

3/3/24

## TRIENNIAL REVIEW 2024 (DRAFT)

### OUR CHARITABLE OBJECTS AND ACTIVITIES

#### Charitable objects

Our Charitable Objects, with which our activities must comply, are:

*To further and promote practice among those working in the penal system in the United Kingdom which contributes to:*

- *the rehabilitation of offenders and the prevention of crime;*
- *the promotion of the social inclusion of offenders by facilitating their integration and constructive engagement in society;*
- *the advancement of the health, safety and psychological well being of offenders and those who work with them.*

Our objects, and the public benefits to which they relate, had to be approved by the Charity Commission at the time of the charity's incorporation in 2012, and are set out in our Articles of Incorporation as a Company Charitable Company. Any changes to our objects would necessitate a change in the Articles and would need to be approved by the Charity Commission.

#### Charitable activities

Our charitable activities fall into two main areas.

- Celebrating People
- Promoting Good Practice

#### Celebrating people

Annual Awards:

The Annual Awards, presented by HRH The Princess Royal, are at the heart of the Trust's work. They contribute to the charity's objects by:

- identifying those who have made an outstanding contribution in the areas covered by our objects;
- rewarding and celebrating their achievements, through the Annual Award Ceremony; and
- publicising and sharing examples of good practice, and practice-related learning, from their work.

HiddenHeroes:

While our Awards focus on outstanding individuals, our HiddenHeroes work – including visits to prisons and other workplaces by our Royal Patron – celebrates and publicises the role of all those working in prisons, IRCs, probation and youth justice. It contributes to the charity's objects by: supporting staff morale, and thereby also their mental health, and retention in the role; and helping to widen the potential pool of future recruits to the sector.

## Promoting Good Practice

### Alumni Development Programme:

The Alumni Development Programme is an extension of the Awards and contributes to the charity's objects by helping our Award Winners and Commendees learn from their achievements and support their future development.

### Sharing knowledge and good practice:

We also help to share knowledge, ideas, and examples of good practice relevant to the areas covered in our charitable objects.

## **REVIEW OF 2021-24**

The following section reviews the targets and plans set out in the last Strategic Review and the Trust's performance against them.

### **Annual Awards**

#### Targets and Plans

*The Awards remain, and will remain, at the heart of our work. They are widely valued and respected across the sector, and follow a tried-and-tested formula which does not need to be changed at present. Over the next three years we will:*

- *strive to retain the pre-eminent position of our Annual Awards within in the sector;*
- *continue to encourage greater engagement from youth justice in England & Wales, and community settings in Scotland – while accepting it may be unlikely to improve substantially;*
- *seek to address the recent fall in engagement from SPS;*
- *hold a one-off event allowing senior leaders and key stakeholders to join in celebrating the achievements of our 2019-20 and 2020-21 Award Winners and Commendees;*
- *maintain costs at current levels, as far as possible, subject to inflation.*

#### Outcomes

Engagement with the Awards continued to be high over the period; total nominations reached a record average of 400 nominations a year in 2021-24, continuing the upward trend over the last 15 years (from 255 a year in 2009-12) and compared with an average of 350 in 2018-21; and the Ceremony continued to attract attendance at the very highest levels across the sector.

While nominations from youth justice in England & Wales, and community justice in Scotland, continued to be low compared with other parts of the sector, we did see an encouraging increase in engagement from the former in 2023; while the nomination rate from SPS did recover to previous levels (after falling off in the years immediately preceding the current reporting period).

While we were not able to hold a Ceremony in 2020 or 2021, because of Covid, we were able to hold a Ceremony in 2022, and included the Award Winners and Commendees from 2020 and 2021 in that event. We did not therefore need to hold a separate event for the 2020 and 2021 winners as originally envisaged.

While inflation led to a marked increase in catering costs for the 2023 event (when we were able to return to St James's Palace) we were otherwise able to maintain costs at previous levels.

## **HiddenHeroes**

### Targets and Plans

*Over the next three years we will:*

- *continue to promote the role of staff, share positive stories about them, and share our own messages of support for them, including through our social media channels;*
- *continue to promote an annual #HiddenHeroesDay – on 29 September each year – and encourage engagement across the sector;*
- *continue to supply copies of “#HiddenHeroes: The Prison Officer” for HMPPS to distribute to all new recruits.*

### Outcomes

We met all our targets in this area.

HiddenHeroes Day continued to be widely marked across the sector over the period, in custodial establishments in particular, and HRH helped to mark the day in 2021 by touring HMP/YOI Brinsford, and addressing staff from HMPs Brinsford, Oakwood, and Featherstone. In 2021, we also published *HiddenHeroes in the Pandemic* in tribute to those working in the sector during Covid-19, and sent copies to every workplace for onward distribution to their staff.

## **Alumni Development Programme**

### Targets and Plans

*The Alumni Programme is an integral adjunct to the Awards and, like the Awards, follows a tried-and-tested formula which does not need to be changed at present. Over the next three years we will seek to:*

- *maintain the current level of engagement;*
- *maintain the costs of the programme at current levels.*

### Outcomes

Because of Covid, we held the programme online (for 2020 and 2021 Award Winners and Commendees) in 2021, but returned to holding it “in person” in 2022 and 2023, when engagement levels continued to average around two-thirds of potential participants.

Because of inflation, the cost of the ‘graduation’ event in 2023 was higher than in previous years, leading to a slight increase on the total cost of the programme overall.

## **Notable Practice Trophies**

### Targets and Plans

*To help identify and disseminate local examples of notable practice across the sector, over the next three years we will:*

- *pilot two notable practice trophies in 2021 – in memory of Kathy Biggar and Ruth Mann – focusing on custodial and community settings, respectively;*
- *if the pilots prove successful, consider incorporating the trophies into our core activities in future years;*
- *share details of all shortlisted submissions through the Knowledge Exchange website and our social media.*

## Outcomes

We piloted the Ruth Mann and Kathy Biggar Trophies in 2021, receiving more than 50 and 30 submissions for each, respectively.

Following the success of the pilot we ran both Trophies again in 2022. The Ruth Mann Trophy again attracted a good number of submissions (35) but submissions for the Kathy Biggar Trophy was lower (16). We decided to pause the Ruth Mann Trophy in 2023 because of ongoing work on the *Good Book of Prisons 2*. We did hold the Kathy Biggar Trophy again in 2023, but submissions fell again that year (13).

All the submissions received for the two Trophies have been added to the resources on the Knowledge Exchange platform.

## **Knowledge Exchange**

### Targets and Plans

*The Knowledge Exchange is a new initiative. Over the next three years we will:*

- *focus on building engagement and content of the site during 2021-22;*
- *write a small number of reports for inclusion on site, based on the Trust's own findings (from our workshops and events, the Good Book of Prisons and recent Winners)*
- *continue to curate and publicise the site throughout the period.*

## Outcomes

We redeveloped the site substantially in 2021, and officially relaunched it at the start of 2022.

The Knowledge Exchange has now grown to include links to more than 500 practice related publications – which include all the submissions received for the Kathy Biggar and Ruth Mann Trophies, as well as a number of articles based on the first *Good Book of Prisons*, and reports from the Governing Governors event (detailed, separately, below).

The site does not receive a large amount of traffic – around 4000 visitors each year at present – although we would not expect that, as it's targeted only at the sector and is not the type of resource we would expect people to visit frequently. However, we send out annual updates to our contacts database, and quarterly updates to the around 200 people who have subscribed to the site itself, while Russell Webster also sends out updates to his 2000+ subscribers to his blog once a quarter – and we do see “spikes” in visits after each update.

We have secured a link to the site from the HMPPS intranet, and that accounts for around 25% of traffic to it.

## **Good Book of Prisons**

### Targets and Plans

*Subject to available funding, in 2022-24 we will:*

- *consider publishing a second volume of the Good Book of Prisons, focusing on youth and open establishments.*

## Outcomes

Rather than a follow-up publication focusing on youth and open establishments (which were not covered in the first *Good Book of Prisons*), it was decided instead to carry out second tour of the estate in England & Wales, including youth and open establishments this time, and asking each Governor to identify three things they would like to share with their colleagues in other prisons.

We hope to complete work on the *Good Book of Prisons 2* by the end of 2024.

## **Events**

### Targets and Plans

*In 2022-24 we will, in consultation with our stakeholders:*

- *run a programme of thematic, practice-focused workshops (these could be held online, at minimal cost, if needs be).*

### Outcomes

After consulting with the Head of HMPPS, we decided not to run a series of workshops but instead ran a two-day residential event for Governing Governors in December 2022, focusing on boosting staff morale and retention, and reducing the pressure on Governors themselves.

Over 40 Governing Governors attended the event and we shared the findings – in the form of two Governing Governors Guides – with HMPPS senior leaders and all Governing Governors, as well as adding them to the Knowledge Exchange site.

## **Operational Effectiveness and Resilience**

### Targets and Plans

N/A

### Outcomes

Following the success of a similar exercise in the previous three-year period, we carried out a further review of all our systems in 2022 to see what additional improvements could be made to our operating efficiency and resilience, including through further automation of our systems. The resulting improvements substantially reduced the administrative burden, in particular around the Awards, and will make the Trust more resilient to any future changes in staffing.

## **Resources**

### Targets and Plans

*Over the period 2021-24, we will:*

- *restrict our total spending over the 2020-22 financial years to approximately £500k (in line with the budget on which HMPPS agreed their funding);*
- *allowing for inflation, restrict our core expenditure in 2022-23 and 2023-24, to £230k and £235k, respectively;*
- *seek to balance income and core expenditure over the period 2022-24;*
- *draw on reserves to cover any shortfalls between income and expenditure;*
- *use any additional income (over core expenditure) to fund “added value” initiatives;*
- *seek to maintain year-end reserves at no less than £250k, and no more than £325k.*

## Outcomes

We hit our targets for total spending over the financial years 2020-22, as well as core expenditure, and income vs expenditure, over the period 2022-24.

As intended, we used the additional income to help fund a number of “added value” initiatives over the period (including on HiddenHeroes, the Governing Governors event, the *Good Book of Prisons 2*, and our operational resilience and efficiency project) – and covered the additional costs of these from reserves.

We expect our reserves to be just under £300k (within the £250-325k target) at the end of 2023-24.

## **THE NEXT THREE YEARS (2024-27)**

### **Financial Context**

While we have a strong reserve position at present, income has reduced over recent years. Our income fell below core expenditure in 2023-24, and may fall further over the next three years.

Income reached a high of almost £290k in 2015-16, when all the then private probation providers funded us, but has fallen back since renationalisation. Two of the former private probation companies, Ingeus and Interventions Alliance, continued to fund us in 2021-23, but Interventions Alliance also pulled out in 2023-24, leaving our total income for last year at £225k.

Our largest funder, HMPPS, looks set to reconfirm their funding at its current level of £125k p.a. for the next three years. In addition, we can be reasonably confident that we will continue to raise a total of £55k p.a. from the four private sector custodial service providers; and that PGA, POA, Hanley Trust, James Butler’s Trust, and Princess Anne’s Charities Trust, and our remaining regular individual donors, will continue to add around £25k p.a. between them. That gives us a likely baseline income for 2024-27 of around £205k p.a.

Of our existing and recent other funders: the current £10k p.a. grant from the Bromley Trust ends in 2024-25; Ingeus did fund us again in 2023-24 but have warned that they may not be able to continue to do so in future; and Interventions Alliance have said they may be able fund us again in future, but again that is uncertain at best.

Of the remaining stakeholders in the criminal justice system which do not already fund us: SPS hope that they will be able to give us £10k p.a. in future, but are currently struggling to find a mechanism to do so; YJB are unable to fund us (because of the money we already receive from MoJ, on behalf of HMPPS); and while it is possible that the Northern Ireland Prison Service / DoJ NI may give us some funding in future, they have not been in a position to do so in the past, and it would seem unlikely that that will change – any amount would anyway be very small.

The other potential source of future funding is charitable trusts, but they are generally reluctant to contribute to core costs, and the current level of our reserves makes it unlikely that they would consider doing so in our case, at present at least. The James Butler’s Trust and Hanley Trust do give us grants each year (of £5k and £2.5k, respectively), but they have Butler family interests, while the Bromley Trust also have personal reasons for donating to us (Keith Bromley, after whom the Bromley Trust is named, was a strong supporter of our work).

It seems fairly likely that SPS will find a solution to their funding conundrum and be able to give us £10k p.a. going forward. Together with our likely baseline income of £205k, and the final year of the Bromley Trust’s current grant (of £10k p.a.), we can therefore be fairly confident of achieving a total income of £225k in 2024-25. For the two years after that, income looks likely to be closer to £215k p.a. if the Bromley Trust does not agree to fund us again.

Against that, the direct costs of our core activities – the Awards, Alumni Programme, Knowledge Exchange, Notable Practice Trophies, and core HiddenHeroes work – plus the costs of the Trust's core infrastructure (office, staffing etc), amounted to just under £240k in 2023-24.

If our core costs remain at 2023-24 levels, then with income of £225k in 2024-25, and £215k p.a. for 2025-27, we would be left with a core operating deficit of £65k over the next three years in total. If the Bromley Trust reconfirm beyond 2024-25, that figure would be closer to £45k. However, neither figure takes account of inflation.

With strong reserves, a deficit on that scale would not present an existential threat to the Trust. However, using our reserves to cover core costs is unsustainable in the longer term.

## **Strategic Priorities for 2024-27**

### **1. Maintain our core charitable activities**

There are now many other award schemes in the sector, but our Awards are the original and most prestigious, and the only awards that cover custodial and community settings across the UK. They continue to enjoy support at the highest levels, and their enduring value is evidenced by the continued increase in engagement with them. While they are by far our biggest cost, in terms of core resource and direct expenditure, the Awards are the heart of the Butler Trust and we need to ensure that they continue to thrive going forward.

The Alumni programme is widely appreciated by all those who take part in it each year. It is an important adjunct to the Awards, and again something which we should maintain.

Our support of the wider workforce, through HiddenHeroes, is also widely appreciated, and HiddenHeroes Day is widely observed each year, in particular in custodial settings. Our core work in championing the wider workforce and promoting HiddenHeroes Day costs very little (around £1.5k p.a.) and takes little time, and is also something we should continue.

The Knowledge Exchange is a useful resource. Although it is not used as much as we might hope, it also takes up little time, and costs little to run (around £2.5k p.a.), and it is valued by HMPPS and those who make use of it. Again, this is something we should continue providing and promoting.

The notable practice trophies help to identify and share good practice more widely. Engagement from probation has been relatively disappointing over the last two years, but they also take up only a small amount of time and resource (around £0.5k p.a.). We should maintain both trophies, unless poor ongoing engagement makes them unsustainable, and seek to encourage more submissions for the Kathy Biggar Trophy from community settings.

### **2. Reduce our core operating costs**

Given the financial context set out above, we need to reduce our core operating costs, to minimise any potential future deficit between core costs and income.

We will be leaving our Vauxhall office at the end of April 2024 to move in to a shared arrangement with PRT. That will save almost £15k p.a.

We plan to reduce core staffing from 2.0 to 1.6 FTEs in 2024-25. This should yield net savings of around £7.5k in 2024-25, taking account of additional consultancy costs that year, potentially rising to around £15k p.a. from 2025-26, depending on the level of cover required thereafter.

While we are committed to the current arrangement in 2024-25, we will consider bringing the Alumni programme "in-house" from 2025-26, which would save around £10k p.a.

Taken together, these changes should minimise any operating deficit over the next three years, and potentially – if we were to secure ongoing funding from both SPS and the Bromley Trust – leave a small operating surplus over the period.

3. Complete work on the *Good Book of Prisons 2* in 2024-25

The majority of the *Good Book of Prisons 2* tour is already complete. We should finish work on the book by the end of 2024 (as we are on target to do) – with the additional costs of around £20k (including printing and distributing the book itself) to be covered from reserves if necessary.

4. Maintain a healthy reserve

In light of the more challenging financial environment at present, and our heavy reliance on a single funder in HMPPS, the Trust needs to ensure that it maintains a strong reserve position; but this needs to be balanced against the fact that our reserves derive from past funding given to us to support our charitable work, and that they are projected to stand at almost £300k at the beginning of 2024-25.

Given the uncertainty over future funding, we should not allow our reserves to fall below £200k. However, we should also not allow our reserves to grow any larger; and provided we are not in danger of breaching the £200k backstop, we should consider using some of our reserves to fund additional “added value” activities, as set out below.

5. Go beyond our core activities (if funds allow)

The Trust has carried out a number of non-core activities in recent years in support of the sector and in furtherance of our charitable objects, such as the *Good Book of Prisons*, our wider HiddenHeroes work during Covid, and the Governing Governors’ event which we held to look at improving staff morale and reducing the pressure on Governors.

Taking account of the need to maintain a strong, but not excessive, level of reserves, we should, in consultation with our stakeholders, look at other ways of furthering our charitable objects, beyond our core activities, over the next three years.

Simon Shepherd  
**Director**

March 2024