

Shareholder Committee for Care Dorset Holding Ltd

28 September 2026

CARE DORSET UPDATE

For information and assurance

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Executive summary:

Care Dorset continues to perform strongly across its services, with residential occupancy above target, improving workforce stability, and positive outcomes for people supported.

Progress against the Business Plan remains positive, including service growth, quality improvement, workforce development and organisational transformation. Governance arrangements continue to strengthen, and The Lawns has achieved a Good CQC rating.

Financial performance remains below plan, with a year-to-date deficit driven by lower-than-forecasted income and workforce cost pressures. Recovery actions are in place and performance is being closely monitored.

Overall, the organisation remains on a positive trajectory, making good progress against its strategic objectives while maintaining a focus on financial recovery and long-term sustainability.

Recommendation(s):

The Shareholder Committee is asked to note the contents of this report and to continue its support for the Company.

Reason for recommendation(s):

As an owned company of Dorset Council and a critical partner in the delivery of adult social care services, this report provides the Shareholder Committee with assurance regarding

Care Dorset's operational performance, strategic progress, governance arrangements and financial position.

OPERATIONAL PERFORMANCE

1. Occupancy levels (block-funded)

- 1.1. Occupancy across block-funded residential care homes was 96.1% for the three months ending August 2026, exceeding the target of 95.0% and improving by 5 percentage points from the previously reported position. This performance demonstrates sustained demand and effective utilisation of available capacity.

2. Occupancy levels (self-funded)

- 2.1. Self-funded occupancy averaged 53.0% for the three-month period ending August 2026, which is broadly in line with the forecast position. Performance remains consistent with expectations and reflects the continued development of the self-funded market across Care Dorset's residential services.
- 2.2. Care Dorset continues to invest in activities that support occupancy growth, utilising a range of marketing channels including digital, social media and print advertising. These efforts are intended to strengthen market awareness, promote available services and support future growth in self-funded placements.

3. Day opportunities

- 3.1. Care Dorset continues to deliver services in line with its contractual commitments. During the three-month period ending August 2026, the organisation delivered 2,186 hours of support to 357 people through its day opportunities provision. This reflects sustained demand for the service and the organisation's ongoing commitment to supporting people to maintain independence, develop skills and remain connected to their local communities.
- 3.2. A joint transformation programme Board has been established between Care Dorset and Dorset Council as well as an advisory panel. A joint strategic asset review is also underway, supported by site visits involving Care Dorset and Dorset Council property colleagues. Dedicated workstreams for property, catering, and transport are being established, alongside engagement plans for people we support, families, and carers. Together, these activities will ensure that future service options are informed by robust evidence, stakeholder insight, and strong partnership working across the wider system.

4. Community reablement

- 4.1. During the three-month period ending August 2026, Care Dorset delivered an average of 3,592 hours of reablement support per month, helping people to regain skills, maximise independence and achieve positive outcomes following periods of illness, injury or changes in circumstance.

- 4.2. Over the same period, 97.5% of individuals concluded their reablement support with no increase in their ongoing package of care requirements. This demonstrates the effectiveness of the service in supporting people to maintain or improve their independence, reducing the need for longer-term care and support where appropriate.
5. Supported living
 - 5.1. Care Dorset's supported living services continued to deliver contractual support hours across its three supported living settings during the period, ensuring people received high-quality, person-centred support that promotes independence, choice and wellbeing.
 - 5.2. Care Dorset's newest supported living service at Littlemoor Road is now operational and is currently supporting two young adults. The successful mobilisation of the service builds on the positive outcomes achieved at the Dorchester Road scheme and further strengthens the organisation's ability to provide high-quality support.
6. Extra Care (St Martin's)
 - 6.1. St Martin's is now approaching full occupancy and has established a vibrant and supportive community for the people who live there. The service continues to demonstrate strong demand and is providing a stable, high-quality environment that promotes wellbeing, independence and social connection.

WORKFORCE PERFORMANCE

7. Voluntary turnover for the 12-month period ending August 2026 was 14.45%, representing an improvement of 2 percentage points compared with the previously reported position. This reflects continued progress in workforce stability and the organisation's efforts to support colleague engagement, wellbeing and retention.
8. Total colleague turnover for the 12-month period ending August 2026 was 17.0%, a reduction of 3 percentage points from the previously reported position. This remains significantly below the Southwest adult social care sector average of 25.1%, demonstrating Care Dorset's comparatively strong workforce retention performance within a challenging labour market.

FINANCIAL PERFORMANCE

9. The financial position at the end of July 2026 shows a year-to-date operating deficit of £228k, against a planned surplus of £50k, representing an adverse variance of £278k.
10. The variance is principally attributable to income being below plan, with revenue shortfalls of £421k arising primarily from lower-than-anticipated private bed occupancy levels and contract income growth being below forecast assumptions. In addition, operating performance has been affected by higher workforce costs, including increased agency utilisation and elevated levels of sickness absence,

together with the timing of planned expenditure on property maintenance and equipment replacement.

11. Management continues to maintain close oversight of financial performance and is implementing actions to address the factors contributing to the current variance. While performance remains below the approved plan, the latest reforecast indicates a trajectory towards a breakeven position by year end. The Board recognises the importance of sustained delivery of improvement measures and will continue to monitor progress closely.

ANNUAL BUSINESS PLAN UPDATE

12. As the second quarter of the plan's lifecycle draws to a close, an interim update on delivery is provided.
13. Care Dorset continues to make progress against its strategic objectives, with developments underway across service growth, quality improvement, workforce development and organisational sustainability.
14. Under *Aim One: Expanding market share*, the organisation has successfully opened its newest service at Littlemoor Road, which is already supporting individuals and demonstrating demand for specialist local provision. Efforts to expand capacity at Anglebury Court remain a priority, with broad stakeholder support for the proposal, although agreement to progress the scheme has yet to be secured.
15. Under *Aim Two: Improving and sustaining good quality care and support*, significant progress has been made in embedding the Thrive model across the organisation. Partnership work with BILD will support the next phase of implementation through workforce development in Positive Behaviour Support, Active Support and Practice Leadership. A network of PBS coaches has been established to promote consistency, shared learning and sustainable cultural change across services.
16. Under *Aim Three: Being known as a trusted provider and a great place to work*, the Community Reablement Service has continued to strengthen, supported by workforce growth and the appointment of a dedicated Occupational Therapist. Service performance has improved significantly, with unfulfilled hours reduced to minimal levels and recruitment remaining positive. The CarePath Academy has expanded its leadership, clinical and professional development offer, reducing reliance on external training providers and strengthening internal capability. Annual stakeholder surveys have been completed and are informing the development of a new Customer Voice Framework, with new engagement forums being established to strengthen involvement from people who use services, families, professionals and colleagues.
17. Progress has also been made against *Aim Four: Enabling value for money and future sustainability*. The organisation's technology-enabled operating model continues to advance, with a clear systems roadmap now in place to support digital transformation, improved management information and more effective decision-making. Work is also underway to standardise operating procedures, strengthen business processes and build organisational capacity through additional specialist roles. Alongside this, Care Dorset is continuing to develop its Environmental, Social

and Governance (ESG) agenda, with initial activity focused on environmental sustainability, waste management and community impact.

18. Overall, the organisation continues to make good progress across its strategic priorities, with a strong focus on growth, quality, workforce capability, service transformation and long-term sustainability. While some significant programmes remain in development, the direction of travel remains positive, supported by effective partnership working, strengthened governance and continued investment in people, services and infrastructure.

CORPORATE GOVERNANCE

19. Board recruitment

- 19.1. Recruitment for an additional Non-Executive Director with commercial and business development expertise is ongoing. The role has attracted strong interest from a diverse range of candidates, reflecting the growing profile of Care Dorset.
- 19.2. While a number of high-quality applications have been received, the Board is seeking to ensure that any appointment provides the right combination of skills, experience and cultural alignment to support the organisation's strategic ambitions. As a result, the recruitment process remains open while suitable candidates continue to be assessed.

20. Governance review

- 20.1. The Boards of Care Dorset Holding and Care Dorset Ltd have commenced a governance effectiveness review to ensure that governance arrangements remain aligned with recognised good practice and continue to support the organisation's strategic objectives. The review has begun with a survey of Board members and regular attendees at Board meetings, providing an opportunity to assess current arrangements and identify areas for further development.
- 20.2. Early findings demonstrate a strong level of confidence in the organisation's governance framework, leadership, organisational culture, quality oversight and financial stewardship. The review has also highlighted opportunities to further strengthen strategic oversight, enhance engagement with shareholders, develop risk assurance arrangements, improve performance reporting, broaden stakeholder engagement and support ongoing Board development.
- 20.3. The next phase of the review will include a detailed analysis of governance documentation and benchmarking against relevant governance standards and best practice. A final report, including recommendations for further enhancement, is expected in early 2027 and will support the Board's commitment to continuous improvement and effective governance.

OTHER MATTERS TO NOTE

21. Since the last report, The Lawns residential care home in Weymouth has achieved a Good rating from the Care Quality Commission (CQC). This represents a significant milestone for the service, particularly in the context of previous inspection findings. The achievement reflects the commitment and hard work of colleagues across the home, supported by the ongoing partnership and improvement activity undertaken with Dorset Council's quality and commissioning teams. The improved rating provides assurance regarding the quality of care being delivered and demonstrates the positive impact of sustained focus on service improvement.
22. Care Dorset's profile and influence within the wider social care sector continue to grow. In November, the Chief Executive has been invited to deliver a keynote presentation at a national Care Strategy Forum, focusing on the organisation's THRIVE support model. This provides an opportunity to showcase Care Dorset's approach to delivering person-centred support and share learning with sector leaders and partners.
23. Further recognition of Care Dorset's leadership has been demonstrated through the appointment of the Chief Executive as Co-Chair of the National Care Forum (NCF) LATCo Senior Managers' Forum. The role will provide opportunities to contribute to national discussions on the development of local authority trading companies, strengthen sector partnerships, and ensure Care Dorset remains engaged with emerging policy, innovation and best practice across adult social care.
24. A colleague from Care Dorset's supported living service has been shortlisted in the "Specialist Carer of the Year" category at the forthcoming National Care Awards, reflecting the outstanding commitment, professionalism and quality of support provided to the people we support.
25. Positive media coverage
 - 25.1. The organisation has received some positive media attention over the period including:
 - 25.2. **Littlemoor Road:** [New supported living accommodation for young adults in Weymouth | Hello Rayo](#)
 - 25.3. **The Hayes care home resident pulls pint at Sherborne pub:** [The Hayes care home resident pulls pint at Sherborne pub | Dorset Echo](#)
 - 25.4. **Mayor joins in the fun at Blandford care home's summer fair!:** [Mayor joins in the fun at Blandford care home's summer fair! | The New Blackmore Vale Magazine | In Print & Online](#)
 - 25.5. **Staff praised in heatwave:** [Care Dorset staff have been praised during the heatwave | Dorset Echo](#)
 - 25.6. **Sherborne care home resident taken on motorbike ride out:** [Sherborne care home resident taken on motorbike ride out | Dorset Echo](#)
 - 25.7. **Thought-leadership piece:** [What problem is the National Care Service trying to solve? – SocialCareToday](#)

APPENDICES

26. There are no appendices to this report.

BACKGROUND PAPERS

27. None.