



**bon accord
care**



ANNUAL REPORT 2015



Our Purpose

We deliver adult social care services to the citizens of Aberdeen, providing support and encouragement to enable them to live as independently as possible, today and in the future. We have an important role to play in enhancing lives and wellbeing; what we do matters.

Our mission

Working together for your five star service.

Our Core Values

Our values define us and all that we do:

Service - We effectively communicate and listen to our customers in order to deliver the highest standard of service.

Quality - We ensure that the services we offer are the best they can be.

Value - We provide value for money services and work efficiently.

Delivered with

Integrity - We respect the dignity and diversity of all of our customers and staff and always uphold people's rights.

Pride - Our people are proud of working for Bon Accord Care and take pride in everything they do

Innovation - We are open to new ideas and are at the forefront of innovation in delivering care and reablement services.

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Chairman's Comments

“ We believe that Bon Accord Care, by focusing on our key strategic priorities, can positively contribute to this agenda within Aberdeen City. ”



Welcome to the Annual Report of Bon Accord Support Services and Bon Accord Care.

We hope that you enjoy reading this report and will be appropriately informed of the continued progress in our performance this past year.

The hard work and commitment of the Team has elicited proven results and progress on which we will continue to build.

I wish to record my personal appreciation for the huge amount of work and sound leadership that Sandra and Alistair have delivered in conjunction with the Senior Management Team. Our Non-Executive Directors have continued to give their skills and experience in their enthusiastic support of the organisation.

The landscape within Social Care is dominated by the understanding and acknowledgment that there will be an ever increasing need for services across the range of Health and Social Care provision, and that new and innovative ways of delivery will be required. Public funding is under pressure which reduces financial, human and skills resources. The integration agenda will lead us towards maximising the available resources in all sectors, encouraging us to work collaboratively.

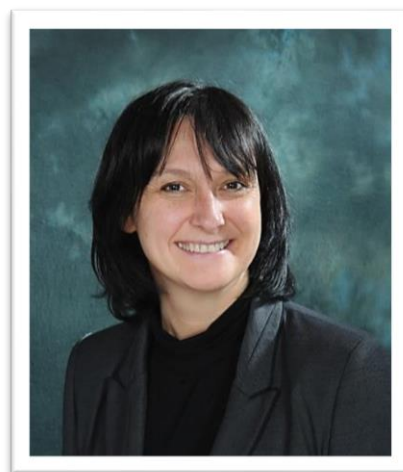
We believe that Bon Accord Care, by focusing on our key strategic priorities, can positively contribute to this agenda within Aberdeen City.

A handwritten signature in black ink, appearing to read 'G Parker', with a long horizontal line extending to the right.

Graham Parker
Chairman

Managing Director's Welcome

“ As a team we ensure that service users are at the heart of everything we do.”



I am pleased to present this 2nd annual report of Bon Accord Care.

This report reflects the continued commitment and focus our Bon Accord team has on delivering quality services across Aberdeen City.

As a team we ensure that service users are at the heart of everything we do. In this way outcomes for service users remain positive with a significant increase in the volume of positive feedback.

It has been an encouraging year for us with positive performance across the areas of finance, quality and service.

There has been a significant amount of work undertaken across Bon Accord at all levels within the company to achieve this, something our whole team should feel proud of.

Actions which have been taken to maximise efficiency have proved productive while continuing to meet contractual targets.

Staff vacancies and agency usage have reduced while headcount and service delivery have increased.

Our mission remains simple, **‘working together for your five star service’**.

This is underpinned by strong core values delivering **Service, Quality, and Value with Integrity, Pride and Innovation**.

We strongly believe that as a team, we are delivering on our values and mission and will continue to do so in the future.

A handwritten signature in black ink that reads "Sandra Ross". The signature is fluid and cursive.

Sandra Ross
Managing Director

Finance Director's Welcome

“ The company will continually aim to secure every business efficiency possible to maximise the service volume and quality of all our services delivered to the citizens of Aberdeen. ”



I am delighted to report that 2014/15 has been a successful business year for Bon Accord Care. The company recorded a trading surplus of £47,000 for 2014/15. This is a significant turn-around from the first 8 months of trading that reported a trading deficit of £384,000.

2015/16 will see the company begin to look outside our core business with Aberdeen City Council to develop new commercial opportunities with the aim of generating profit that can be re-invested in delivering more care for no additional cost to the public purse.

2014/15 has been a successful year both operationally and financially. The company will continually aim to secure every business efficiency possible to maximise the service volume and quality of all our services delivered to the citizens of Aberdeen. In doing so we will honour our commitment to deliver value for money for our business partner, Aberdeen City Council.

A handwritten signature in black ink, appearing to read 'Alistair MacLean'. The signature is written in a cursive style and is followed by a long horizontal line.

Alistair MacLean
Finance Director



Here's to The Carers!

**I hope you remain among the fittest of the race.
Able for the daily round, never losing the place.
But if, like me, you find yourself ailing
Lacking energy, generally failing,
There IS help along the last stretches of the way.
Help at night, during the night and right through the day.
These carers are superior beings!
Of a worth beyond all our foreseeing.
They are experts in the whole realm of personal care.
Quick to assess the depth of our need, full of dash, flair.
In the morning they have you up, dressed, put to right,
Ready for the challenge of that day, full of fight!
At the end of the day, weary, tired, quite worn out,
They've got you ready for bed before you can shout!
They are remarkably kind, thoughtful, caring.
To keep your spirits up, far from despairing.
Here's to those superior beings!
Of a worth beyond all our foreseeing.**

By Walter Beattie

Above: poem is courtesy of Walter Beattie, one of our service users

Operational Summary

- We are a Local Authority Trading Company comprising of two companies which commenced operating on 1st August 2013; this document reports on the financial (1st April 2014 – 31st March 2015) and operating (1st August 2014 – 31st July 2015) performance.
- Bon Accord Support Services Ltd (BASS) and Bon Accord Care Ltd (BAC) operate within a contractual framework to deliver services for Older People, Rehabilitation and Enablement for Aberdeen City Council (ACC), the only shareholder.
- We are a values based company within the Health and Social Care arena, focused predominately on Older Peoples Services; we are an organisation which aligns a public sector ethos with a private sector discipline.
- The services we provide cover Care at Home, Housing Support, Residential Care Homes, Rehabilitation in diverse service sites, Enablement, Occupational Therapy, Learning and Development, SVQ, Community Equipment, Telecare, Day Care, Respite and Community Meals.
- Having delivered on all service targets the company recorded a trading surplus of £47,000. This is a significant turn-around from the first 8 months of trading which showed a trading deficit of £384,000. BAC has reduced the 2015/16 contract cost to ACC by re-shaping provision facilitating the maintenance of the overall service with £700,000 recurring savings delivered.
- Services such as finance, human resources, payroll and maintenance are all supplied and supported by ACC. These partnerships have enabled the context, basis and future development of the business to be progressed positively.
- Internal governance of BAC is through our Board which meets eight days per year and consists of the Chairman, 4 Non-Executive Directors, Managing Director and Finance Director. The Board remains consistent with no changes to membership since trading commenced.
- External governance is through ACC; weekly and monthly reports reflecting key performance indicators are submitted and in addition attendance and reporting at the Arm's Length External Organisations (ALEO) governance hub.
- Our internal governance is supported by the role of Regulation & Compliance Officer. Their role monitors the Company's adherence to statutory and regulatory body requirements through collation and analysis of data for e.g. ensuring complaints are acknowledged and responded to timeously. The regulatory bodies include but are not limited to the Care Inspectorate, Scottish Social Service Council.

Throughout the past year our team have focused on 3 strategic priorities:

1. **Delivering our core business;**
2. **Maximising efficiency and quality of service delivery;**
3. **Commencing innovative services at an early intervention stage to reduce demand on more complex services.**

In an operational context this has been delivered through changes in working practice and staff engagement. We have provided a strong focus on moving the internal culture to be more flexible, motivated and committed to delivering on our core values, Service, Quality and Value with Integrity, Innovation and Pride. In this way we believe we will continue to progress and build a successful trading company.

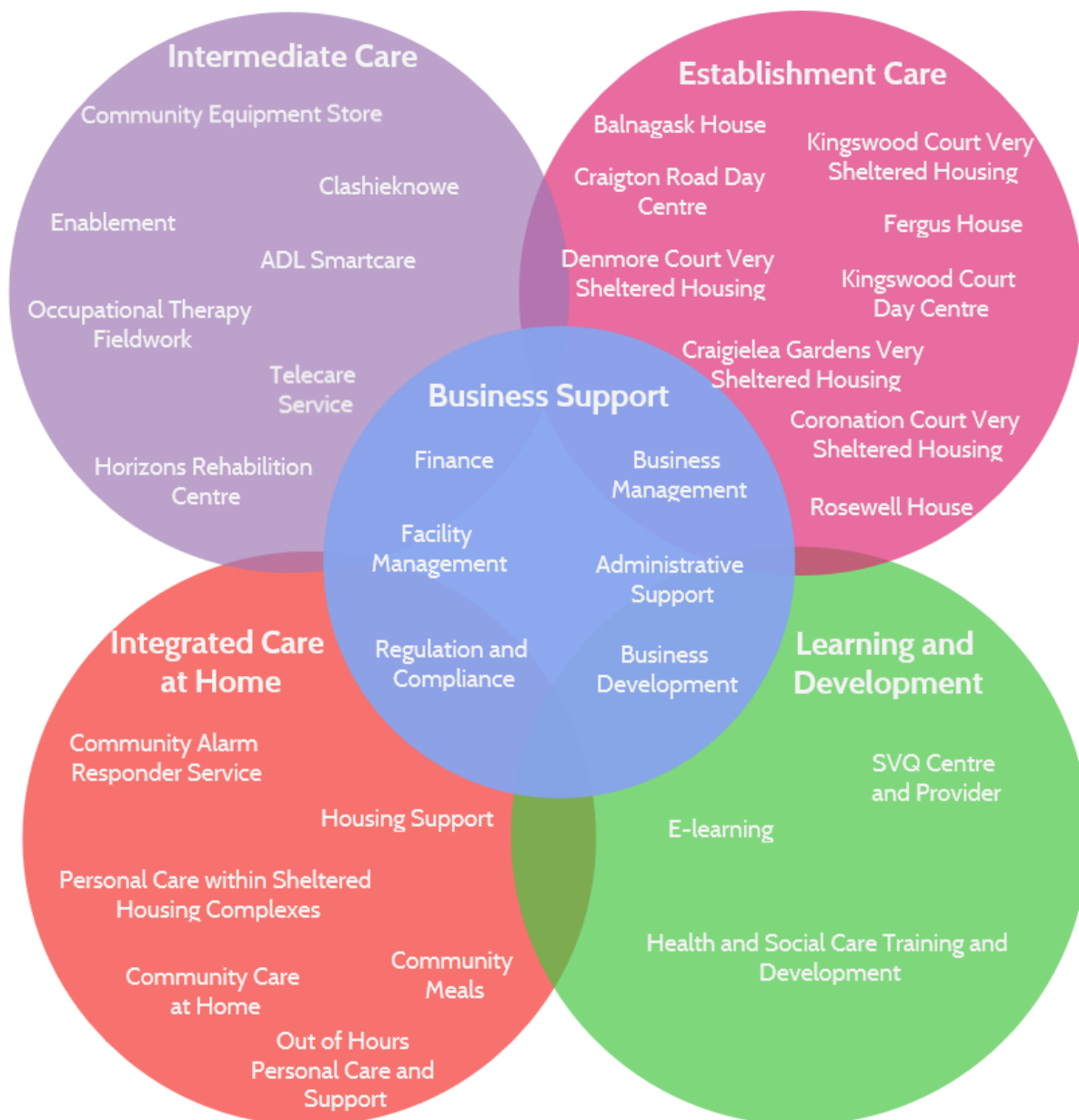
“The staff are really very caring and supportive, especially during difficult changes in circumstances. They certainly go the extra mile to make things as smooth and comfortable, as possible.”



Core Business Delivery

BAC provides services in accordance with service specifications agreed with ACC, these are delivered through 4 core areas Intermediate Care, Establishment Care, Integrated Care at Home and Learning and Development. These 4 service areas are supported by Business Support Services.

Core Services



Each service delivery area has a range of Key Performance Indicators in relation to volume, quality and outcome measures. In all cases these have been met.

Establishment Care

This service provides care in Residential, Very Sheltered, Day Care and Short Stay capacity for Older People at various locations across the City.

Rosewell House provides Respite, Rehabilitation and limited long stay availability. This service supports service users being discharged from hospital through an intense Rehabilitation programme to equip them to be ready to progress to home or homely environment. The Respite availability impacts significantly on people being able to stay within their homes longer by offering a much needed break for main carers, evidenced through the volume of admissions.

Balnagask House and Fergus House are Care Homes which provide Residential Care. Predominantly long stay; we have worked with our colleagues at ACC to ensure maximum efficiency of the available resources and adjusted pathways to facilitate support for discharges from hospital.

Kingswood Court Day Centre and Craigton Road Day Centre jointly provide seven day support to Older People, the attendance rates are high and both services are constantly reviewing to maximise efficiency of delivery.

Very Sheltered Housing Services continue to be in high demand. The increased complexity and level of need for tenants within the complexes has seen these services develop over the past year. We are working closely with our Housing and Care Management colleagues to support further availability of services.

Case Study – Establishment Care – Interim Beds

Collating, monitoring and sharing information on key performance indicators has facilitated a partnership approach to ensuring maximum efficiency within services. An example of this is evidenced through the changing of a total of 16 beds across Clashieknowe, Balnagask House and Fergus House to interim beds. In this way BAC is able to support the delayed discharges and the integration agenda.

Key Highlights

Rosewell Respite Admissions

938

* Compared to 877 in 2014

Very Sheltered Housing Weekly Hours

910

* Compared to 849 in 2014

Integrated Care at Home

This service provides Housing Support, Care at Home, Community Meals, Responder Service and Out of Hours Care at Home Support across Aberdeen. These services are aimed at supporting individuals within their own homes to maintain and maximise independence.

Housing Support is provided within Sheltered Housing complexes and this is supported by Care at Home provision, we continue to work closely with ACC Housing colleagues towards the housing for varying needs (HVNR) review agenda.

BAC provides Care at Home throughout the day and night, demand continues to be high for these services; we have increased delivery by 639 hours a week on average.

The high usage of Telecare has seen an increase in demand for the Responder and Out of Hours service. It is anticipated that if these areas continue to grow then further development work will be required to address this increasing demand.

Case Study – Integrated Care at Home – Testimony from Care Manager

“I spoke with the client’s husband today and he asked that I pass on my thanks to you and your carers, for managing to provide a great standard of care at such short notice. The client’s last wish is to remain at home and without care this would not have been appropriate.

I think it is a great example of integration and how things are a lot more effective with good communication and when we all work together.”

Key Highlights

Care in the
Community
Weekly Hours

6,089

*Compared to 5450
in 2014

Housing Support

2,100

* Average number of
Service users per week

Intermediate Care

This service provides a focus on Rehabilitation and Enablement of individuals across all age ranges. Primarily Occupational Therapy services which are delivered in a diverse range across the City.

Clashieknowe is a Residential based Rehabilitation service directly linked to individuals coming primarily from hospital discharge that require a period of rehabilitation prior to going home. Referrals and occupancy levels have remained positive. As this is one of the few services that can support people who are under 65 with complex social care needs it is seen as a valuable resource by Care Management. The staff have been complimented by Care Managers, Service Users and family members regarding how flexible and client centred they are.

Occupational Therapy services are embedded within GP practices across the city providing a linked and accessible service for Service Users and other professionals. A key development for the Occupational Therapists attached to practices is working with practice based colleagues on anticipatory care plans, which try and improve pathways for patients into and out of hospital. The increase in referral numbers and complexity has resulted in the service running at capacity and the waiting list for low level need increasing. ADL Smartcare and other initiatives within the service are looking at innovative ways to address this. Hillylands Independent Living Centre provides both a drop in centre and a triaging service which supports the Occupational Therapy teams.

The Enablement service has been redesigned to be a truly 'embedded model'; the progress being made is having a significant impact on both staff and Service Users.

The Community Equipment Store, which supports the Telecare and Community Alarm installations as well as a vast array of assessed equipment provision, has shown significant increases in delivery across the year. These services play a vital role in maintaining people at home, safely for longer. The home from hospital provision has also had an impact on making discharges safer. Service User feedback has highlighted that this is an appreciated service.

Horizons Rehabilitation Centre provides for people under 65 with neurological and long term conditions. Referrals continue to be high and feedback is consistently positive. As a consequence of feedback from Service Users regarding the difficulty of maintaining fitness once discharged from physiotherapy, there has been a new initiative using techno gym equipment at Horizons for recently discharged Service Users.

Key Highlights

Telecare & Community Alarm

2,499

* Average number of service users per week

Occupational Therapy Store

15,520

* Average number of service users per week

Occupational Therapy Annual referrals

7,206

* Compared to 5950 in 2014

Case Study – Intermediate Care – Enablement Service

The BAC Enablement service was redesigned in May 2015 to deliver a concept approach to enablement, where the model of enablement is embedded within services rather than a specific stand-alone team.

Four Occupational Therapists have been working within Sheltered Housing complexes with Senior Personal Carers, Personal Carers and Service Users to change the way care is delivered. There have been four areas of activity which the Occupational Therapists have implemented to ensure enablement is embedded as a cultural norm:

1. **Development of a practical workbook** – Senior Personal Carers and Personal Carers report these are very helpful and also provide support with SVQs.
2. **Hands on training with Senior Personal Carers** – Occupational Therapists report that there have been lots of ‘light bulb moments’ where Senior Personal Carers have said that they are now getting Personal Carers to think about being more person-centred and asking the clients what they want done rather than just doing everything ‘whilst they are there’.
3. **Hands on training with Personal Carers** – Occupational Therapists report that Personal Carers are now engaged and proactive about Service Users they are supporting.
4. **Hands on support with Service Users** – Somebody to call on when Service Users have specific mobility or functional difficulties.

Case Study – Intermediate Care – Technology Enabled Care Programme - Aberdeen Partnership

The BAC Community Equipment Store is the only provider of Technology Enabled Care (Telecare) within Aberdeen City. As the over 75 year old population living at home has increased, there has been an identified need to use technology to support their safety. This client group is more susceptible to falls and acute illness and therefore is often admitted to hospital. Safe discharge is key to avoid a failed discharge or recurrence of the problems that took the person into hospital. After putting in a bid to the Scottish Government, £200,000 was awarded for an innovative Technology Enabled Care Programme.

Learning and Development

BAC Learning is the service which provides Learning and Development training to Bon Accord Care and Aberdeen City Council Health and Social Care staff.

BAC Learning delivers bespoke training courses to meet the individual needs of learners within the Social Services field. Our experienced team delivers a wide range of subjects across the Health and Social Care arena. We understand the challenges in supporting staff to achieve development goals while carrying out their day to day roles and our flexible delivery approach has accomplished significant results with all KPI targets met.

As a SQA approved centre we provide a range of SVQ's through our experienced team, which are highly skilled and achieve over 89% success rates. Delivering across adult, children and business sectors this diversity and flexibility allows candidates to be supported in meaningful ways to achieve their qualification.

This year has seen the development of SVQ in Business Administration to expand our portfolio and offer another professional qualification for the whole social care remit; be it delivery of care or business support. We also expanded upon the courses that we can roll out as part of our core training programme, including Moving and Handling and First Aid, by having our in-house qualified advisors deliver these to remove the need for external providers.

Case Study – Learning and Development SVQ Staff Awards

The annual awards ceremony aims to celebrate the achievement of staff and to recognise and acknowledge their commitment. While completing these courses staff balance study with the demands of their job and try to maintain a work life balance. The dedication and hard work this takes is significant and the awards ceremony is the Learning & Development team's method of communicating this and saying 'well done!'

One of the award winners stated, "This was a very proud day for me to have the recognition for all the hard work over the years working on my SVQ and PDA courses. These courses have given me the skills and knowledge to be put into practice to support the service users and staff."

Key Highlights

Total number of courses offered

367

* Compared to 208 in 2014

Total number of delegate hours

14,952

* Compared to 12,582 in 2014

Business Support

Business Support within the company reflects a range of services which support the company to provide quality, service and value. The Business Manager and their immediate team provide support to the organisation by ensuring there are admin procedures in place which reflect the needs of the service, by tying in with policy, reporting requirements and the needs of both staff and Service Users. It is also the role of this team to ensure that reporting methods are continually improved and that data produced accurately reflects the provision of services and staff activity.

Admin Support is provided by a large team of staff across the organisation who sits within the Business Management structure at head office and within the individual teams and establishments. They provide support to the management teams and are responsible for the processing of head office functions which support the policies and procedures put in place by the Business Manager and their team.

Financial support is provided by a small team and they have facilitated the Extended Management Team to drive forward with achieving budget targets.

The wider operations are supported through Business Development. This function engages with the staff team to identify opportunities to grow the company in the commercial arena while taking cognisance of the core business and building on the skills and experience of the team.

Risk is managed through robust support by Facility Management and Regulation and Compliance ensuring the organisation adheres to legislative and regulatory requirements. This is evidenced through internal and external governance. Management information on the key areas of risk for the company - Health and Safety, Care Inspectorate, Fire, Complaints, EHO and Risk Management is collated, analysed and shared with the Senior Management Team on a monthly basis. This provides clear information to allow strategic planning to ensure the company continues to comply with its obligations.

Case Study – Events and Wellbeing Committee

The Events and Wellbeing Committee was formed in Aug 2014; the main purpose of which is to lead on social events; fundraising; and the Healthy Working Lives (Bronze Award) for the company. Since forming, the team have organised events, such as staff disco, bake sales and pub quiz, which have raised over £4,000 for various nominated charities.

Since January 2015 the group have led the organisation through a series of wellbeing campaigns including smoking cessation, healthy eating, physical exercise and mental health. These provided all staff with information and activities that were aimed at helping to support them to be as well as they can be and contribute to the organisation working towards achieving the Bronze Award for Healthy Working Lives, which is awarded by the NHS.

The group in its promoting of campaigns and activities about healthy living, social events and fundraising have introduced a newsletter, called BAC to Life – “Fit Like!”, which is published bi-monthly. This has received positive feedback from both staff and external partners. It is hoped that the Bronze Award will be achieved by the end of 2015. The team are then looking forward to leading the organisation through achievement of the Silver Award next year.

Driving Performance and Quality

A continued emphasis of the company is increased efficiency and quality; particular areas which we have focused our attention on have been Care Inspectorate grades, staff roster, annual leave, absence and agency reduction. Together these areas not only influence efficiency and cost but also impact significantly on the service we can deliver.

In addition we have reviewed staff working rosters which has allowed a degree of consistency across services with the majority of shift pattern staff having two days off together and every 2nd weekend. In addition we now provide an increased length of service within the Sheltered Housing complexes providing an improved quality of service.

We firmly believe that our success relies on our staff team and we aim to engage and communicate widely. We have a staff newsletter 'BAC Chat' and a monthly briefing 'Chat BAC'. In addition, we have quarterly staff forums led by the Managing Director, local monthly staff meetings, staff engagement surveys and our website has a specific staff forum area.

Engagement with Service Users has also increased and this is evident through the complaints, concerns and compliments received. We are confident that Service Users are able to engage with the processes we have in place to feedback and improve our services.

Case Study – Positive Feedback

Complaints, compliments and concerns are a regular feature of Social Care services and these are to be encouraged; a service receiving each of these is a service with which its stakeholders are engaged, vocal and have a clear access and understanding of how to make their views known within and to the organisation.

The volume of complaints, concerns and compliments has increased, which is testament to our fully integrated processes. From a recent Care Inspection Report (09/06/15), one of our service users stated: "Yes, I know how to make a complaint if I need to. The information is on the notice board". This is further evidenced in the report by the following feedback: "At the last inspection (29/07/14) we recommended that further work could be undertaken to promote the complaints procedure. It was pleasing that during the inspection most people we spoke with could tell us how to make a complaint. We saw copies of the complaints procedure within sheltered housing complexes along with contact details for the management team. This helps to ensure service users have easy access to a manager if they wish to share a concern".

The experiences of those we support



“I can’t praise the staff enough for all the hard work they do to help people like myself get back on their feet and become independent.

Their encouragement has meant that I am now doing things I never thought I would be able to do again.”

“We as a family are very grateful to you for the way you reinstated my husband’s care so quickly and efficiently. You removed real concerns and the transition from hospital to home was made worry free. Your staff are truly excellent; they are not only professional but they also have the knack of seeing the person and not the disability; making life easier for him, both comfortable and relaxed”.

I was very concerned when my mum became ill as I didn’t know what to do. What a difference the OT made to my sanity and my mum’s quality of life.”



Organisational key facts at a glance

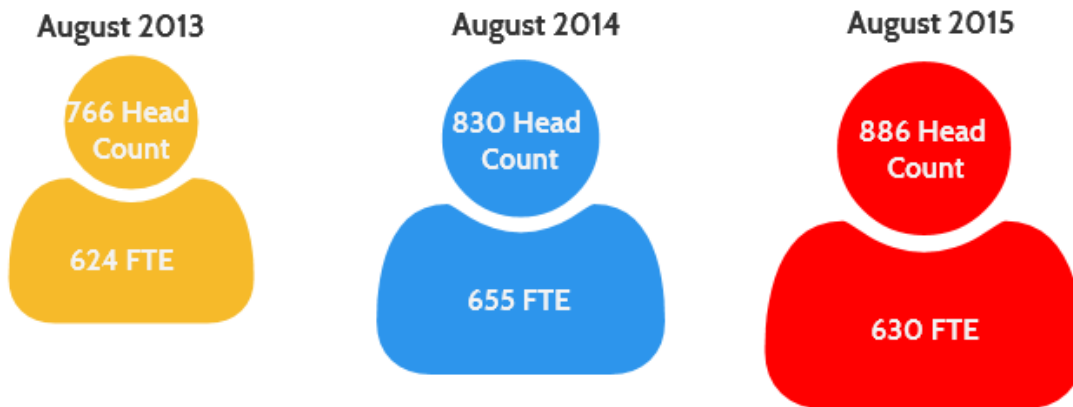


Figure 1: This shows the increase in headcount since inception of Bon Accord Care in August 2013.

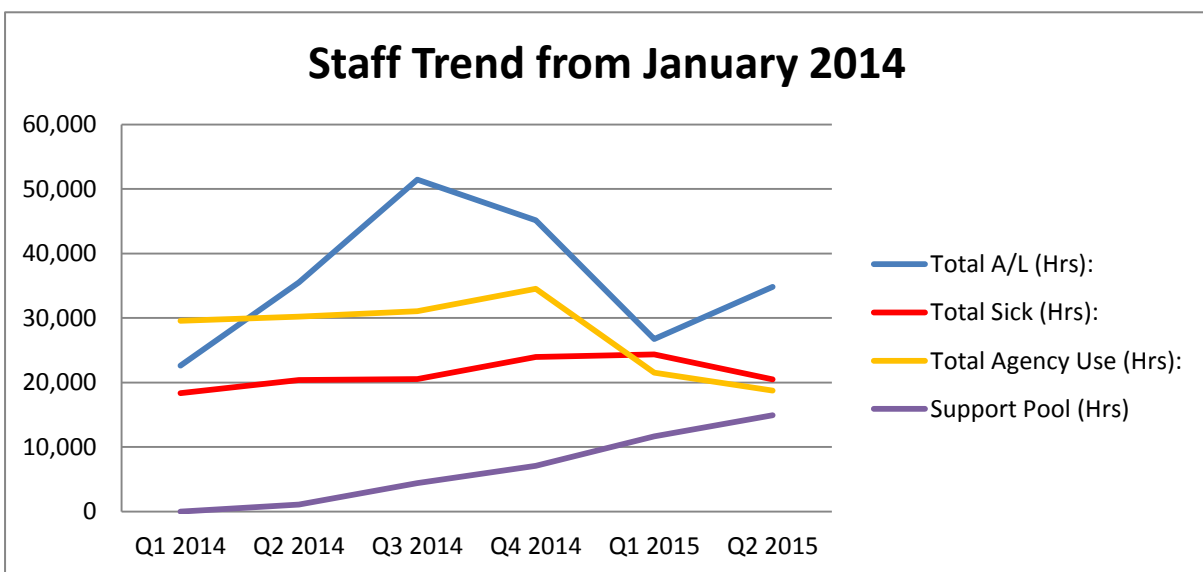


Figure 2: This shows the staff trend from January 2014.

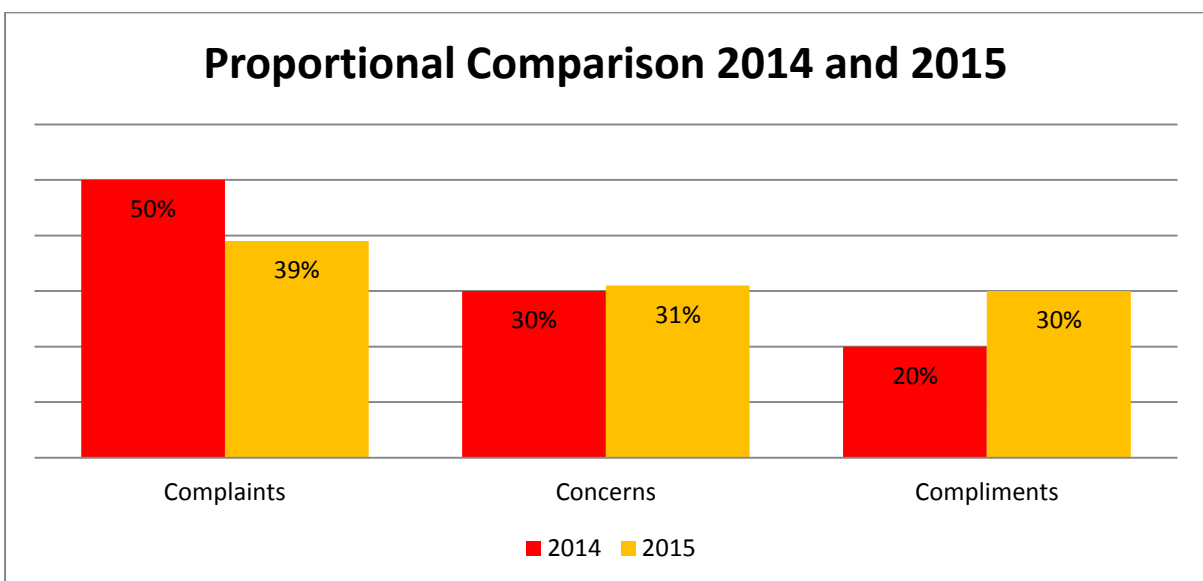


Figure 3: The volume of feedback, which shows that the complaints/concerns/compliments we have received has increased from last year and when looked at proportionately reflects a positive shift in complaints and compliments.

Innovative Services

At Bon Accord Care we continually strive to impact positively on service delivery by working to enhance current models of delivery or promote new ways of working. The last year has seen a focus on one such service area.

The Support Pool commenced in March 2014 and delivered its first 'service' in May 2014. The purpose of the Support Pool was to reduce the reliance on agency across Bon Accord Care to impact positively on quality and service delivery. We also believed that by reducing the volume of agency usage that this would be released to provide additional care services within the city.

We were careful not to focus on existing staff within care agencies as this would only 'shift' staff around but not create any additional workforce; we have kept to this focus. To date we have 256 staff employed within the Support Pool, delivering in excess of 1,200 hours per week which equates to an estimated saving in staff costs of £200,000 in the past year.

We have reduced our reliance on agency by 50% and this has meant around 4,000 hours of staff hours are now available elsewhere in the city to provide care.

Our Support Pool continues to attract staff looking for flexible working arrangements that suit their own work life balance issues, and we now have over 7 roles employed ranging across care, administration and catering.

We believe this initiative has impacted positively on service users, staff employment and the wider care arena within Aberdeen.

Key Highlights – Support Pool

Total number of staff employed

256

* Compared to 208 in 2014

Number of hours delivered

39,913

* YTD 2015, compared to 12,571 hours delivered in 2014

Number of available staff hours for 'care delivery'

4,000

* Due to 50% reduction in agency usage

Over 38%

* Of staff employed by Support Pool work solely for the Pool

Finance Report

2014/15 has been a successful business year for Bon Accord Care. In 2014/15 the company recorded a trading surplus of £47,000. This is a significant turn-around from the first 8 months of trading which showed a trading deficit of £384,000. However, once we reflect the increase in actuarially assessed pension fund liability associated with staff who are members of the North East of Scotland Pension Fund, a defined benefit arrangement, our trading profit is reduced by £2,057,000 to record a £2,010,000 deficit for 2014/15.

To support this financial position the Board has requested and has received a written assurance from Aberdeen City Council (ACC) of their continuing financial support. Given this assurance our auditors, Johnston Carmichael are satisfied of the company's ability to continue to operate on a going concern basis.

The company's financial performance in 2014/15 can be summarised as follows:

| | 2014/15 |
|---|-----------------|
| | £000s |
| ACC Contract Income | 26,026 |
| Other Income | 566 |
| Total Turnover | 26,592 |
| Staff Costs | (20,610) |
| Supplies and Services | (4,574) |
| Licensed Property | (871) |
| Rental | (180) |
| Support Services | (293) |
| Total Operating Cost | (26,528) |
| Surplus before Interest and Depreciation | 64 |
| Depreciation | (30) |
| Interest Receivable | 13 |
| Trading Surplus | 47 |
| Increase in Pension Liability | (2,057) |
| Deficit Reported in Statutory Accounts | (2,010) |

In the previous annual report we outlined our aim of re-examining the contractual basis of our relationship with our business partners Aberdeen City Council. This process was concluded by December 2014. Our main contract is now reflective of the true costs of operating our business and the levels of service delivery requested. The company now has a realistic commercial basis upon which it can operate in the coming years and improve our services to the citizens of Aberdeen City.

The Board is mindful of the financial pressures that the public sector faces and the company must play its part and continually strive to develop efficiencies within our operations to ensure it continues to offer value for money. For example, 2014/15 saw the conclusion of a significant exercise across the company to re-examine our staff rota arrangements and configure them to match the needs of our service users and the needs of the business more closely. This exercise has increased the company's care provision capacity whilst maintaining existing staffing levels. We can see tangible financial and operational benefits in 2014/15 and beyond from this initiative.

The company has been able to reduce the total 2015/16 contract cost by re-configuring the way certain Occupational Therapy services were provided. The overall service has been maintained and £700,000 of recurring savings has been delivered. 2015/16 contracted value is £25,826,000, less than 2014/15 actual expenditure. At the time of writing the company remains confident it will achieve its financial targets in 2015/16. The financial and operational pressures on the company to deliver increased activity and reduced unit costs will continue.

In addition to seeking more efficient practices within the company we are entering a phase of looking outside our core contract to develop new business opportunities. New business should yield profit that can be re-invested within the business to provide additional care or services or to reduce the net cost of the overall business. Without saying too much specific about the business initiatives, we are hopeful of getting some new ideas off the ground during 2015/16. All going well, future years will see the benefits of this new strategic direction.

The financial impact of continuing to provide a defined benefit pension (open to all staff) looks to increase year on year. Despite stock market returns improving in 2014/15 the companies actuarially assessed overall pension liability increased by £2M to a total of over £10M. This has a profound and dramatic effect on the company Balance Sheets – they show a significant negative net worth. Given the scale of the liability – equivalent to £15,000 per full time equivalent it is unlikely that this position will be reversed in the foreseeable future. The pension funds contribution rate has been re-assessed and with effect from 1 April 2015 has increased from 15.2% to 17.3% of pensionable pay. The increase is aimed at reversing the assessed liability in the long term.

To summarise, 2014/15 has been a successful year both operationally and financially, 2015/16 will begin the transition to a more commercially diversified organisation but challenges remain so we will continually aim to search every business efficiency possible to maximise the service, quality and care delivered to the citizens of Aberdeen and to continue to provide value for money to our business partner Aberdeen City Council.



**bon accord
care**

WORKING TOGETHER FOR YOUR FIVE STAR SERVICE

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