Shareholder Committee for Care Dorset Holding Ltd

23 November 2026

CARE DORSET UPDATE

For information and assurance

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Executive summary:

Care Dorset continues to deliver good-quality, reliable services while maintaining a strong focus on improving outcomes, financial sustainability and long-term strategic development.

All regulated services remain rated Good, and the rollout of the THRIVE support model is underway to strengthen independence-focused practice across the organisation.

Operational performance remains strong, with positive outcomes achieved through reablement and delivery of commissioned activity. While financial performance remains challenging, it is ahead of forecast, and recovery actions are progressing.

Work is also underway to strengthen the organisation's approach to demonstrating value for money, complete its commercial growth review, develop the 2027/28 Business Plan, and further enhance governance arrangements.

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 across Dorset, Care Dorset continues to play a significant role in supporting residents to live independently and achieve positive outcomes.

This report provides the Shareholder Committee with assurance regarding the organisation's operational performance, quality of care, strategic development, governance arrangements, and financial position. It highlights the progress being made in delivering high-quality, person-centred services, strengthening financial sustainability, demonstrating value for money, and developing the organisation's future strategic direction in partnership with Dorset Council and wider system stakeholders.

CHIEF EXECUTIVE'S OVERVIEW

1. The company's immediate priority is to continue to strengthen performance across existing services while developing a realistic basis for future growth.

2. The next phase of business planning provides an opportunity to bring together our focus on continuing to improve outcomes for the people we support, ensuring services operate effectively, and maintaining the financial resilience needed to sustain and grow our provision.

3. The relationship with Dorset Council remains central to this work as shareholder, commissioner and landlord. The opportunity to come together and agree the future strategic priorities will be critical in shaping the next steps for the organisation.

QUALITY AND OUTCOMES

4. All of Care Dorset's registered and inspected services continue to be rated Good, providing assurance of the organisation's continued commitment to delivering safe, effective, and person-centred care.

5. The organisation has commenced the implementation of THRIVE, Care Dorset's new support model designed to provide a consistent approach to supporting people across all service areas. Grounded in the principles of promoting independence, choice and wellbeing, THRIVE seeks to ensure that people are supported to achieve their personal outcomes while maximising their abilities and strengths. The rollout represents an important step in further embedding a shared culture and practice framework across the organisation, supporting both quality improvement and positive outcomes for the people Care Dorset serves.

OPERATIONAL PERFORMANCE

6. Operational performance demonstrates that Care Dorset is providing reliable services, making effective use of available capacity, and responding to commissioner needs.

7. <u>Residential care</u>

    7.1. Occupancy at the reporting date was 86%. This means that across the commissioned beds, 163 (93%) are occupied. Self-funded occupancy is at 63% meaning 34 beds are currently occupied.

    7.2. There continues to be substantial focus on marketing Care Dorset's beds, and the number of enquiries has remained consistent throughout the reporting period. The conversion rate from referral to admission in the

reporting period is at 30% which is consistent with nationally available levels of performance.

7.3. Care Dorset has continued to work closely with system partners to support individuals with increasingly complex needs, helping to facilitate timely and safe discharge from hospital. Through the provision of specialist care and responsive support, the organisation is aiming to support more people to return to community-based settings sooner, reducing delays in discharge and contributing to improved patient flow across the health and care system. This approach supports better outcomes for individuals while helping partners manage demand and capacity pressures within acute services.

8. Reablement

8.1. In the three months ending October 2026, an average of 3,953 hours of reablement support has been delivered per month.

8.2. In the same period, 97% of individuals concluded their reablement support with no increase to their package of care requirements. This is consistent with the previous three months.

9. Day services

9.1. Care Dorset continues to deliver services in line with contractual requirements. During the three-month period ending October 2026, the organisation delivered 104% of commissioned care hours, providing support to 365 people.

9.2. Care Dorset remains actively engaged with Dorset Council colleagues in supporting and progressing the transformation programme.

10. Supported living and extra care

10.1. Care Dorset continues to deliver support across its supported living and extra care services in line with expectations.

WORKFORCE

11. Turnover

11.1. Voluntary turnover for the 12 months ending October 2026 was 14.99% which is a marginal increase from the previously reported position of 14.45% but remains substantially below sector norms.

11.2. Total colleague turnover for the same period was 18% which is a 1% increase from the previous reported position but again remains below sector averages.

12. Sickness

12.1. The average number of days lost per colleague in the 12 months ending October 2026 was 8 days against a target of 8 days.

FINANCIAL SUSTAINABILITY AND VALUE FOR MONEY

13. Financial performance for September reported an operating loss of £2.5k, representing a favourable position compared with the forecast loss of £88k. This outturn was supported by stronger-than-anticipated revenue performance and a favourable accrual adjustment, including the release of a £30k insurance accrual during the month. Agency expenditure reduced by approximately £12k compared with August, although remained £13k above forecast. Weekly monitoring and reporting arrangements continue to support active management and oversight of agency utilisation.

14. Year-to-date performance remains behind budget expectations, with an operating loss of £205k compared with a planned surplus of £116k, representing an adverse variance of £321k. However, performance is £109k ahead of forecast, reflecting the positive impact of mitigating actions implemented to date. The principal factors influencing performance continue to be occupancy levels within residential services, the current funding position associated with the block contract, and workforce-related costs, including agency expenditure.

15. Management remains focused on delivering financial recovery through a range of measures, including reducing reliance on agency staffing, increasing occupancy across residential services, and progressing constructive discussions with the Council regarding the value and sustainability of the block-funded contract. Subject to a positive outcome from these discussions, the year-to-date deficit would reduce significantly to approximately £62.5k.

16. There are also encouraging early indicators of improved revenue performance. This includes two new placements at Castleman Plus and three admissions to Castleman House arising from short-term intermediate care referrals, alongside two planned private admissions to Castleman House. Collectively, these developments are expected to strengthen occupancy and revenue performance during the second half of the financial year and support progress towards the organisation's financial recovery.

17. <u>Value for money</u>

    17.1. To support assurance around value for money, Care Dorset is developing a broader approach to evaluating and demonstrating value across economic, system, social, and strategic dimensions. This includes improving the measurement of outcomes achieved through reablement and preventative services, evidencing reductions in demand on health and social care systems, increasing service utilisation and workforce productivity, and supporting people to maintain independence within their communities.

    17.2. The organisation is also strengthening its use of performance, quality, and outcomes data to demonstrate the wider social value created through employment, community connection, and person-centred care. Alongside this, Care Dorset is working closely with the Council and system partners to ensure its services contribute to shared strategic priorities, delivering sustainable benefits for residents while ensuring public resources are used effectively and transparently.

STRATEGY AND COMMERCIAL DEVELOPMENT

18. Care Dorset's commercial review is progressing and is expected to provide valuable insight to inform future strategic discussions within Care Dorset and with Dorset Council. The review is helping to identify opportunities to strengthen long-term sustainability, maximise the organisation's contribution to Dorset's care system, and ensure alignment with evolving commissioning priorities. The findings will form an important component of the strategic discussions planned for the forthcoming Care Dorset Summit.

19. Planning has commenced for the development of the 2027/28 Business Plan. This will set out Care Dorset's strategic priorities, financial ambitions, and service development objectives for the coming year, ensuring continued alignment with shareholder expectations, contractual commitments, and the evolving needs of the communities served. The planning process will be informed by the outcomes of the commercial growth review, stakeholder engagement, and emerging system priorities.

CORPORATE GOVERNANCE

20. Recruitment for an additional Non-Executive Director is progressing well, with Care Dorset attracting a strong and diverse field of candidates. Interviews are scheduled to take place before Christmas, with the appointment expected to further strengthen the Board's skills, experience, and governance capacity particularly in the area of business development and growth.

OTHER POINTS TO NOTE

21. <u>Positive planet bronze accreditation</u>

    21.1. Care Dorset has been working with Positive Planet to establish a baseline understanding of its environmental impact and identify opportunities to reduce its carbon footprint. In recognition of this commitment, the organisation has achieved Positive Planet Bronze accreditation, demonstrating its progress in measuring, managing, and reducing carbon emissions. This milestone supports Care Dorset's broader commitment to environmental sustainability and responsible business practice.

22. <u>ISO:45001 accreditation</u>

    22.1. Care Dorset has successfully achieved ISO 45001 accreditation, the internationally recognised standard for occupational health and safety management systems. This accreditation provides independent assurance that the organisation has robust processes in place to identify, manage, and reduce workplace health and safety risks, supporting the wellbeing of colleagues, people we support, contractors and visitors. Achieving this standard demonstrates Care Dorset's commitment to fostering a positive safety culture, ensuring regulatory compliance, and driving continuous improvement in health and safety performance across the organisation.

APPENDICES

23. There are no appendices to this report.

BACKGROUND PAPERS

24. None.