

Care Dorset Shareholder Committee

6 October 2025

CARE DORSET UPDATE

For information and assurance

Report author: Chris Best
Title: Managing Director
Email: chris.best@caredorset.co.uk
Date: 16 September 2025

Report status: **PUBLIC**

Brief summary:

Care Dorset's October update to the Shareholder Committee highlights steady operational progress and strategic alignment. Residential bed occupancy has risen to 91%, with reablement beds holding at 82%, and community reablement saving over 1,500 care hours weekly. Workforce turnover sits at 14%, with sickness rates improving. The launch of *CarePath Academy* marks a significant investment in internal development and future external training, reinforcing the organisation's commitment to growth and values-led practice.

Financially, the organisation faces a £270k adverse variance, driven by agency costs, equipment needs, and growth-related costs. However, targeted interventions - such as the Neuvén partnership - are helping reduce agency spend. Revenue shortfalls are largely attributed to lower occupancy at St Martin's, while property challenges persist, including unresolved fire door issues and a boiler failure that prompted a full estate survey. Despite these pressures, statutory filings and governance milestones have been met, with a DSPT improvement plan in place and Dr Felix Davies joining the Board to strengthen clinical oversight.

Strategically, the Annual Business Plan is now aligned with the five-year vision *Your Life, Your Way*, embedding initiatives like the hub-and-spoke day model and the Target Operating Model. New leadership roles - including Area Managers and a Head of Customer Experience - are supported by Safeguarding and Engagement Leads, forming a values-driven triad. Cultural visibility remains a priority, with a Dorchester Road colleague nominated for an Andor Award, exemplifying the organisation's ethos of celebrating everyday excellence.

Recommendation:

The Shareholder Committee is asked to note the report and the updates contained therein.

Reason for recommendation:

Care Dorset serves as a vital delivery partner to Dorset Council, underpinning the provision of essential adult social care and support across the region. While its impact is clear, continued focus is needed to enhance operational resilience and unlock strategic growth opportunities. Expanding both service reach and financial sustainability remains a key priority.

COMPANY UPDATE

1. Property related matters

- 1.1. There has been no material progress on the remedial works required to address defective fire doors within the day service buildings. This remains a known issue and is being monitored accordingly.
- 1.2. A comprehensive side-letter intended to supplement the existing occupation agreement is still pending finalisation. Unfortunately, two scheduled meetings to advance these discussions were cancelled, contributing to continued delays in resolution.
- 1.3. With colder months approaching, concerns are increasing regarding the resilience of heating systems across the residential care estate. Notably, a boiler failure at one home in mid-September led to a four-day disruption in hot water provision. In response, a full survey of boiler infrastructure is underway to assess estate-wide risk. Findings will inform targeted engagement with Dorset Council to prioritise investment and mitigation.
- 1.4. Initial discussions are underway between Care Dorset and Dorset Council to explore the long-term strategy for the properties currently used by Care Dorset, including the Council's potential role in shaping their future use and stewardship.

2. Workforce

- 2.1. Voluntary turnover (that being colleagues who decide to leave Care Dorset) for the last 12 months ending August 2025 is at 14%.
- 2.2. Care Dorset has now branded its Academy and trademarked it. The CarePath Academy will initially offer structured routes for Care Dorset's colleagues to develop and achieve nationally recognised qualifications. In future years, the Academy will offer training and qualifications externally to support income generation and the regional social care sector.
- 2.3. Levels of sickness across Care Dorset are currently 12.5 days, per colleague, per year. This is a reduction of 1.5 days per colleague since January 2025 and exceeds the target of 14 days to be achieved by 31 March 2026.

3. Financial performance

- 3.1. For the period October 2024 to August 2025 there has been a small operating loss of £20k against a budgeted surplus of £250k, a year-to-date deficit variance of £270k. This position is impacted by higher agency costs than expected in the first 6 months of the year, additional costs on replacement/renewals of equipment and furniture, cleaning costs to maintain and enhance infection prevention control measures and professional fees associated with growth opportunities.
- 3.2. A 40% reduction in the cost of agency is on target to be achieved by 30 September 2025. The reduction in cost has been supported by the

partnership Care Dorset has with Neuvén, the organisation's neutral agency vendor.

- 3.3. Year-to-date revenue stands at £29.2m, compared to a budgeted £30.5m, reflecting a shortfall of £1.3m. This variance is primarily attributable to lower-than-anticipated occupancy at St Martin's (33 of 55 beds currently occupied), the loss of income from 10 reablement beds from July onwards, and the timing of block contract revenue recognition. Revenue is distributed across Care Dorset's support models as follows: Registered Care – 46%, Day Services – 27%, Community Reablement – 9%, Bed-Based Intermediate Care – 9%, Supported Living – 6%, and Extra Care – 2%.
- 3.4. On the upside, there is an additional £250k of private funding in registered care and we are on track to achieve the target of generating £1.4m of revenue from private funding by 31 March 2026.

4. Operational performance

4.1. Occupancy levels

- 4.1.1. Occupancy across the block-funded residential beds is at 91% - this is an increase of 5% from the previously reported position.
- 4.1.2. Occupancy across the reablement beds is at 82% which is consistent with the previously reported position.

4.2. Community reablement

- 4.2.1. For the three months ending 31 August 2025, the community reablement team delivered 12,249 hours of reablement. 99% of people concluded their reablement support with no increase to their initially identified package. 1,504 hours of ongoing care per week were saved as a result of the reablement team's interventions.
- 4.2.2. Colleagues from reablement have also been an integral part of supporting the Future Care Programme particularly in supporting the development of a new application to improve capacity identification and monitoring.

4.3. Day opportunities

- 4.3.1. Care Dorset remains a committed partner to Dorset Council in advancing day opportunities. Most recently, we have supported the Council's appointed delivery partner by providing comprehensive financial data to inform their cost analysis, reinforcing our shared commitment to transparency and value for money.

4.4. Operational structure

- 4.4.1. A restructuring exercise has now been completed which introduces the role of Area Manager which will enable improved oversight of service delivery as well as increased support to local leaders. Area Managers will be supported by a Head of Care and Support who will have overall responsibility for operational delivery.
- 4.4.2. A new role of Head of Customer Experience has been recruited. The Head of Customer Experience is more than a title - it's a signal that Care Dorset places people at the heart of its operating model. This role ensures that every touchpoint, from first contact to ongoing support, reflects the organisation's values and delivers on its promise of person-centred care.
- 4.4.3. The Head of Customer Experience is supported by the Safeguarding Lead and the Involvement & Engagement Lead to ensure that Care Dorset's commitment to dignity, safety, and voice is not just aspirational - but operational. Together, they form a values-driven triad that balances protection with participation. The Safeguarding Lead brings rigour and responsiveness to concerns, ensuring that every individual is safe and heard, while the Involvement & Engagement Lead amplifies lived experience, co-producing improvements and embedding feedback into service design. This collaborative structure ensures that customer experience is shaped by those who live it, safeguarded by those who oversee it, and championed by leadership that listens and acts.

ANNUAL BUSINESS PLAN UPDATE

- 5. The 2025/26 Annual Business Plan was formally approved by the Shareholder on 14 April 2025. This marks the first annual plan developed in alignment with Care Dorset's five-year strategy, Your Life, Your Way, which received Shareholder approval in December 2024.
- 6. The Plan has six delivery areas: (a) Move to a "hub and spoke" model for day opportunities; (b) develop and implement an agreed operating model; (c) enhancing existing and developing new models of support; (d) open the Care Dorset academy; (e) publish enabling strategies; and (f) using the reablement model as a prevention model.
- 7. Care Dorset continues to make strong progress across several strategic priorities. The transition to a "hub and spoke" model for day opportunities is on track, aligning well with Dorset Council's proposed commissioning goals and complementing existing private provision. The Target Operating Model (TOM) is advancing positively, with the next phase focused on embedding and communicating it across the organisation to support future planning. Encouragingly, colleague sickness levels are declining and expected to exceed the target reduction. Meanwhile, enhancements to support models are underway, including the appointment of a new

Registered Manager at Streets Meadow and a Non-Executive Director for clinical oversight. Although the sales strategy has faced delays, marketing efforts and website updates are scheduled, with private revenue currently exceeding £400K.

8. The launch of the Care Dorset Academy is progressing, with mission and branding agreed and trademark protections in place. Discussions are also taking place with the Health Sciences University to build a partnership and support their student's work experience requirements. The arrival of the new Head of People marks a turning point for its development. Leadership transitions have delayed some enabling strategies, but the People Plan has been approved and work on the People Strategy is now moving forward. Estates and Growth Strategies are also being actively developed by the Chief Commercial Officer. In terms of prevention, the reablement model faces uncertainty due to the Future Care Programme, affecting both bed contracts and Castleman Plus reconfiguration. Nonetheless, occupational therapy integration into both community and bedded reablement is showing promising progress.

CORPORATE GOVERNANCE

9. The annual accounts for the year ending 30 September 2024 have been filed with Companies House.
10. The annual confirmation statement for Care Dorset Holding (and Care Dorset Ltd) have been made to Companies House.
11. Registration with the Information Commissioners Office has renewed for Care Dorset Ltd. Care Dorset Holding is due for renewal in March 2026.
12. The NHS Data Security and Protection Toolkit (known as the DSPT) was submitted by the deadline of 30 June 2025. A work plan has been developed to drive continuous improvements.
13. Dr Felix Davies has joined the Board of Directors to support the organisation in strengthening governance of clinical and therapeutic matters. Dr Davies is a Registered Practitioner Psychologist. He began his NHS career as a Clinical Psychologist before becoming Director of Psychological Services in two NHS Trusts. Previous senior roles include Chief Operating Officer at a large UK adult social care company, Managing Director of Mental Health at the charity Turning Point, and CEO at POhWER, which provides advocacy to people in the health and social care system.

OTHER MATTERS TO NOTE

14. Care Dorset is thrilled that a colleague working at Dorchester Road has been nominated for an Andor Award in the category of 'Best Ambassador'. Andor are the awards partner of the Care Workers' Charity, which Care Dorset is proud to support. Dorchester Road is a new transition service for young adults in Weymouth when opened last May.

15. Care Dorset will host its Colleague Awards Evening on 11 October 2025 - a chance to honour those who go above and beyond in delivering high-quality care and advancing the organisation's strategic goals. Nominations across eleven award categories have been submitted by colleagues from all corners of the organisation.

APPENDICES

16. There are no appendices to this report.

BACKGROUND PAPERS

17. There are no background papers.