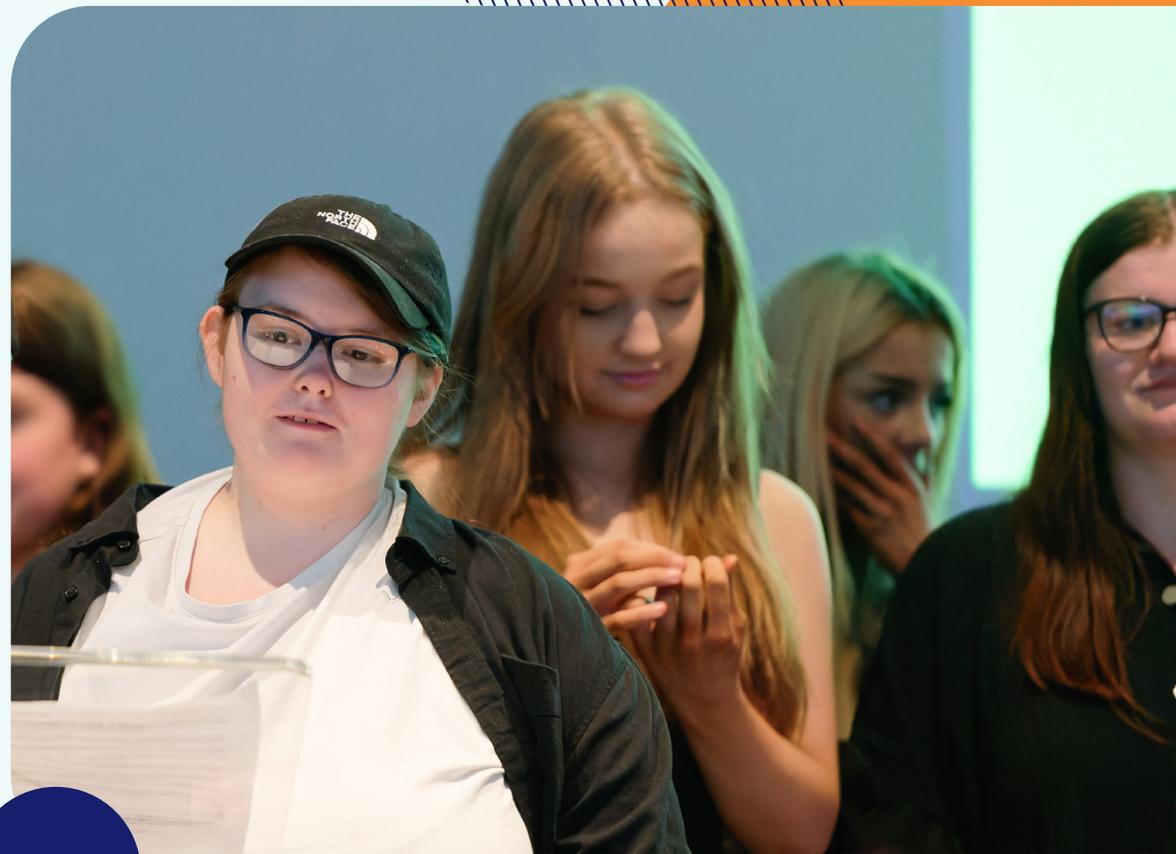
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## Feature: → The Lionesses

The Lionesses are a KEY+ group of young women from deprived communities across Durham who were not in education, employment or training (NEET). Many faced significant challenges, including severe anxiety, ADHD, autism and involvement in the justice system. Wanting a better future, they joined forces after meeting at a local support group and began their KEY+ journey together. Despite nerves and anxiety, the group completed all stages of KEY+, delivering three projects and pitching each one to a panel.

Their first project focused on building confidence and forming friendships through a group bonding trip. For Stage 2, the young women wanted to gain future skills. Using the five-step KEY+ process, they discovered a passion for enterprise through eco-friendly candle making. This developed into a micro-enterprise at Stage 3, where they learned about profit margins, sales and promotion. They sourced glassware from charity shops, produced a large batch of candles with branded labels and reached out to their community to sell them, including through Facebook groups for candle enthusiasts. Orders came quickly, and the group soon made a profit, an experience that helped them recognise their own strengths and potential





The KEY+ experience transformed The Lionesses. They are now on positive pathways, no longer NEET and no longer involved with the police. Their achievements have empowered them to believe in themselves, look positively toward the future and make active choices toward fulfilling lives. The young women have forged positive pathways since completing KEY+:

Selby was involved with the police and dealing with social anxiety, substance misuse and anger issues when she began the KEY+ Challenge. She found it hard to pitch to panel but always pushed herself to do it. Since engaging, Selby is no longer misusing substances and is no longer involved with the police. She is attending College, volunteering and has secured a work placement within a youth project.

**“The Key has made me a different person, I have made new friends and don’t feel shy now to ask for help if needed. This is going to help me when attending college because I feel more confident communicating with others. Being part of the group helped me with me confidence and speaking to new people I have learned to calm my anxiety and speak to people about this. I have learned all about budgeting which was my weak point and teamwork and work more independently.”**

Ocean-Tia is now in full-time employment **“Being part of The Key has helped me so much. I would normally be out in the streets and not even thinking of any employment and working on the barriers I face. Being part of The Key has helped me become more motivated and think about my future and where I would like to go in life. Using the skills has made me a better person and I have enjoyed been part of the group”**

Ellie re-engaged with education by studying Level 2 childcare at College. **“It has helped me gain confidence around people and work in a social environment. It helped me realise that I can achieve what I believe and encouraged me to get into the world and explore.”**

Emy has re-engaged with education and is learning to deal with her anxiety and feels empowered to leave the house. **“My independence has grown with completing tasks on my own. When I first attended the group, I was nervous and shy of meeting new people and socialising. Now I have made new friends after being part of this group. It has given me new skills.”**

Olivia is in full-time education and is now volunteering. **“Being part of The Key has given me a life outside of my own personal space I have made friends of different ages and backgrounds, and they have helped me with motivation and confidence and been part of a team.”**

## → 5 The Impact

The funding partnership was framed around an investment that would allow The Key to scale-up and become a nationally adopted programme across the UK, with the ambition to reach 6,500 young people annually through a social franchising model by 2025. In design phase, alongside the interruption of Covid-19, it became clear this ambition required resources beyond the capacity of The Key. This necessitated a strategic realignment, and the KEY+ Challenge was successfully revitalised during the pandemic and relaunched in 2021 as a resource for North East partners.

### Impact Data:

During the last strategic cycle, between 2021 and 2025

**3,456**

individual young people participated  
in the KEY+ Challenge



“

Taking part made me feel  
more confident and proud of  
my abilities

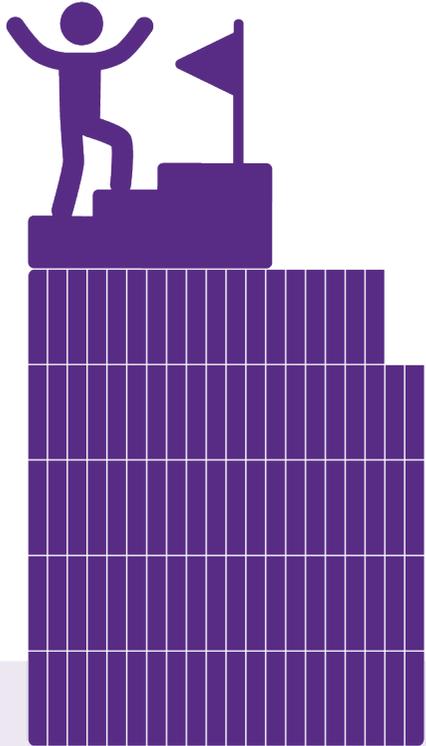
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Neve, a young person who  
completed KEY+



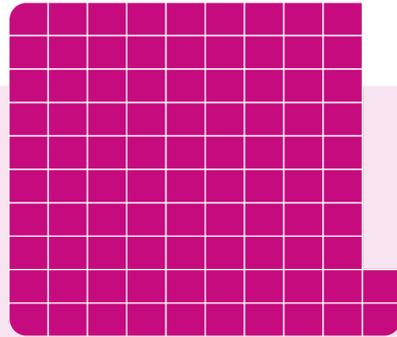
**885**

projects or activities were  
designed and delivered by  
young people



**98%**

of young people said KEY+ will have a positive impact on their future



**92%**

of young people reported improved essential skills as a result of participation



**97%**

of young people reported improved confidence thanks to KEY+

Young people reported an increased skill level by an average of

**25%**

leading to greater confidence, resilience and self-esteem - a 'growth mindset'

## Impact Stories:

Behind the data are the stories of young people who have taken on the KEY+ Challenge and realised the power of their own voices and actions to shape positive change for themselves and their communities. The Key have set about capturing these stories and published these [via their website](#). These have been celebrated annually through The Key Awards and are most powerfully expressed in their own words:



“KEY+ helped me have the confidence to believe in myself and not dim my personality to suit other people.”



“It has helped me to overcome my anxiety, make friends and become more confident and less shy.”

”

It has allowed us to do something we would have never been able to. [KEY+] has given us a lot of learning that we can take forward in our careers.

”

”

I've learnt I am more capable than I give myself credit for.

”



## Feature: → Confidence in Conversation

Confidence in Conversation is a group of ambitious young people supported by Success4All who took on the KEY+ Challenge to create change rooted in their own lived experience. Remembering the challenges they faced when arriving in a new city and learning English as an additional language, they set out to support young refugees newly arrived in Newcastle - helping them build confidence in conversational English and safely explore their new home.

The group developed a thoughtful programme of support, planning everything from venue hire and session content to budgeting and pitching their idea to a KEY+ panel, who enthusiastically backed their vision. They went on to deliver a seven-week series of free workshops, each focused on a topic young refugees told them would make a meaningful difference. Sessions covered navigating public transport, understanding the English school system, getting to know the city, and even an introduction to Geordie slang. For those still waiting for school placements, they provided revision guides, notebooks and pens to help them continue learning independently.

The group delivered an inspiring youth-led project that welcomed others, strengthened connections, and helped young refugees feel at home in Newcastle.



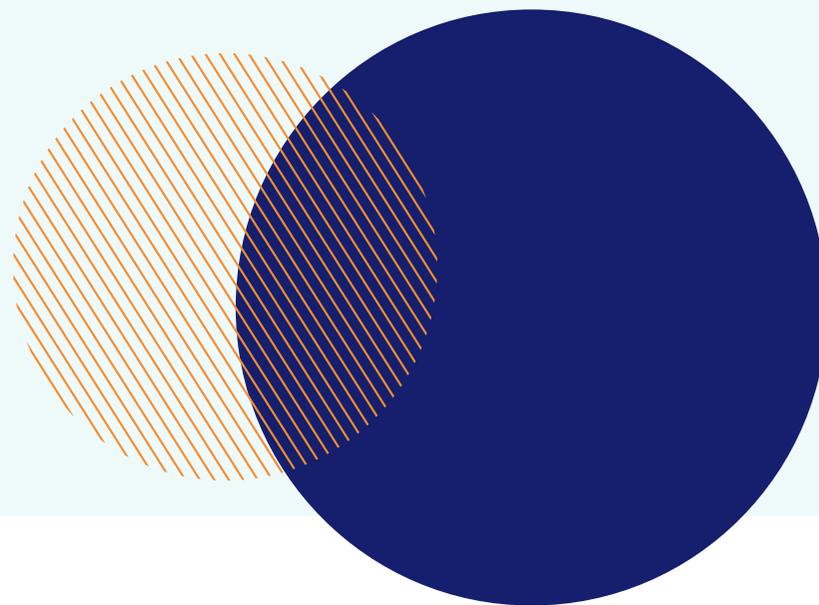
## In their own words:

“It has made me more confident in pursuing what is important to me and helped me try new things.” – Aba

“The Key has given me a lot of opportunities and helped our youth group do activities we might not have been able to do otherwise and helped me enjoy my youth to the fullest extent.” – Lynda

“I wanted to give back to my community who supported me in a similar situation. I first hand have the same experience [as young refugees arriving in the city] and I know how helpful my community was and I wanted them to have the same support.” – Nuha

“KEY+ has made me feel a lot more confident in myself. It has also immensely helped me with relaxing and improving my mental health as when I personally experienced and witnesses the changes that I caused it makes me feel very pleased with myself.” – Suha



## 6 Future strategic priorities for The Key

The Key used support from the YSIF in the final year of the Fund to produce a refreshed three year strategic vision for 2025-2028. **The strategy** is a recommitment to supporting young people growing up in the North East of England to overcome barriers to believing in themselves, unlocking potential that enables them to live more fulfilled and connected lives.

The Key actively sought input from young people, facilitators, partners, and sector experts in setting out its strategic ambitions. These stakeholders were engaged in focus groups, surveys, and consultations, including schools, youth organisations, and local authorities.

### The three strategic goals are:



### Supporting young people who need us most.

By focusing on our reach, we will address the emerging needs of young people in the North East of England, with particular attention to those growing up in poverty and those facing challenging personal circumstances. Collaborating with strategic partners, we will create an equitable and supportive environment for all young people in the region, through targeted, aligned efforts and shared resources. Guided by the voices of young people, we will collaborate with local, regional, and national networks to strengthen our partnerships and expand opportunities for young people. Our goals for 2028:

- ➔ 3,700 individual young people will participate in the KEY+ Challenge
- ➔ 925 KEY+ projects or activities will have been led by young people
- ➔ To have sustained a community of 110 Key Partners across the North East



## QUALITY:



### Creating the best experience for young people.

By focusing on quality, we will provide meaningful and impactful experiences that address young people's unique needs and aspirations leading to the best possible outcomes. Our commitment to quality builds trust and engagement, creating a supportive environment where young people feel valued and empowered. It also drives continuous improvement in our practices, ensuring that we remain responsive to the evolving challenges and opportunities faced by young people. Our goals for 2028:

- Deliver enhanced training to 300 KEY+ facilitators
- Design, tailor and pilot 5 adaptations of KEY+ to meet specific needs
- 92% of young people will report improved essential skills

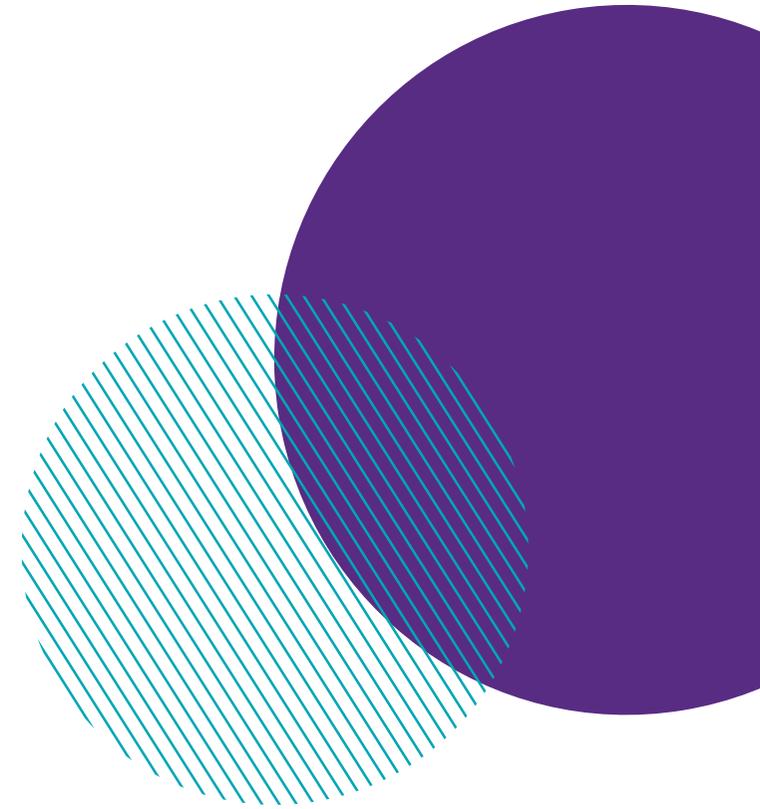
## IMPACT:



## Delivering the best outcomes for young people.

By focusing on impact, we will deliver the best outcomes for young people, developing their skills, confidence, and resilience, empowering them to build connected and fulfilling futures. By prioritising engagement with those who are best served by our interventions, we will ensure our efforts are targeted and effective. By sharing the long-term impact and positive outcomes achieved by young people we will inspire further support and collaboration, amplifying our influence. Our goals for 2028:

- 97% of young people will report improved confidence
- 98% of young people will report KEY+ as having a positive impact on their future
- Provide 150 young people with follow-on opportunities as part of a Key Alumni offer.
- Share 60 stories showcasing the true impact of KEY+, including six in-depth stories of difference



The Key believe these three strategic priorities, delivered through the KEY+ Challenge, will be a catalyst that promotes positive change for young people in the North East of England.

## 7 The Funding Relationship

The Key has been supported between 2019-2025 with a multi-year, fixed-term package of support through the PHF Youth Strategic Investment Fund that includes:

A core grant in the range of £500,000 over five years to support the core costs of senior leadership and/or specific developmental posts that create the capacity for the organisation to evaluate, implement and embed strategic development.

A restricted annual budget of up to £30,000 per year to spend on development priorities that are agreed with the Foundation, for example: short-term commissioning of consultants, skilled developers, system upgrades and researchers.

The appointment of an independent consultant as a 'Critical Friend' to the Chief Executive, senior leadership team and Board of Governance as they navigate strategic development.

A relationship manager for the Foundation who meets regularly with the partner organisation to co-ordinate the full package of support, monitor the organisation's strategic development journey, share learning insights and facilitate access to a learning community of senior colleagues from across the YSIF portfolio. The Fund also holds an annual convening event to address common strategic themes and encourage networking.

The investment targets and monitors strategic development that will include a focus on at least two of the following areas:



### Quality

Strengthening their services and consolidating their position as a leading organisation within their field of practice



### Reach

Enabling greater engagement for young people in an established service through the development of projects, methods or technologies



### Scale

Replicating a project or service through, for example, geographical expansion, social franchising or digital technologies



### Influence

In terms of shaping sector-wide practice, amplifying impact through knowledge exchange, advocating for systems change and/or enhancing policy approaches

# Fund approach

Four principles guide the Foundation's relationship with funded partners:

“ The Key valued the ‘beyond grant making approach’ that was underpinned by close working relationships with the Fund's Partnership and Learning Lead and the Critical Friend. ”

The Key



## 1 Partnership

The Fund adopts a collaborative approach, working closely with funded partners to identify their priorities for strategic development throughout the funding period. It seeks to build relationships of trust that, while remaining fundamentally supportive, can withstand critical challenge in pursuit of a shared vision between stakeholders for working with young people to achieve positive change.



## 2 Ownership

The Fund works alongside an organisation's own plans, goals and ambitions to grow its impact in work with young people. It seeks to support these plans through providing financial resources, commissioning expert advice and offering guidance that will strengthen the organisation to achieve its expressed mission and purpose.



## 3 Flexibility

The Fund is designed to support the complexities of organisational development and the organisation's ambitions to achieve growth in impact. A bespoke package of support is tailored to support the leadership of each organisation in a responsive, timely and flexible way. The focus is maintained on strategic development but priorities are reviewed quarterly and acknowledge that things change during the lifetime of the investment.



## 4 Dialogue

The focus for engagement, monitoring and feedback is conversation and dialogue. The regular cycle of face-to-face meetings and continuous communication enables responsive decision making to support each organisation's needs. This approach allows for learning to be actioned and applied in the 'here and now' using a record of continuous dialogue rather than waiting for any formal reporting points.

## → 8 The Key's Reflections

The Key has reflected on their journey through the Youth Strategic Investment Fund to support Paul Hamlyn Foundation to learn what impact this funding approach has.

The Foundation wants to understand whether the Youth Strategic Investment Fund is tailored effectively and proportionate to the role that it plays alongside other funders, agencies and individuals that support any given organisation.

### What The Key valued through the Youth Strategic Investment Fund:

The Key remarked on how the relationship with PHF had been 'pivotal' to navigating (and surviving) a period of substantial societal and organisational change. The security of five-years funding had allowed The Key to 'experiment, learn, re-evaluate and reform' in to a stronger organisation with greater clarity in assuring impact aligned to its core purpose.

The Key valued the 'beyond grant making approach' that was underpinned by close working relationships with the Fund's Partnership and Learning Lead and the Critical Friend. These relationships were essential in maintaining continuity and meaningful progress as leadership transitioned between Chief Executive Officers and as the organisation underwent strategic realignment.

The role of the Critical Friend itself was described as 'invaluable.' The Key expressed appreciation for the support of an independent Critical Friend that 'provided regular, objective and informed advice that was unfiltered in support of The Key's mission' and a person that 'shared in the journey of the

organisation.' This provided much needed continuity during change, critical insight to the Board, facilitation of strategic conversations and 'a friendly ear to the team'. It assisted The Key to move through a time of 'anxiety to anticipation' of what they have gone on to achieve.

The Key highlighted how the financial resources, through core funding and the annual £30,000 Expert Support Package (ESP), were complimentary in both navigating through a period of change and securing its future. The Key reflected on the benefits of The Fund during this period. The core funds 'provided the confidence to test scale-up plans and then to stabilise the organisation when it became apparent that a strategic realignment was required.' The ESP funds 'were essential to assist navigation of each stage of testing and re-organisation, providing the resource to pivot and improve in response to changing needs in the sector and within the organisation'. Combined, these funds were 'used to strengthen the organisation for where it is now and what comes next.'



# What change did the investment enable at The Key?

The Key was clear that the YSIF was a driver for strategic development within the organisation and clarifying its mission. This had begun with a focus on strategic ambition through a major scale-up programme but, when tested, it became apparent this ambition was beyond The Key's reach. The Key were grateful that the YSIF support embraced this 'adventure' and allowed the organisation time to discover 'that success isn't necessarily measured by scale' and to 'act more intentionally through a deeper relationship with regional partners, local groups and young people themselves.'



In qualifying how the fund had contributed to change, The Key highlighted:

- ➔ How the Fund had supported the transition and development of leadership at multiple points across the five-years, especially the three permanent and two interim CEO's.
- ➔ How the Fund had engaged with the Board of Trustees to support its role in navigating change and making decisions about the strategic direction of the organisation.
- ➔ How the Fund had enabled greater alignment between the mission and activities of the organisation, in particular:

- ➔ Greater engagement with grassroots organisations
- ➔ Formation of stronger regional partnerships
- ➔ Growth in a co-design approach to strategic direction and project delivery
- ➔ Strengthening internal systems and structures that make change happen

In summing up, The Key expressed how the Fund had contributed to 'arriving at a place of deeper learning and understanding of the sector' that was allowing the organisation to bring new energy and perspective to their field of practice 'as thought leaders' seeking positive youth-led change while being a source of support for grassroots organisations.

“ The Key were clear that the YSIF was a driver for strategic development within the organisation and clarifying its mission. ”



## What learning would The Key highlight for future YSIF partners?

The Key described the experience of the YSIF as a ‘rich journey’ in wrestling with ambitions and adjusting to realities during the five years of funded support. Appreciation was expressed for all aspects of the Fund and its wraparound package of support to navigate a challenging journey.

There was recognition that the introduction of a new Critical Friend, two years into the Fund, and closer engagement with the Board were pivotal moments in The Key’s change journey. This highlighted that carefully matching a Critical Friend with a focus on whole organisational development, and securing a developmental relationship with the Board from early in the funded relationship, were essential when navigating strategic challenges and to make best use of the Funds resources.

The Key also highlighted the importance of staying focussed on organisational mission and not ‘chasing where the money was’ or ‘being seduced by invitations to deliver outside your areas of expertise.’ Their experience emphasised the importance of focussing relentlessly on ‘an authentic approach to meet young people’s needs.’

Finally, The Key also stressed that exit from the Fund needed careful foresight. While it was known that the funded relationship would come to an end after five years, embracing this early in the Fund was crucial to managing the change of income and relationships. It was emphasised that using the Fund to strengthen the organisation, it’s mission, and the depth of impact, was ‘more valuable than being seen as the next bright and shiny thing for everyone to get excited about.’

## → 9 PHF'S Reflections

The Key is part of the fifth intake of organisations to exit the Youth Strategic Investment Fund. PHF was clear when launching this Fund that it would be committed to listening, learning and changing the way it works in order to provide targeted organisational development that leads to an increased impact with and for young people.

### Partners that have completed the five-year investment cycle have taught us:

- The Fund rationale, design and investment model have withstood the test of time. Each element has merit in its own right but has proven most effective when blended to form a package of support that can flex and respond to the changing needs of an organisation over the five-year investment. This focused but flexible approach has been well received by funded partners and provides the tools for a sustainable focus on organisational development and impact.
- There is high value in a long-term but fixed-period of support for strategic development. It takes time for an organisation to fully assess its strategic direction, identify the best use of available resources and implement change. It also takes time to build trust between the organisation and the funder. Conversely, it needs an 'end point' to focus attention on using the Fund effectively in a given period of time. The nature of exit from the Fund and post-Fund support will continue to be evaluated as organisations are monitored post-exit.
- That growth for growth's sake should never be the focus of an investment. A common assumption is that strategic development is about growing the size of an organisation and too often at the expense of securing strategic position and impact. The Fund was, initially, called 'The Growth Fund' and – although it placed the focus on growth in impact – it was clear that this created a pressure to seek out growth opportunities when it was not always in the best interest of the organisation. The Fund was renamed the Youth Strategic Investment Fund in 2020 and funded partners are now encouraged to take a more critically informed approach to organisational growth.



➔ That codifying and valuing different types of strategic investment provides permission for organisations to use funds in the most appropriate way to achieve their mission at this stage in their development. The Fund has developed a framework that recognises different pathways for impact and development. These pathways allow for strategic journeys that can be categorised as:

- 1 Consolidation:** typical of organisations after a period of accelerated growth.
- 2 Refresh:** typical of more established organisations seeking to renew or implement change.
- 3 Scale-Up:** typical of organisations seeking to replicate or amplify a successful model at scale.

The Fund continues to evaluate the scale-up pathway, acknowledging that ‘scaling impact’ through replication has presented particular challenges for the integrity and sustainability of some organisations. We are approaching scale-up ambitions with greater caution, recognising the need to interrogate the evidence-base for scale-up and to ensure the necessary infrastructure is secured to achieve and sustain growth ambitions. Conversely, the Fund is observing more success in organisations that adopt an amplification approach to scale-up that involves shared learning, partnerships and empowering other like-minded organisations with a view to scaling impact outside the organisation’s own footprint and without the weight of exponential growth in the size of the organisation itself.

➔ That building a healthy and regular working relationship between the funder, the organisation, and other external expertise cannot be underestimated. The Foundation committed to meeting in-person on a quarterly basis and providing independent support through a Critical Friend. This provides the basis for continuous feedback with support that is both proactive and responsive to ensure the full investment is used effectively. The relationships between the Foundation, Critical Friend and partner organisation provides valuable insight to decision making that gives the investment its best chance of success.

## → 10 Final Remarks

Paul Hamlyn Foundation has been pleased to work with The Key in their ambitions to make a positive difference in the lives of young people through enabling youth-led projects. They have fully embraced the opportunity presented by the Youth Strategic Investment Fund and used the full package of support that has strengthened their offer as advocates for youth-led social action in the North East of England.

The Foundation's goals for the Youth Strategic Investment Fund is that, on exit, the funded partner has good evidence of its impact in working with young people, is strategically placed within its field of practice, and has strengthened its organisational sustainability. The Key has – despite the need to pivot in the early years of the Fund - achieved all of these goals. The Key has a strong evidence-base of impact in its work with young people (demonstrated by the features and data in this report), it has strategically realigned itself as an anchor organisation to catalyse youth-led action in the North East, and it exits the Fund in a strong position - financially and strategically - to grow its impact alongside partners throughout the region.

The Key entered the Fund with ambitions to realise a pathway to national scale-up but, faced with unnavigable barriers, seized the opportunity to proceed on an alternative pathway that has renewed its role in the North East. They have demonstrated how strategic agility and relational leadership are vital in navigating times of uncertainty. They have not shied away from asking difficult questions or inviting external critique and, ultimately, have placed the needs of young people ahead of organisational ambition.

The Key's journey during the Fund reflects a shift from 'growth for growth's sake' to values-driven regional impact. It highlights that national scale-up isn't always the path to growing impact and that depth and authenticity matter more. It has developed a model that illustrates how regional anchoring can be a powerful driver for systemic change when delivered through a partnership-led approach. This is serving to amplify impact and contribute to the sustainability of a much wider ecosystem of youth focused organisations and projects across the North East of England.



National scale-up isn't always the path to growing impact ... depth and authenticity matter more.



However, with a vision to unlock the potential of many more young people and, given the lingering impact of economic stagnation post-Covid-19, this work will require persistence and perseverance in order to achieve lasting change. The Key will need the continuing support of foundations, agencies, sponsors and individuals. Their success will require a collective effort from those that support their vision of a future where all young people believe in themselves, unlock their potential, and lead connected and fulfilling lives.

We hope our investment has provided confidence in how The Key are positioned to achieve better outcomes with and on behalf of young people. We are grateful to The Key team for working with us in this partnership and encourage like-minded funders to support their work.

**Youth Strategic Investment Fund  
Paul Hamlyn Foundation**

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