



improving lives, building independence

Tricuro Executive Shareholder Group held at Beech House, Poole on  
27 June 2017

**PRESENT** - Karen Rampton (Chairman), Pauline Batstone, Blair Crawford, Tony Ferrari, Mike Greene, Jill Haynes, Mohan Iyengar, Ros Kayes and David Walsh.

**OFFICERS PRESENT:**

Sue Ross (Director, Adults and Children, Bournemouth Borough Council)  
Jan Thurgood (Strategic Director - People Theme - Borough of Poole)  
Helen Coombes (Adults and Community Services Director, Dorset County Council)  
Alison Waller (Managing Director - Tricuro)  
Phil Rook (Finance Director - Tricuro)  
Colin Dennis (Chairman - Tricuro)

The meeting started at 10.00 am and finished at 11.10 am

**1. APOLOGIES AND MEMBERSHIP OF THE GROUP**

The Group welcomed new Members to their first meeting following the Dorset County Council Elections in May 2017.

The Group was advised that apologies were received from Nicola Greene (Bournemouth Borough Council) and Steve Butler (Dorset County Council). The Group was advised that Pauline Batstone (Dorset County Council) attended as a reserve Member for Steve Butler. The Group was advised that apologies had been received from Councillors Jane Kelly and Lawrence Williams (who was now Mayor of Bournemouth) and therefore there was no reserve Member for Councillor Nicola Greene.

**2. ELECTION OF CHAIRMAN FOR 2017/18**

**DECISION MADE:**

That Councillor Karen Rampton, Borough of Poole, be elected Chairman for 2017/18.

**3. CODE OF CONDUCT**

There were no declarations of interest made at this meeting.

#### 4. MINUTES

##### DECISION MADE:

That the minutes of the Executive Shareholder Group meeting held on 14 March 2017 were confirmed.

#### 5. MANAGING DIRECTOR UPDATE

The Managing Director reported that arrangements had been made for an informal discussion with the company's barrister following the meeting. She presented her update report explaining that as the Company concluded its 2<sup>nd</sup> year of trading it was evident that there had been significant progress in transforming its services, achieving efficiencies across services and improving services which were responsive to local community need. The Group was informed that there had been considerable activity across the Company which had focussed on the delivery of the in-year efficiency savings: a focus on the quality of services and transforming some services as the company increased its trading position in line with the business case.

The Group was advised that more detail on performance would be included in the report from the Finance Director. The Managing Director commented on the outcome of recent inspections by the CQC all of which had returned "Good" outcomes with the exception of Sidney Gale House in Bridport which received a "requires improvement" notice. The Managing Director reported that the Quality and Assurance Committee would focus on this outcome and ensure there are lessons learnt from Sidney Gale which would inform wider learning across the company. A Member commented on the future development of Sidney Gale House and it was noted that a pre-application process would be happening shortly.

The Group was advised of the establishment of the Rewards and Recognition Committee in recognising and developing staff. The Managing Director highlighted the work undertaken on marketing and communications. She commented on the trading for day care and care home provision. A Member asked if the rebranding and marketing campaign was being delayed until after any employment tribunal. It was confirmed that this was not the case.

The Managing Director reported on service developments and the work with Dorset County Council on the development of a programme to ensure that efficiencies were realised of up to £2.5m in 2018-19. She indicated that the work would include the financial modelling of what the efficiencies would mean for the Company and investment in services. The Group was informed that more clarity would be provided at the next meeting of the Group in September 2017. Helen Coombes, Director, Dorset County Council reported that in benchmarking with comparatives, costs were high whilst acknowledging the level of independence and choices which could be provided.



Jan Thurgood, Strategic Director, Borough of Poole reported that each of the Councils, in view of the financial challenges they faced, needed to have discussions with Tricuro on the nature of the services provided. She referred to the potential need for the reconfiguration of services. A Member commented on the stability of the Company and the need for a broader conversation on strengthening its growth and development. This approach was supported by other Members and in particular that discussions should be shared with Tricuro. The Director, Dorset County Council reported that to operate in the market the Company needs to be competitive acknowledging that some business may not be attractive in the market place. She explained that part of this process would be to use the Company for independence and complex care and to benchmark these areas. The Strategic Director, Borough of Poole highlighted the dialogue with Shareholders, working together and sharing plans with the view of reporting to the next meeting of the Group in September on a strategic approach.

The Managing Director reported on in year service reductions which had been achieved through vacancy management. Tricuro was not providing all of the “contracted hours” in reablement due to vacant reablement posts. Therefore, the reduction in funding for the reablement service has been achieved through vacancy management and has not required actual hours delivered to be reduced or resulted in loss of any workforce.

The Group was advised of the relocation of clients from Broadwaters to the new Coastal Lodge with an increase in beds to 40. A Member commented on the refurbishment at Coastal Lodge. The Managing Director highlighted the transitional changes which would enable staff to receive training and support as a new model of care and support would be implemented. The Group was advised of the development of the community hub, Bridport Connect, which was on plan to commence building in January 2018.

The Managing Director reported that the Company had tendered for the development of a new build 80 bedded care home in Poole. She explained that this will be a test of the Company’s ability to operate competitively in the market place. The tender has been submitted with Dorset Healthcare as a partner to offer the added value that partnership working will bring to the care and support of clients in the home and staff.

The Group was updated on the work of Tricuro on nutritional care and a recent article for Older People. The Managing Director reported on the approach taken by the Company in successfully generating evidence and outcome measures around the importance of good nutritional care for older people as well as potential cost saving data. The Group was also advised of the development in the transformation of Day Services including the provision of activities. The Managing Director highlighted the Leadership Development Programme which would further enhance the leadership capabilities of executive directors, service directors and middle managers across the Company.



The Managing Director reported on the recent Open Day to coincide with the National Care Home Open Day which had been well supported by the Company's partners, the local communities and gave staff an opportunity to visit other services.

Sue Ross, Director, Bournemouth Borough Council referred to the tendering process for the Poole Care home emphasising that commissioning required a considerable amount of time regardless of the outcome. She referred to the capacity of the Company and asked to what extent Tricuro could service that activity. The Managing Director reported that the tender process was a straight forward process which would provide a platform on what can be delivered. She explained that 86% of controllable costs in Tricuro are its staffing and therefore a focus on remodelling the staffing structure within the home and optimising the input from Dorset Healthcare was essential to deliver a financially competitive tender. A Member referred to the financial impact and the need to consider how the market was responding. The Chairman of the Company commented on the tendering process and the impact on the Company. In response to a question the Managing Director reported that the Company was working with Grant Thornton to identify where competitively the company sits in the market place - an essential piece of work to understand opportunities for future growth and development.

#### **DECISION MADE:**

That as requested the Group commented on the progress made and key issues currently faced by Tricuro as detailed above.

## **6. FINANCE AND PERFORMANCE UPDATE**

The Group considered a report from the Finance Director which provided an update on the financial position of Tricuro, the forecast for 2017/18 and detailed the outturn for 2016/17 including a copy of the audited group financial statements for the Company.

The Finance Director reported that the financial statements have been audited by KPMG, Tricuro's external auditors. KPMG will issue an unmodified audit report. The Finance Director reported that 2016/17 was a difficult year with significant savings targets to be delivered, on-going pressures and delays in implementation of revised terms and conditions which were implemented on 10 March 2017. Officers explained that much has been done by services across the whole of Tricuro to halt non-essential spend, hold vacancies, re-prioritise spend and to challenge planned expenditure and increase external income. This has resulted in the one-off surplus in 2016/17 of £314k which represents 0.75% of turnover. Tricuro have continued to provide high quality services with recent CQC inspection reports highlighting good outcomes across regulated services. This will be reported at the Annual General Meeting on 8 August.



The Group was informed that the latest forecast for 2017/18 was an underspend of £137k based on data to the end of May 2017 with the alignment of performance and the financial position of the Company. The Finance Director reported on staff turnover for the 12 months to the end of April which remained significantly below the average for this sector. He explained that 6 staff left due to the changes made in March 2017. The Group was advised that currently sickness rates were 9.37 pro rata days lost per FTE compared to the target of 8. The Finance Director reported on the current income levels which were £420k compared to the target of £395K.

A Member asked what arrangements would be put in place after 30 June for support services. The Finance Director explained that the support services contract was currently being reviewed. Members asked what would happen after 2018. The Director, Dorset County Council reported that the current contract was being looked at and consideration given to identifying what Tricuro need over the next three years. A Member referred to fees and changes and the opportunity to grow this part of the business. The Chairman of Tricuro commented on the expectations in respect of income generation, the constraints on the Company which was set up as a commercial trading company and the approach of shareholders in investing in the Company. The Member indicated that if there was any strategic change in direction of the Company then this needed to be reported back to the relevant committees of the authorities. She explained that the Company needed resources to grow and to see how it could develop. The Chairman of the Company commented on taking a five to ten-year view with a clear direction from the shareholders. A Member commented on the current model and potential options available. The Group discussed the options available for the Company which included the potential to be competitive in the open market and controlling costs. The Director, Dorset County Council reported that by September there would be an opportunity to feedback to the Group on these issues understanding the financial position of each of the Local Authorities. A Member suggested that it would be useful to see a timetable in exploring opportunities and potential which was the initial vision. The Managing Director reported that when trading targets were set the Company was looking innovatively at technology which potentially provided a better service delivery mode. Members commented on the impact of the accountable care system and LGR on the Company acknowledging the need for continual dialogue in respect of the reshaping of services in the contract as well as the trading capacity.

#### DECISION MADE:

1. That the outturn position for 2016/17 be noted.
2. That the 2017/18 forecast position as at end of May 2017 be noted.



**7. MEMORANDUM OF UNDERSTANDING**

**DECISION MADE:**

That there were no changes to the Terms of Reference as circulated with the agenda.

**8. DATES FOR NEXT MEETING OF THE GROUP**

**DECISION MADE:**

That Members of the Group be consulted on options for the date of the next meeting in September 2017.





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