



## Purpose Report FY2022/23

### Introduction

This is our third annual Purpose Report, setting out the achievements to date in delivering on the Group's commitment to sustainability as set out in our CARE4 strategy.

This report covers the first full year of CareTech as a company returned to private ownership. The company's commitment to responsible business and public reporting on its Environmental, Social and Governance (ESG) commitments remains as strong as ever.

As we reported previously, written in to the heart of the company's new partnership agreement is its ESG Premium. This innovative financial instrument translates the company's performance in respect of its ESG commitments in to a direct bottom line incentive.

The report also sets out where progress has not been achieved as we would have liked, as we consider it important to be transparent about the challenges we face.

Strategic oversight of our sustainability agenda is provided by our ESG Committee, chaired by our Group Sustainability Director, Jonathan Freeman MBE, involving our

### Our Purpose

**Our vision is a world where there is equal opportunity for a life fully lived.**

To play our part in this vision,  
**we enable children, young people and adults with complex needs to make their own life choices, and to develop confidence and independence to live, learn, thrive and engage, building better futures.**

We refer to this as providing  
***Extraordinary Days, Every Day***

Chairman, Chief Financial Officer and representatives from Three Hills Capital. Jonathan also chairs our cross-Group CARE4 Leadership Group, comprising Workstream Leads from across the business to deliver the CARE4 strategy.

### WEF disclosures

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## **About CareTech**

CareTech Group is a leading provider of healthcare, education, social care, training and technology innovations. For close to 30 years, we have offered specialist, high-quality services for children, young people and adults with complex needs in more than 550 locations in the UK and internationally.

Our portfolio of services, delivered by over 12,000 staff, supports a range of people with mental health needs, learning disabilities, autism, acquired brain injury, physical disabilities or other complex needs across hospitals, residential services, schools and foster care.

CareTech's Smartbox solutions are pioneering innovative assistive technology, empowering communication and enabling enhanced levels of independence for service users.

Through our subsidiaries Purple and EnableAll, we strive to create equality and challenge the narrative around disability and inclusion.

## **CEO's Sustainability Manifesto**

Our core purpose is to build better futures and to enable children, young people and adults with complex needs to make their own life choices, and to develop confidence and independence to live, learn, thrive and engage.

To deliver our core purpose, I have established five key principles that together form my sustainability manifesto:

- 1) CareTech will always prioritise creating long-term social value over short-term financial gain.
- 2) CareTech will always put quality provision at the top of our priorities.
- 3) CareTech will always ensure that our commitments to the planet, our people and the communities in which we operate are at the heart of our corporate strategy.
- 4) CareTech will always seek to play a leadership role in the social care sector and contribute to its wider development.
- 5) CareTech will always place a premium on honesty, transparency and integrity in the way we do business.

**Haroon Sheikh**  
**CEO**

## CARE4 — Our Sustainability and Responsible Business Strategy

Our CARE4 Sustainability and Responsible Business Strategy guides us to create value for all stakeholders and ensures that we manage our business effectively, ethically and profitably. CARE4 is rooted in our corporate purpose to enable independence for those in our care and it extends to all aspects of our business. It shows that the social purpose and moral values that run through the Group run deep and are the most important measure against which we judge long-term success.

CARE4 is driven by our **social impact** and underpinned by our commitment to good **governance** and covers four key pillars of activity:

- **CARE4 Planet:** We know that healthy lives go hand in hand with a healthy planet. We are committed to caring for the wellbeing of our planet to safeguard all our futures.
- **CARE4 People:** Our business exists to facilitate better lives — for the people in our care and the people who work for us. We aim to be the sector's best workforce and so we offer market-leading employment opportunity, creating better futures for our employees.
- **CARE4 Community:** Thriving communities are central to our success and we aim to be an active contributor in all the locations in which we operate. We also support the vital role of the wider social care sector through the CareTech Foundation
- **CARE4 Innovation:** We believe that good business creates value for society as well as for those for whom we care. Our innovative approaches will expand our business for a successful future, helping us to enable independence for more people, positively impacting more lives.

CARE4 is our framework for transparency and ethical business as well as for our ESG (Environmental Social Governance) reporting. This Report includes our **ESG disclosures**, using the World Economic Forum's ESG reporting framework.

CARE4 is informed by our materiality analysis and 30 years' experience in the social care sector. People are at the heart of our business and so people topics are our priority. We also recognise the urgency for action on environmental issues, especially on climate change, and we are committed to reducing our impact in the most material areas — specifically our carbon emissions and waste footprint. The chart below summarises our materiality analysis of key ESG issues, with more detailed commentary in the annex.

We established a bold set of headline commitments for each of the CARE4 workstreams and, in last year's Report, we set out a set of ambitious supporting targets to galvanise our efforts. Our sustainability journey is a long-term one and we recognise that we will not meet each target on that journey. For us, the direction of travel and building momentum to become a truly sustainable business is what matters most.

## **Group Sustainability Director's Overview**

Two years on from launching our CARE4 sustainability and responsible business strategy, this report sets out some really important developments and achievements across the Group.

The stand out achievement this year has been the reduction in our carbon emissions. Thanks to a range of measures, notably the Group's switching fully to renewables electricity tariffs, we are delighted to be able to report a 50% reduction in our direct carbon emissions across our UK operations this year. In the last three years, the Group has reduced total direct and indirect carbon emissions by 13%, and reduced carbon emissions per FTE staff member by 19%.

Other key achievements include the excellent participation in Care Home Open Week, with 104 of our services – up 30% from last year – participating in this national initiative to deepen awareness and understanding of the positive value that social care provides. Also of note is the increasing pace of our switch to low-carbon vehicles across our fleet and the company's award-winning approach to talent development through Apprenticeships.

The roll-out of our CARE4 One Planet Living programme, supported by new online training materials accessible to all staff, will ensure that every one of our services has a local plan in place by which to deliver change. Already, some 3,500 colleagues have completed the online training. As important as corporate initiatives and approaches are, we know that long-term behavioural change across each of our 12,000+ staff will be required to shift the dial on our sustainability approach.

The incredible success of this year's Purple Tuesday, the significant growth of our SmartBox business and the historic launch of EnableAll – the world's first truly accessible online marketplace platform – highlight the unique contributions that our CARE4 Innovation workstream is delivering.

Critically, this year has seen a shift from a set of important initiatives to a mainstreaming of our approach to sustainability. Building sustainability targets in to the heart of our core business planning and management reporting processes is a significant step forward. This demonstrates powerfully that the Group embraces the sustainability agenda now as 'business as usual'.

The range of activity in all areas of the business highlights a maturing of our approach as well as a growing understanding of what is required to deliver on our ambitious agenda.

We know that we are still in the foothills of what will be a long and steep journey. The progress this year, however, shows clearly that we are now well on our way to base camp and have a much clearer view of the path ahead.

**Jonathan Freeman MBE**

## Putting sustainability at the heart of our business

We believe that the moral case for tackling our carbon impacts, diversity and governance commitments is overwhelming. Equally, we know that first and foremost we have to deliver high-quality care and a financially viable business. But we have never considered that there is a tension between these two priorities. Rather, we consider that addressing the challenges of sustainability can reduce costs, improve care and at the same time accelerate the transition to carbon net zero and a more sustainable future. For these reasons, our CARE4 agenda is not an optional extra but is at the heart of how we do business.

Following careful testing and piloting with a range of our services across the business, this year we have introduced our **CARE4 One Planet Living** programme. This programme provides a framework for each of our services to formulate an action plan and targets by which staff and those for whom they care can work in their individual service to deliver positive improvements across the sustainability agenda.

The programme is based on Bioregional's One Planet Living sustainability framework, comprising ten simple principles and detailed goals and guidance. Importantly, programme targets are included in the company's corporate reporting framework, demonstrating that sustainability is a key element of the core business of the company.

As much as we can do at a corporate level, we know that there is huge potential to turbo charge our sustainability agenda by empowering all of our staff to make their own contribution. This is a win-win as evidence shows clearly that employees want to work for organisations with strong sustainability credentials, and that staff in such organisation are more loyal and more productive. Our CARE4 One Planet Living programme supports our employees to contribute to their communities and to play their part in our sustainability agenda. We have developed and are now rolling out across the business online training materials for all staff on the programme, with the aim that every service has its own CARE4 One Planet Living plan in place by the end of this financial year.

## ***The CareTech Difference - CARE4 One Planet Living at Hidelow Grange School***

Part of our Branas subsidiary, Hidelow Grange School is a school providing specialist education to boys aged 11 to 18 years with social, emotional and mental health (SEMH) needs, and who are Children in Care. The school specifically caters for boys who present a range of complex interpersonal, emotional and behavioural issues.

Hidelow Grange has been an enthusiastic early adopter of our CARE4 One Planet Living programme, with a comprehensive plan covering a range of initiatives by which to support the wider CARE4 agenda. Some highlights of the school's work on this agenda include:

- **Visit to EnviroSort.** Through the school's curriculum, pupils have been learning about environmental and social issues that affect people and the environment, with a particular focus on recycling and reusing unwanted products. To support this learning, a whole-school visit was organised to Severn Waste Service's EnviroSort facility in Worcester. During the visit, staff and pupils learned about recycling and waste management, took part in an interactive workshop and visited the factory floor. As a result of the visit, the school has implemented a range of simple but effective changes, including:
  - flattening any cardboard they want to recycle and removing all parcel tape before putting it in the recycling bin;
  - avoiding buying black plastics, because black plastic can't be recycled in their area;
  - taking their own reusable coffee mugs to coffee shops as the disposable mugs are not recyclable; and,
  - keeping the lids on and not squashing plastic bottles before putting them into the recycling bins.
- **The Hidelow Grange Christmas Tree.** Pupils exhibited a tree at the Christmas Tree Festival at Worcester Cathedral. Each tree at the exhibition has a theme that aims to spread a message and raise awareness of a particular issue. The theme for the school's tree was "The Environment and The Cost of Living Crisis".
  - The tree encouraged people to think about the environmental impact of their choices at Christmas. The tree highlighted key Christmas-related environmental facts, such as that we discard 54 million platefuls of food over the Christmas period with five million Christmas Puddings, two million Turkeys and 74 million mince pies being thrown away each year whilst still edible.
  - During Art and DT lessons, as well as in their free time, pupils made a variety of recycled decorations for the tree, including toilet roll stars, a paper fan angel, cork Christmas characters, plastic bottle icicles and recycled fabric stars.
- **Crisp Packet Project.** Pupils and staff at Hidelow have been collecting crisp packets for the [www.crisppacketproject.com](http://www.crisppacketproject.com). This project uses old crisp

packets to make blankets for the homeless. For more information please follow the link below. <https://youtu.be/2bfhwRwghVA?si=Z3dlu0Emi7Txwcsq>

- **Vegan Night.** During CARE4 One Planet Living and Life Skills lessons, pupils learnt about the environmental impact of livestock farming. They also learnt that following a vegan diet can have health benefits as well as being more environmentally friendly. After learning about this, pupils decided that they would like to aim to have a Vegan Night at least once per week.



## ***The CareTech Difference - Providing leadership in the social care sector***

We recognise that the sustainability challenges of the social care sector are bigger and more complex than any individual provider can tackle. By fostering collaboration on key issues, providers can identify sustainability opportunities and share best practice across the sector to deliver robust, ambitious, yet realistic plans for longer-term sustainability results.

In April 2023, a new Social Care Sustainability Alliance was established to help social care providers across the UK make meaningful and impactful changes in delivering on their ESG (Environmental, Social, and Governance) objectives. The Alliance was founded by Jonathan Freeman, our Group Sustainability Director, with the support of Barclays Bank PLC, BKR Care Consultancy, and Addleshaw Goddard LLP.

The Social Care Sustainability Alliance brings together senior leaders with responsibility for sustainability issues within their organisations from across the Social Care sector to:

- identify key sustainability opportunities and challenges across the sector;
- share best practice within the sector and from other sectors;
- foster collaboration on key issues; and,
- drive awareness and action across the sector, particularly for smaller providers without dedicated resource

Importantly, whilst the Alliance draws support from across organisations supporting the sector, its core membership comes from the senior leadership of providers and operators.

Details about the Alliance are available at

<https://www.addleshawgoddard.com/en/sectors/health/social-care-sustainability-alliance/>



# CARE4 Planet

## CARE4 Planet Headline Commitment

**We will be a Net Zero business by 2050**



### Supporting Targets

- Carbon
  - **75% of (non-exempt) properties rated Band C or above for energy efficiency by 2030.**  
current position: 40% of properties, as assessed at end of FY2021/22, rated Band C or above.
  - **To reduce the company's Scope 1 and 2 carbon emissions by 90% from the 2020/21 baseline by no later than 2050.**  
current position: 50% reduction in Scope 1 and 2 carbon emissions in FY2022/23; 98% overall reduction since FY2020/21.
  - **To reduce the company's Scope 3 carbon emissions by 97% from the 2020/21 baseline by no later than 2050.**  
current position: 5% increase in Scope 3 carbon emissions since FY2020/21 but 1% reduction per FTE member of staff.
- Waste
  - **50% of our waste recycled by 2025.**  
current position: 21.2% of our waste is recycled
  - **5% reduction in volume of waste generated by 2025**  
current position: 11% reduction in volume of waste generated.
  - **Zero waste to landfill by 2050.**  
current position: 0% of our general waste goes to landfill; 4.1% of our medical waste goes to landfill.
- Nature
  - **50% of our gardens will promote biodiversity by 2030.**  
current position: we will undertake survey to establish a baseline in 2024.
  - **100% of our gardens will promote biodiversity by 2050**  
current position: we will undertake survey to establish a baseline in 2024.
- Resources
  - **Procurement Policy will include sustainability requirement by 2023**  
current position: revised Procurement Policy to be launched early-2024
  - **100% of centrally-procured resources will be from Policy-compliant suppliers by 2030**  
current position: survey of top suppliers planned for 2024

## Progress

### Carbon

A major achievement this year has been the progress we have made in reducing our carbon emissions. Thanks to investing in 100% renewable electricity contracts, as well as changes to our property estate, we are delighted to be able to report a 50% reduction in our direct carbon emissions across our UK operations this year.

The most significant contribution to our reduced carbon emissions was the company's switch to renewable energy contracts for all centrally-procured electricity. This change reduced our overall direct carbon emissions by 22%. This report also details some of the other steps we have taken to reduce energy consumption across the Group.

Thanks to our work to date, we have reduced our direct carbon emissions in the last year to 1.31 tCO<sub>2</sub>e per Full Time Equivalent (FTE) member of staff, a 46% decrease from FY2021/22. We have also seen a 2% decrease in the indirect carbon emissions per FTE staff member to 3.65 tCO<sub>2</sub>e from the baseline year of FY2020/21.

Whilst we recognise that there is still much to do, this is a very significant step on our path to becoming a carbon net zero organisation. It demonstrates that the Group's commitment to environmental sustainability, and the decisions taken over the last few years, are now making a real difference.

Having completed our baseline Scope 3 emissions data last year, we have now developed our Carbon Reduction Strategy. This document sets out a programme of action by which the Group plans to deliver its target to be a carbon net zero organisation by 2050.

As we develop our understanding of these issues, the quality of our data is improving, particularly with less reliance on estimations. Sometimes, of course, this highlights increased consumption as well as reduced consumption. Either way, better understanding our carbon emissions enables us to improve our understanding to drive improved performance. For example, we have reinstated monthly meter readings from sites to provide more accurate annual consumption, and we are working with our services to improve their monthly reporting in respect of vehicle fuel consumption, increasing the number of sites using payment cards.

The Minimum Energy Efficiency Standards (MEES) came into force on 1 April 2018 and currently require that no new tenancy be created without a property having an Energy Performance Certificate (EPC) rating of E or higher. We can now identify those individual sites which do not currently meet the Minimum Energy Efficiency Standards and have either an F or G Energy Performance Rating. We are now turning our attention to the required works to improve the energy efficiency of these sites so they are compliant and meet the current minimum standards. We are continuing with this review of Energy Standards and we are currently awaiting on reports for each of these sites from our energy consultants as to what works are

needed to raise the current energy efficiency of these buildings. This process will continue until we have identified and improved all poorly-rated properties across the Group. In line with UK Government changes, we have modified our target for EPC property ratings to 2030.

### ***The CareTech Difference — Upgrading to more efficient boilers and white goods***

In FY2022/23, we replaced:

- 201 Fridges and Freezers
- 120 Dishwasher
- 339 Washers and Dryers
- 148 Ovens/Oven Hobs
- 88 Boilers
- 20 Major Heating Upgrades

As the boilers in our services come to the end of their lifespan, we replace them with newer more efficient condensing boilers. Newly-installed or upgraded radiators are fitted with a thermostatic valve and the systems balanced. We upgrade to LED lightings when refurbishing services and when current fittings come to the end of their lifespan.

### Waste

This year, we can report the following in respect of our progress in meeting our waste targets:

- only 4.1% of our clinical waste went to landfill, with 95.4% of such waste being used for heat generation.
- 100% of our general waste was diverted from landfill
- 21.2% of our waste is now recycled, with a modest increase over the last three months to 21.68%.

More recycling bins are being rolled out to our sites and we expect to see improvements in recycling figures over the coming year. The CARE4 One Planet Living programme, which is now being rolled out across the whole business, encourages staff and our service users to recycle more.

We have doubled the number of large sites where food waste collection is now provided, and achieved a 2.5% increase in the amount of food waste collected at these sites. We are investigating how changes to Council-led food waste collection can support our efforts on this front.

One important change implemented this year has been the introduction of electronic payslips across the Group. As well as being far more convenient for our staff to access their salary information, this development has saved considerable staff and postage costs in the preparation of the payslips – and a significant paper saving. We conservatively estimate that this change has saved upwards of 150,000 sheets of paper every year, or some 11 trees' worth!

## Nature

This year, we have been developing criteria around biodiversity and providing guidance to our services on the simple steps that can be taken to promote biodiversity in the gardens of our services. The CARE4 One Planet Living programme encourages staff and our service users to consider the steps that can be taken at service level to support this target. We plan to undertake a survey of all our services to better understand the opportunities to promote biodiversity in line with our targets.

## Resources

A draft sustainable procurement policy has been developed for suppliers with a contract value over £250k. The document sets out the company's expectations of its suppliers in line with this definition and by which to support the company's CARE4 Responsible Business Strategy and its commitment to ESG principles.

A questionnaire has also been drafted that will be sent out to these core suppliers to enable us to capture meaningful data on their ESG policies.

We will be amending the New Supplier Form to capture information from suppliers who fall below the £250k contract value. These will be simple questions around whether the suppliers have ESG Policies in places and for them to provide them if this is the case.

### ***The CareTech Difference — Reducing carbon and nox emissions in our vehicle fleet***

During the financial year we replaced 302 aged diesel vehicles in our fleet of operational vehicles with new more fuel-efficient petrol and diesel RDE2-compliant vehicles. We are now in a position where 50% of our fleet is a maximum of two years old. We also provided two electric vehicles to one of our services, making them the first operational site with EV vehicles.

CareTech made a commitment from 1st October 2021 to stop purchasing diesel vehicles and order EV, PHEV vehicles only for company (BIK) car drivers. Our Smartbox business had been leading the way on this, with nine EV vehicles already on fleet. In the last year, we added seven EV and three PHEV vehicles to the fleet, bringing the total to 23 low/zero carbon vehicles on the fleet.

On 1st September 2022, we launched a salary sacrifice scheme offering electric vehicles to employees with company cars and car allowances. The scheme was expanded in FY2022/23 financial year and nine EV vehicles were delivered during the year. Long lead times have pushed further deliveries into the next financial year. To support this programme, EV chargers are being added to our estate, including a new multi-charger installation at our head office.

**Next steps**

Our priorities for the year ahead include the following:

- We will be working hard to transition all company car drivers over to EV or Hybrid vehicles
- We are working with third party consultants to plan an EV rollout for the 2025 replacement cycle of company vehicles
- We will be amending the New Supplier Form to capture ESG information from suppliers who fall below the £250k contract value.
- We will conduct a survey to provide a baseline for our biodiversity target.

**WEF disclosures**

PL1.1, PL1.2, PL2.1, PL3.1

## ***The CareTech Difference - Smartbox is on a journey to a greener, more sustainable future***

Our Smartbox business is passionate about working in a way that maximises positive impact on society, meets the needs of our stakeholders, reduces the impact of our operations on the environment, and achieves net zero by 2050.



*Photo caption: The Smartbox team*

Over the last year, Smartbox has been making progress on their goal to become B-Corp certified. Being a B-Corp goes beyond just being eco-friendly; it's about joining a worldwide effort to eliminate poverty, safeguard the planet, and ensure everyone experiences lasting prosperity together. The B-Impact assessment focuses on five pillars, that work hand in hand with those of the CARE4 agenda: Governance, Workers, Community, Environment and Customers.

To reach B-Corp status, a score of 80 points is needed. By updating processes and identifying areas of improvement, Smartbox was able to bring their score from 56.7 in November 2022, all the way up to 68.2 by the end of 2023. The team did this by making a range of improvements, including introducing a breastfeeding policy, carbon reporting measures, an employee sustainability survey, and a new travel platform that will provide more accurate reporting on hotels and travel. New whistleblowing and anti-corruption policies are almost ready, along with a Modern Slavery statement.

With the aim of reducing negative impacts on the environment, packaging has been improved for the latest range of Smartbox communication aids. The team opted to use molded cardboard instead of foam, reduce the amount of print on the exterior of the box and make any additional printed material available online. They are also working on further improvements for the second print run of their



packaging, including a biodegradable handle for the box and an eco-friendlier print finish.



Photo caption: AAC user Sufina unboxing her new Talk Pad communication aid.

In their efforts to reduce carbon emissions, the Smartbox car fleet is now 75% electric and additional charging stations have been installed at the head office in Malvern to support staff and visitors with electric vehicles. A solar installation project is also set to start at the Malvern office in Spring 2024, which is expected to reduce carbon emissions by 6.6 tonnes and generate an excess of 5,849KwH which will be used to help offset their carbon footprint.



Photo caption: In 2023 Smartbox joined Malvern Community Forest as a corporate member, providing volunteering opportunities for staff to work on green initiatives with them. Malvern Community Forest is a charity that aims to improve the biodiversity of community woodland and get people out into green spaces.



# CARE4 People

## CARE4 People Headline Commitment

**We will be an employer of choice, investing in our people and valuing their diversity**



**CARE4  
People**

Our business exists to facilitate better lives – for the people in our care and the people who work for us. We aim to be the sector's best workforce and so we offer market-leading employment opportunity, creating better futures for our employees.

## Supporting Targets

- Recruitment & Retention
  - **Reduction in average time to hire to 4 weeks by end of FY2024/25**  
current position: 5.5 weeks, down from baseline of 8 weeks
  - **Retention rate increase of 5% by FY2024/25.**  
current position: 68% retention
- Equality Diversity & Inclusion
  - **Develop an EDI Strategy Framework to ensure inclusiveness and fairness in how we operate by end of FY2023/24**  
current position: objectives and priorities to be determined and aligned with broader wellbeing and engagement strategy.
- Talent Management
  - **Minimum of 92% of staff with full statutory and mandatory training compliance\***
  - current position: achieved
- Wellbeing
  - **Further 5% reduction in short/long-term absence by end of FY2024/25\***  
current position: short-term absence has reduced by 39%; long-term absence has increased by 5%. (July–December 2023 data)
- Reward & Recognition
  - **Develop a Reward, Recognition and Engagement Strategy, building on existing initiatives, by end of FY2023/24**  
current position: objectives and priorities under review as part of overall strategy reset, based on results of staff engagement survey to be undertaken in early-2024.

\* Please note that this Supporting Target has been updated over the last year to encourage greater progress of our CARE4 People objectives.

## Progress

The cost of living crisis resulting from the COVID-19 global pandemic and Russia's invasion of Ukraine has continued to impact very significantly our staff and the UK health and social care sector as a whole.

In her Foreword to 'The state of the adult social care sector and workforce in England' report published in October 2023 the CEO of Skills for Care wrote, "While the workforce grew by 1% in 2022/23 and vacancy rates reduced from 10.6% to 9.9%, there were still 152,000 vacant posts a day and 390,000 people left their roles last year - with around a third of them leaving social care completely and the rest getting new jobs within social care".

Also published in October 2023, the Institute for Government's 'Performance tracker 2023: Children's social care' stated that, "Local authorities are struggling with serious workforce shortages as the sector faces the highest level of turnover since 2013 and the first decline in overall numbers of children's social workers in a decade, even as the need for social workers rises. Difficulties in recruitment and retention have exacerbated the sector's existing over-reliance on agency staff, fuelling higher costs. Alongside these cost pressures, a shortage of residential placements is driving higher prices, adding to the financial squeeze on other children's services and wider local authority budgets."

Given these conditions, it is more important than ever that we make tangible our values – **'Friendly, Positive, Innovative, Empowering, and Person-centred'** – in the day to day lives of every member of staff.

Our ambition is to optimise the employee experience of all CareTech staff, both domestically and overseas, whereby staff retention will increase and eventually reach 'best in sector' level, with a resultant positive impact on the service and support provided to the people in our care.

The result will be a positive conflation of organisational objectives, primarily to ensure the delivery of 'Extraordinary days, every day' for the people we support, and the aspiration of staff at all levels of the organisation for meaningful and rewarding work, and to be recognised for the incredible dedication and to have their voices heard in relation to the operation of services we provide.

Key achievements in respect of our CARE4 People targets this year include the following.

#### Recruitment & Retention

As noted above, last year was a particularly volatile one for the social care sector in general and, in particular, the challenges of recruitment and retention. For CareTech, this resulted in a small (3%) fall in our retention rate. Whilst this was disappointing, more recent progress has seen our efforts to increase retention bearing fruit and we are hopeful that we will see important progress in the year ahead.

Application of our Alternative Recruitment Strategy was extended by the delivery in September of an Employability Workshop in partnership with refugee charity Breaking Barriers. 80% of attendees said that after workshop they had improved

their professional skills, and felt more confident to succeed in job interviews, whilst 100% said that they felt well prepared for a UK work environment.

Following the award to The Prince's Trust of a new Department of Health & Social Care contract for the employment of 3,500 young people over the next three years, CareTech has a representative on the Trust's Health & Care Advisory Board, which will afford us an ability to influence how the contract will operate in particular respect to social care providers.

### Equality Diversity & Inclusion

We were delighted that CareTech's re-accreditation as a Disability Confident Employer was confirmed this year.

### Talent Management

CareTech was rated number 54 in the 2023 Top 100 Apprenticeships Employers list, the highest placed social care provider in the country. The Top 100 Apprenticeship Employers celebrates England's outstanding apprenticeship employers, recognising their commitment to creating new apprenticeships, the diversity of their apprentices, and the number of apprentices who successfully achieve their apprenticeships. The rankings are produced annually by the Department for Education, in partnership with High Fliers Research, who independently assess and rank the nation's top apprenticeship employers.

The reach and breadth of our in-house management and leadership development capability was expanded through the addition of a further member of the delivery team. Feedback from programme attendees was, once again, universally positive throughout the year.

### Wellbeing

The CIPD 'Health & wellbeing at work survey' published in September 2023 reported the increasing impact of employee mental health problems on absence, performance, and turnover. Employer responses have included greater promotion of corporate values and principles, job re-design, facilitation of better work-life balance, and investment in physical health and personal growth initiatives for staff.

Financial wellbeing has increased in importance as a consequence of the cost of living crisis and recent CIPD research found that more than half of employees surveyed were experiencing difficulty in keeping up with their bills and credit commitments.

Research by Deloitte in 2022 revealed that:

- 37% of employees think more about their mental health than before the pandemic.
- 31% of employees indicated they would like to see more support for their mental health and wellbeing from employers.
- 35% would like their employers to help employees support friends and family.

- 40% of staff turnover costs are attributable to mental health problems.

Noting these important indicators, CareTech continues to actively promote its Employee Assistance Programme, which is accessible by all staff, and is exploring a range of options whereby employees experiencing short term financial difficulties may be supported.

### Reward & Recognition

The first stage of the roll out of the 'employee self-service' functionality, which enables all members of staff to access monthly payslips electronically was completed in October.

### ***The CareTech Difference — Working with The Prince's Trust to support young people in to social care employment***

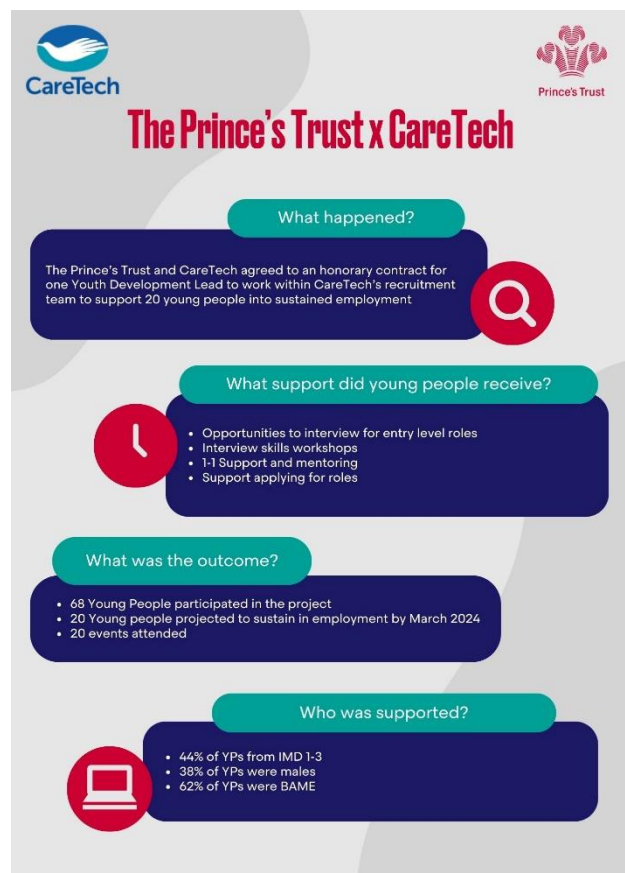
Building on previous partnerships between The Prince's Trust, the company and the CareTech Foundation, this year The Prince's Trust and CareTech Ltd agreed to an honorary contract for a Youth Development Lead to work within CareTech's recruitment team to support 20 young people into sustained employment.

Joe, our Prince's Trust-supported Youth Development Lead, worked with our Recruitment team to provide a range of support opportunities for young people to gain employment opportunities in social care. This ranged from interviews for entry-level jobs, application support and interview skills training.

As a result of this programme, 20 young people are projected to sustain in employment by March 2024. Of the young people:

- 44% were from top three most-deprived (IMD 1-3) areas
- 62% were from BAME backgrounds
- 38% were males

For Joe personally, he found the experiences and insights that he gained from working with CareTech to be really beneficial in understanding the social care sector and the challenges that resourcing teams can at times face.



## **Next steps**

Key priorities for the coming year include:

- Increasing engagement across the organisation through the establishment of effective staff communication and information sharing mechanisms, including a reconfigured joint management and employee Consultative Committee with a clear Statement of Purpose and Terms of Reference.
- Appointing a specialist Internal Communications Manager as a member of the Group Human Resources function.
- Maximising the effectiveness of periodic staff surveys to enhance management awareness and understanding of what really matters to staff at all levels of the organisation.
- Promoting the wellbeing of staff through development and implementation of a holistic strategy and investment in programmes that promote good physical and mental health and provide support at times of personal difficulty.
- Drawing continuously on information gleaned from staff consultation, staff surveys, and through increasing sector labour market knowledge, working collaboratively with staff representing all occupational groups, develop and implement an attractive Employee Value Proposition ('EVP').
- Expanding the investment in leadership competence to ensure consistently high levels of management performance, with particular emphasis on optimising the individual and collective experience of staff.
- Creating career pathways for all CareTech staff and investing in learning & development programmes that facilitate the progression of staff and their ability to achieve their full potential with the organisation.
- Tangible and meaningful progression with respect to Equality, Diversity, and Inclusion, based on a clear understanding of 'today's position' and a well-articulated strategy with milestones that demonstrate achievement.
- Enhancing our digital presence in the increasingly important online social care labour market through the appointment of a Digital Resourcing Manager to develop innovative ways to differentiate CareTech in the face of increasing competition.

## **WEF disclosures**

PP1.1, PP1.2, PP1.3, PP1.4, PP2.1, PP3.1

# CARE4 Community

## CARE4 Community Headline Commitment

**We will support our people and the CareTech Foundation to play a leadership role in supporting local communities and delivering positive social impact.**

Thriving communities are central to our success and we aim to be an active contributor in all the locations in which we operate. We also support the vital role of the wider social care sector through the CareTech Foundation.



## Supporting Targets

- CareTech Foundation
  - **We will continue to support the CareTech Foundation, financially and through wider support, to enable the scale and impact of its work to increase year-on-year**  
current position: the Foundation has supported over 1.9 million people to date.
- Local employment
  - **70% of our site level employees live within 15 miles of their place of work by 2025**  
current position: we are working to establish a robust baseline for this target but local intelligence suggests that we are on track.
- Community Engagement
  - **100% of services with engagement plan in place by 2023**  
current position: whilst some business areas have achieved almost 100% compliance, we now expect this target to be achieved by the end of the financial year across the business.
- Local Economy
  - **50% of service expenditure spent locally and increase with SMEs by 2030**  
current position: an initial survey suggests 40% of services favour small- and medium-size enterprises for local spending.

## Progress

### CareTech Foundation

The scale and impact of the Foundation's work has increased across the year. In its first six years, the Foundation has awarded:

- £3.8M in Partnership Grants, directly supported some 1.9 million beneficiaries and helped train 3,799 facilitators to offer greater support across its grant-making and other activities;
- 202 Community Grants to a value of £301,101;
- 209 Match-Funding Grants to a value of £65,341; and,
- 812 Staff Hardship Fund grants to a value of £521,052.

In the last year, the Foundation approved:

- 48 Community Grants;
- 54 Match Fund applications; and,
- 232 Staff Hardship Fund grants.

Over the last reporting period, the Foundation also launched 'Match it', an extension of the Foundation's Match-Funding Grants, to reward staff who are volunteering but not fundraising for registered charities.

The Foundation has recently engaged in a three-year partnership with The National Theatre to support the delivery of the *Public Acts* programme. This showcases how the social care and creative sectors can work together on a national level to have an impact on communities. This funding supports *Public Acts* to strengthen community engagement and develop large-scale productions within their communities. Following the development of the partnership, a number of young people within CareTech services have had the opportunity to attend theatrical performances and the National Theatre also facilitated workshops for service users and staff.

The Foundation has also developed a partnership with Alzheimer's Society on the Longitude Prize on Dementia. The Longitude Prize on Dementia leads to the creation of transformative assistive technologies to best support people affected by dementia. The Foundation is directly supporting innovators to create life-changing assistive technologies by funding some core costs. The Foundation's involvement also brings with it a non-financial partnership with CareTech, which provides those innovators with access to sector-specific expertise and invaluable social care resources.

The Foundation has been supported by four secondees from the business across the year, which has enabled subject matter experts to drive projects forward. We currently have two individuals from the workforce seconded to the Foundation; their focus is on staff engagement and increasing awareness of the work and objectives of the CareTech Foundation. 70% of CareTech's workforce are aware of the Foundation and its work and we will continue to measure the impact on an annual basis.

The mentorship scheme that was developed in collaboration with the EY Foundation has now concluded and eight senior leaders had active roles in mentoring young people. Moving forward, our strategy is to incorporate mentorship into the organisation's Management Development Programme.

Care Home Open Week, delivered by the Championing Social Care initiative hosted by the CareTech Foundation, has continued to positively impact the sector and organisation. This year, both the Prime Minister and TRH The Prince and Princess of Wales gave recognition to the initiative and the commitment of the people working in the sector. Over 5000 services across the care sector took part in the

initiative this year and one in five MPs engaged with a care service in their consistency over the week.

104 CareTech services took part this year in Care Home Open Week, an increase of 30% increase from the previous year. Recognising the great success of Care Home Open Week within our Adult Services directorate, we wanted to replicate that success within Children's Services. We believed that these services and the communities in which they operate, would benefit from the core aims and objectives of the Week. This initiative has raised the profile of the work we do to support some of the most vulnerable children in society. Most importantly, our children have been given the opportunity to engage in a range of community activities within a protective framework.

#### Local employment

We know that more of our workforce are non-drivers than the general working population and, therefore, that these individuals usually live within close proximity to the services in which they are employed. Local intelligence indicates that our target (70% of our site level employees live within 15 miles of their place of work) is on track, but a quantitative data exercise is currently under consideration to determine the exact position.

Over the last 12 months, we have appointed over 900 staff from outside of the UK. We have supported this new cohort of staff to find accommodation within a short travelling distance to services.

#### Community Engagement

Our new Community Engagement Plan templates provide focused targets and site-level strategies to facilitate constructive community engagement. The plans also help local services to understand how the CareTech Foundation can also play a part.

These Community Engagement Plans are now well embedded in some areas of the business, with the aim for all plans to be embedded by the end of the year. Some outstanding practice has been delivered in services where progressive community relationships have been built as a result of this new approach.

As this is a priority target for the organisation, Community Engagement Plans are now a key performance indicator for all services. Data is provided to executives on a month basis.

#### ***The CareTech Difference — Community engagement at our Merida service***

Community Engagement Week was a great success at Merida, part of our Specialist Mental Health Children's Service) and allowed our young people to engage in our local community. This was particularly important as Merida, being a new site, had the opportunity to learn more about our local community and highlight the service to those around us.



As part of the week, one of our young people had the opportunity to volunteer with the local Raptor Foundation, a local charity that looks after injured and captive birds of prey. While there, the young person could observe medical care for injured birds, participate in direct support and learn about the environment and conservation plans for the local area. They met new people at the Foundation and came away with a better understanding of the importance of conserving the environment.

Another highlight of the week was a litter-picking drive in our local community. One of the young people we care for asked to spend a day litter picking in the local community. This allowed a real opportunity for them to get to know the local area, as well as create a sense of fulfilment and responsibility for the local community. This experience also introduced the young person to the concept of environmental responsibility and to see the real impact of littering on the environment. They could see the difference they could make by keeping her local area clean and preserving the local surroundings. The young person said of the activity: "I wanted to help the community and the environment."

All involved found Community Engagement Week to be a positive experience, which not only brought a fundamental element of fun into the home but also helped support a better sense of belonging in the local community for the young people living in Merida.

### Local Economy

The Group's Local Sourcing Policy, along with the Corporate Gifting and Merchandise Policy, are in place to provide guidance on appropriate and ethical purchasing. It is now expected practice to use named ethical suppliers when resources are required for events and recruitment activities.

Registered Managers have full autonomy of localised spending and an exercise has been carried out to clarify the purchasing levels with specified suppliers at site level. A key focus across the year has been to utilise localised services for household maintenance and renovation works. This has broadened the availability of suppliers in some localities while supporting smaller businesses.

We have undertaken a small survey of services to better understand localised spending patterns and behaviours. Just under 40% of those surveyed reported that they use small- to medium-size enterprises to purchase goods, such as local butchers, grocers, bakers, village stores, local farm shops, and local cafes and restaurants. The majority - 53.8% - reported that they consider ethical and environmental factors when making purchases. Examples of such ethical and environmental local spending include buying sustainable clothing and second-hand gifts, only going shopping once per week to reduce vehicle use and only ordering online when necessary to minimise emissions, buying fresh local produce, purchasing bio-friendly cleaning products and paper, and favouring ethical producers. We know from the survey that most (61.5%) report that they face

barriers to purchasing ethical products or using small businesses so we will be working with local managers to help overcome such barriers in order to drive progress moving forward.

### ***The CareTech Difference — Community engagement at our Stainton service***

Within Stainton, a complex needs children's home, the team prides itself on supporting their local community as much as possible and seeks regular support from the CareTech Foundation.

The team's most recent mission was to support Little Sprouts, a local community food charity that supports local people within the area by providing food, baby clothing, household items and financial support. Sprouts also offers meals for elderly people, or those who are lonely, to allow friendships to be developed and for improvements in mental health. The charity also supports the local community by offering cookery classes, supporting people with growing their own vegetables, developing skills sets and money management. The initiative also hosts space for external training providers to offer free courses to the local community such as first aid, business courses, floristry courses alongside support for mental health.

The Stainton team secured £1,500 funding to support with the ongoing running of the charity, which has significantly increased its need following the cost of living crisis. The team also supports the charity regularly with food, clothing and toy donations, as they feel that the charity is invaluable to their local community.

During Care Home Open Week, the Stainton team campaigned for all staff members to donate blood, encouraging all who were able to donate at their local centres. Due to the team's diligence and hard work, over 30 people donated blood, many for their first time, with a commitment to continuing. Not only do the team at Stainton change lives, they are incredibly proud of saving them too.

### **Next steps**

Key priorities for the coming year include the following:

- We would like our employees to increase the number applications to the CareTech Foundation for Match Funding and Community grants applications.
- Building on success to date in Children's Services, we will work with Adults Services to ensure that Community Engagement Plans are successfully embedded.
- We will continue to support Care Home Open Week in 2024, with the intention of increasing the number of CareTech services involved. We will work with a broad range of services within the sector, focusing specifically on Specialist Services for both children and adults. This will enable additional exposure of the value of the work provided by the care sector. Additionally,

there is an opportunity to introduce social care as a career pathway and highlight recruitment opportunities within the sector.

- We are currently implementing a bespoke Management Development Programme in our specialist children's mental health services. We intend to develop a number of leaders to progress the business growth strategy in this area. As part of the programme we will develop a management mentorship programme enabling the candidates to have access to senior leaders within the business.
- We will continue to encourage ethical purchasing at site level while supporting front line services to purchase from small and medium size enterprises. One area of the business is looking to implement a Free Range Policy which is aligned with the objectives of CARE4 Planet.

### **WEF disclosures**

PR1.1, PR1.2, PR1.3 PR3.1

# CARE4 Innovation

## CARE4 Innovation Headline Commitment

**By 2030, we will cumulatively reach 1 million disabled people and those with complex needs with an end-to-end pathway of digital services**

We believe that good business creates value for society as well as for those whom we care. Our innovative approaches will expand our business for a successful future, helping us to enable independence for more people, positively impacting more lives.

**CARE4  
Innovation**



## Supporting Targets

- Digitized pathway of services
  - **The key building blocks for end-to-end pathway of services will be in place and we will have cumulatively reached 200,000 individuals by 2025.**  
current position: To date, we have supported 59,636 individuals through Smartbox, EnableAll and other relevant services.
- Innovation in social care
  - **Purple Tuesday will be #1 global brand for improving the disabled customer experience by 2025.**  
Current position: The Purple Tuesday global disabled customer celebration day held on 7<sup>th</sup> November 2023 trended at #1 on X, had an audience reach of 29.5 million and prompted 3,475 items of media coverage

## Progress

Our digitalisation portfolio, now in its second year, is making transformational impact within the Group and beyond. As well as rapid growth across Smartbox and Purple brands, this year we have also launched the most accessible e-commerce platform Enable All and, through CTH-Digital Labs, are producing new innovative products that are close to being market-ready.

Alongside the CareTech Foundation, the company has also been at the forefront of supporting the Longitude Prize on Dementia which strives to empower individuals living with dementia to achieve greater independence and maximum quality of life through the use of ground-breaking technology.

## Digitized pathway of services

### **Smartbox**

Our Smartbox business continues to deliver significant global growth during the last year, meaning more people than ever were provided with a voice through their technology. This included continuing to promote the use of Smartbox AAC solutions and adopting whole-school Grid approaches across CareTech's education and care settings. Two SEN schools this year, Hill House School and Bletchley Park School, have fully adopted the use of the Smartbox grid software for all students with all staff trained and supported on use of Smartbox.

During 2022/23, Smartbox supplied a total of 24,131 individuals with an alternative communication product, a dramatic increase from the previous years' figures of 19,957 (2021/22) and 15,539 (2020/21) respectively. Introducing Smartbox Academy during the year marked a significant milestone in the company's commitment to AAC education and skill development. The newly-launched online learning platform played a pivotal role in training 21,926 individuals during the year.

### ***The CareTech Difference — Meet Oli***

Oli is a 17-year-old DJ from Kendal who has cerebral palsy. Oli uses a Grid Pad 15 to speak and control his DJ software.

He uses a Lumin-i eye tracker to control his Grid Pad 15 by looking at targets on the screen.

This year, Oli won the Alan Martin Prize at the 2023 Communication Matters Awards, for his significant contribution to the arts.



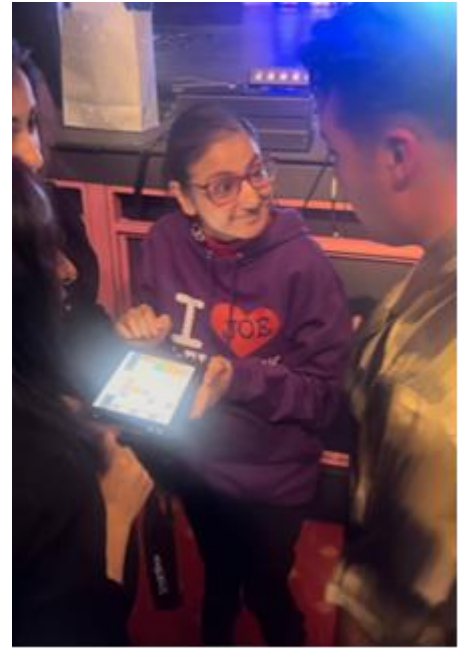
*"I started using Grid software when I was 3-years-old and I use it for everything! I use Grid to control my model railway, DJing, song writing, speaking, social media, Spotify, Steam and other games. I also use it to choose what I want to watch on TV."*

Smartbox also experienced significant expansion, including the acquisition of US AAC company Talk to Me Technologies that was completed in June 2023. This led to an increase in workforce from 260 to 440 employees. This expansion reflects the company's commitment to meeting the rising global demand for its innovative communication solutions. In addition, Smartbox's flagship software, Grid 3, is being used by more people than ever, illustrated by a 33% increase in monthly users over the course of the year. This growth reflects the continued popularity and efficacy of Grid and reinforces the company's position as a market leader in the AAC industry.

### ***The CareTech Difference - Sufina tries the latest generation Talk Pad from Smartbox***

32-year-old Sufina from Birmingham was one of the first people to try the latest Talk Pad communication aid from Smartbox. Sufina has cerebral palsy and is non-verbal. She lives with her family and until recently, her main form of communication has been Makaton sign language. This has been a great way for her to communicate with those closest to her, however when she is out and about and wants to talk to people who don't understand sign language, it presents a barrier to her communication and independence.

Smartbox visited Sufina in August 2023 to try Talk Pad, a lightweight communication device. She took to the device immediately and found the technology intuitive. After choosing a voice that she identified with and getting familiar with software, Sufina was chatting away with her sisters. Her family were delighted to see her engage with the technology so quickly and loved the option to add Punjabi words into Super Core, the symbol communication vocabulary Sufina is using on the device.



*Picture caption: Sufina at the Joe McElderry meet and greet*

During this visit, Sufina, her family and the Smartbox team visited a local café, where she used her new voice to order drinks and cakes for everyone. Since then she has been using the device every day! More recently she took her Talk Pad to a meet and greet with Joe McElderry (2009 X-Factor winner), where she told him she liked his song 'The Climb' and he sang it to her.

"As Sufina's SLT, I have seen and heard the struggles she has had attempting to communicate whilst in the community, this has often resulted in her relying on her family members to speak on her behalf. When Sufina had the device, one of the first things she did was order her own drink and cake in a local cafe, she was so very pleased with herself and the joy that brought was evident to all present. Having a communication device like this has and will continue to provide Sufina with the opportunities for independence that every young woman should have."

- Emily Piggott, Speech and Language Therapist for Adults with Learning Disabilities

### **EnableAll**

We were delighted to launch EnableAll this year, the world's first truly accessible online marketplace platform, which enables equality and inclusion for disabled people, economic opportunities for merchants, and an ethical alternative for conscious consumers. EnableAll is a one-stop-shop for all consumers. It is a unique combination of supporting non-disabled and disabled people and their businesses, bringing them together for good.

EnableAll aspires to help everyone find what they want and need, without hassle or frustration, with the world's first inclusive e-commerce platform. The platform seeks

to deliver a first-class user experience and service, normalising disability accessibility standards in the process.

Enable All is pushing the boundaries and breaking down the barriers between what disabled people want to do and what they're able to do because of limited user experience online. The platform removes the divide and barriers that complex digital platforms put in place. We aim to inspire all online services, encouraging them to provide genuine accessibility for all.

The technology that powers EnableAll was completed for initial launch in June 2023. Our innovative solutions in accessible features and particularly in language generative AI are the building blocks for a scalable online shopping marketplace, globally. In the months following go live, we have been onboarding retailers across multiple product categories and, by September 2023, we had over 10,000 products listed, all meeting our accessibility reading level targets.

We concluded from early analysis and feedback that the marketplace needed to expand the product breadth and depth. The EnableAll team have continued to build out and simplify the process for retailers and we are working towards a richer product mix with over 40,000 products by January 2024. The latest brands joining EnableAll include Unhidden Clothing, Dotty About Braille and Baukjen.

Our marketing has commenced and is building to grow EnableAll's digital consumer presence. The suite of marketing programmes includes key influencers from the Shaw Trust Disability Power 100 and specialised print publications. Our first media campaign in November generated 35,000 new users on EnableAll.com.

#### Innovation in social care

Working alongside Ambassadors and our 30 sponsor organisations, the **Purple Tuesday** global disabled customer celebration day held on 7<sup>th</sup> November trended at #1 on X, had an audience reach of 29.5 million and 3,475 items of coverage, up from just under 260 the previous year.

Purple Tuesday's social media campaign message was also launched as part of Purple Tuesday that authentically represented the voice and lived experience of disabled customers, asking organisations "Are you my brand?". This impactful message found widespread acclaim and positive engagement including the Minister of State for Disabled People, Health and Work.

Similar to Smartbox's expansion in the US, the Purple Tuesday initiative has expanded its global reach with celebration events now taking place in seven countries. Over 6,500 organisations participated in the movement making 7000+ improvements to accessibility across the year.

Notably, the Purple Tuesday Disabled Ambassador community has grown considerably to 50, up from 15 the previous year. This group comprise of



Paralympians, authors, comedians, TV personalities, fashion designers, and the two most influential disabled people of 2023.

*"As the UK's biggest hospitality company, we're proud to welcome millions of disabled customers, as well as people with long-term health conditions, to our hotels and restaurants across the UK every year. True inclusion never stands still – it's a commitment that continually evolves and we are always looking for ways to improve our guest experience, which is why we're so proud to be the sector sponsor for Purple Tuesday in 2022 and 2023. As an inclusive employer we also know it's an initiative that will inspire our team members, some of course who themselves have disabilities, and we are therefore really looking forward to getting our restaurants teams as well as our very own 'purple people' behind Purple Tuesday both on the day itself and year-round"*

- Simon Ewins, Managing Director of Premier Inn



Through the CareTech Foundation, CareTech are partners of the Alzheimer's Society's **Longitude Prize on Dementia**, a £4.42 million international prize to drive the creation of personalized technologies which are co-created with people living in the early stages of dementia. It aims to enable people with dementia to live independently. The Prize was launched in September 2022 and has had a strong response from innovators, with 175 applications. Five finalists will be selected, winning £30,000 to develop their ideas further. CareTech will look to robustly develop and test these ideas further through its in-kind support of the CareTech Foundation's grant-funding for this important programme of innovation.

CareTech is currently running two **electronic care records system** pilots (CareControl and LogMyCare) demonstrating the effectiveness of electronic care records vs paper-based records. Through these pilots, we are achieving early efficiencies but we anticipate it will take another 12-18 months to fully deploy these digital care record solutions across the Group.

Through **CTH-Digital Labs**, we have developed a low-cost and accessible AAC range called Loqui (which in Latin translates as 'To Speak'). The Loqui range aims to



improve the lives of individuals who have communication impairments in unfunded developing countries, focusing on a low- to mid-tech range of assistive technology. In addition, the Labs is currently user testing an Ed-Tech robot which helps young people that suffer from long-term absenteeism, illness or challenging behaviours to still be part of the classroom experience. The robot allows young people to see hear, interact and communicate with their teacher inside the class though being physically away from the class.

### ***The CareTech Difference - Purple at COP28***

Purple was born out of the purpose of changing the disability conversation: from one about charity and the responsibility of Government to one of business behavioural change. Our aim is not only to improve businesses' route to market and delivering social value but to enable disabled people to be included in all elements of the economy - from employment, contribution to society and being able to access services that were previously not accessible to them.

The UK has been a stronghold and, in 2023, we have seen a tipping point with businesses taking ownership and promoting the benefits of disability inclusion and accessibility. While this is excellent, the UK represents only 0.65% of the disabled global population. With a global backdrop of almost 200 countries with differing cultures and over 7000 languages, Purple Tuesday's purpose is to continue to chip away so that the benefit is felt across all continents by 2025, for which we are pleased to say we are on track!

The link between the United Nations' Sustainable Development Goals (SDGs) and disability inclusion is profound and essential. Adopted in 2015, the SDGs comprise 17 goals to end poverty, protect the planet, and ensure prosperity for all.

The 2023 United Nations Climate Change Conference or Conference of the Parties of the UNFCCC, more commonly known as COP28, was the 28th United Nations Climate Change conference, held from 30 November to 12 December 2023 at Expo City, Dubai in the United Arab Emirates.

This year, Purple was asked to attend COP28 and represent the Department for Business and Trade, working directly with His Majesty's Trade Commissioner for the Middle East and Pakistan, His Majesty's Consul General to Dubai and the northern emirates. During the visit, Purple's senior team spoke directly about inclusion and the SDGs with HRH Sheikh Suad bin Saqr Al



Qasimi, Crown Ruler of Ras Al Khaimah and member of the UAE Supreme Council.

Key ways in which Purple was able to highlight at COP28 its contributions to the CARE4 strategy include the following:

- CARE4 Planet. Purple's participation at COP28 emphasised the importance of creating sustainable and accessible environments. Purple's products for physical infrastructure audits exemplify an innovative approach to sustainability, reducing environmental impact while enhancing accessibility.
- CARE4 People. By focusing on disability inclusion, Purple directly contributes to creating equitable opportunities for disabled people, resonating with CARE4's commitment to workforce diversity and inclusivity.
- CARE4 Community. Purple's initiatives at COP28 highlighted the importance of building inclusive communities. Purple's work in sustainable urban development, especially making cities more accessible for disabled people, aligns with CARE4's community engagement objectives.
- CARE4 Innovation. Purple showcased its digital and physical accessibility solutions, demonstrating how innovative technologies can drive inclusivity in infrastructure and digital spaces, a core aspect of CARE4's innovation pillar.



Purple's presence at COP28 reinforced its commitment to inclusive and sustainable practices and opened avenues for global partnerships and knowledge exchange. The event catalysed Purple to explore new markets and collaborations in sustainability and accessibility, enhancing its brand visibility and expertise in the field.

### Next steps

For the year ahead, our key priorities will be:

- to continue to grow the number of users and sales in our existing digital offerings – including Smartbox, Enable All and CTH-Digital Labs.
- Purple Tuesday 2023 exceeded our expectations, highlighting remarkable growth and engagement. We will continue to spread the reach and impact

of the Purple Tuesday campaign, both in participating countries and new countries not yet reached.

- to continue to look at creating and deploying new technologies through the Labs as well as investing/partnering in ground-breaking technology that support individuals to become more independent.
- through our learnings of electronic care record pilots across the Group, we are in a strong position to expand these pilots to other bigger sites which will not only drive savings for staff teams to spend more time caring vs daily administrative tasks and also lead to better ratings and compliance in our services.

## **WEF disclosures**

PR2.1

## Measuring our Impact

### Social Impact Headline Commitment

**We will establish a robust set of Social Impact Indicators and reporting methodology so that we can quantify and report on the social impact of delivering our core purpose**

### Progress

#### Social value

In early 2023, we selected the National Social Value Measurement framework or National TOMS – as the framework of choice. National TOMS is a method of reporting and measuring social value to a consistent standard. The framework was developed by Social Value Portal and launched in 2017.

We reviewed the key data points within the National TOMS framework to select which are most appropriate to our operations. This review enabled us to develop a 2023 survey to gather information from across our business. The survey went live in early 2023 and the key headlines are as follows:

- 16% of staff are involved in voluntary work in their local community
- Of those who are involved in voluntary work in their local community, 58.8% are regular volunteers.
- 20% volunteers spend 3 or more hours per week volunteering
- 43% of staff have been funded to undertake qualifications whilst working for CareTech
- Of those who have been funded to undertake qualifications, 57.3% have completed their qualifications.
- 19.9% staff have completed charitable funding raising in the last year.
- 17% of those staff who have completed charitable fundraising in the last year received match-funding from the CareTech Foundation.

The results of our Social Value survey were encouraging and will be used to support future contract bidding with commissioning bodies.

#### Social Impact

As reported last year, we have selected Outcome Star as our outcome tool of choice. The use of the tool is integrated into our in-house therapeutic framework – STEP. This complements the person-centred nature of the framework, providing staff with the tool they need to evidence progress with the young person taking an active role in this assessment.



Over the last year, we have commenced the implementation and embedding of STEP and Outcome STAR into everyday care practice.

The roll-out of STEP is gathering pace as we now commence the expansion to our fourth operational region. Key progress is as follows:

- 305 staff trained in STEP
- 272 staff trained to use Outcome STAR
- 40 children's homes now using Outcome Stars with their children
- 40 children's homes now operating the STEP framework.
- 57 children now have Outcome Stars in use to measure their progress.



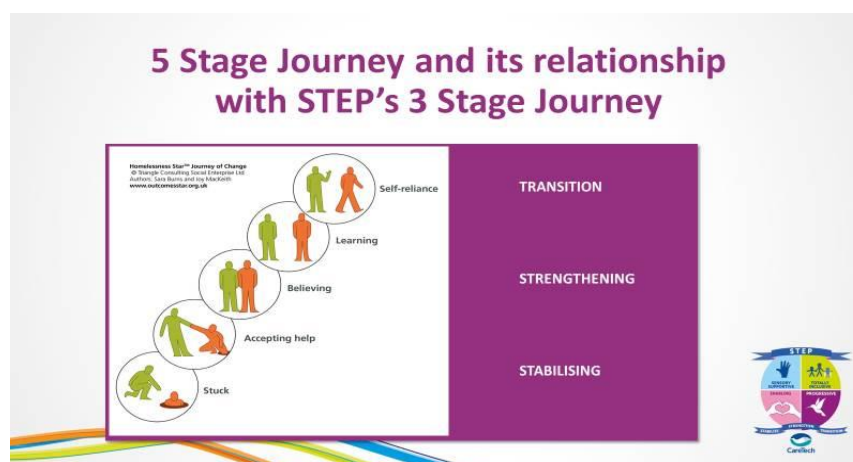
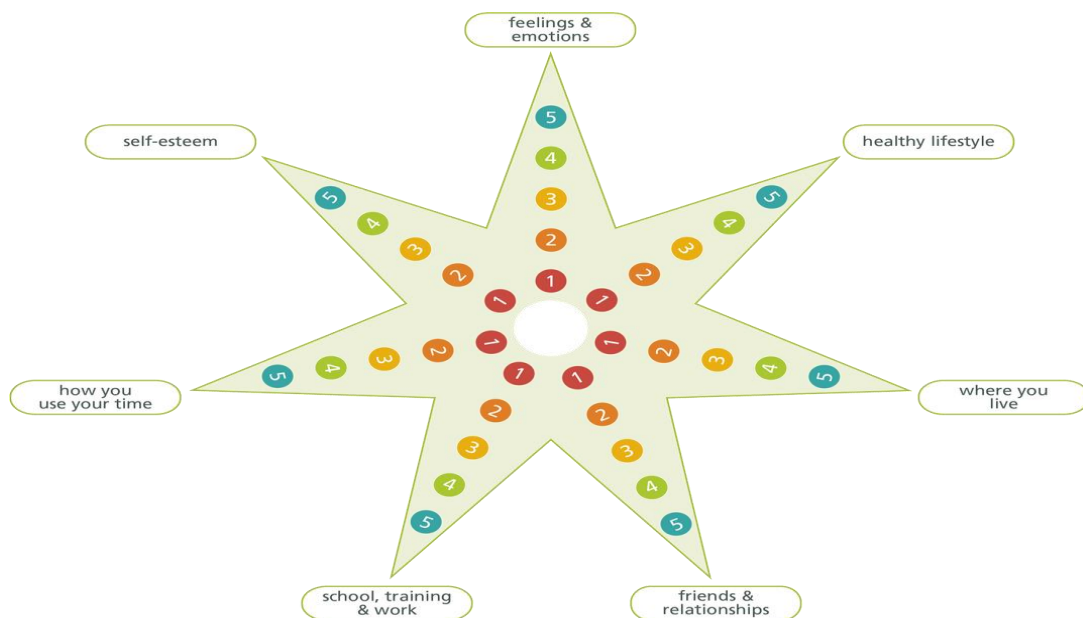
*STEP and the Three Stage Journey*

Two regions have received their first Outcome Star™ reports meaning we can now quantify individual distance travelled through the 5 Stage Journey of Change for every child, once every 12 weeks against each Outcome Area of the Star.

The Star is used by teams to place our children in the 3 Stage Journey of STEP, further enhancing targeted support in Outcome Areas relevant to the child's functional and cognitive skills at the time.

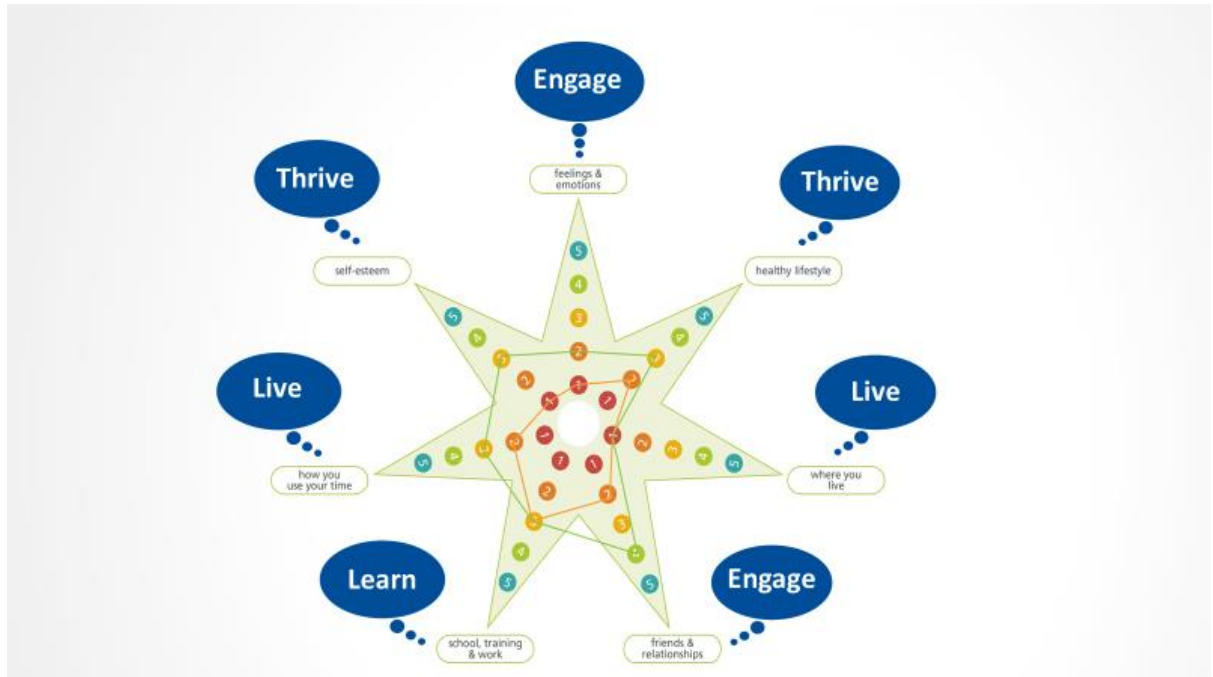


We have linked our Outcome Star domains with the four Impact Goals – Live, Learn, Thrive and Engage which will enable us to quantify annually the progress we are making in delivering against the CareTech Purpose.



### **The CareTech Difference - STEP and the Outcomes Star™**

J is a 12-year-old boy who has lived with us here at Culcheth for almost two years. It is his first ever care placement. He has a diagnosis of ADHD, Autism and Global Developmental Delay. J can really struggle with accepting support from staff because he doesn't always understand the reason he is being asked to do something. J can also become quite unsettled if he is being asked to do something he doesn't understand and responds better to simple instructions with some sensory supportive prompts. J needs a lot of a love and attention throughout the day and reminding that he can make good choices and is an amazing young man!



J was introduced to the STAR whilst the staff team were being trained in it – he joined in with the training and really got into it – he loves to feel helpful – J responds well when he is receiving lots of praise and I feel that by being able to see his progress on a star – which is such a positive symbol anyway (J gets star of the week certificates at school etc.) – J gets a real sense of pride which always helps to lift his mood. When J is in a positive mood it becomes easier to engage him in conversation and you are able to gain more from him as he starts to share more so the STAR really sets us up for being able to have meaningful conversations that J is engaged in. Staff are also able to identify where J needs to extra help and J responds well to this and likes to set up a little plan with staff of how he can improve.

J feels a little bit special when he is doing his STAR because it is such a positive conversation that has a purpose – J wants to become a 'big lad' and learn how to do things for himself and the STAR shows him all of the little wins and how he is getting there. When we complete a star and set our new actions we then work on these for the following months and the keyworker sessions feel more purposeful for him which is great!

As a manager I feel that STAR has really improved the quality of the sessions that my staff team are delivering for the children – I feel that the best part of the star is how much more meaningful the work being delivered and produced is. The staff and the children have a clear plan of how to keep moving forward and progressing which is really lovely to see. Staff also display language of STEP using the terms Sensory Supportive, Totally Inclusive and Enabling to describe items in the Star actions plans so they are always linked. J loves looking at the different lines of his stars and double checking that he is creeping up the scales and when it comes time to do another star he becomes really cheery when he sees the numbers going up!

The team are quite inspired by the star usage – previously our key worker sessions have felt really stale and 'going through the motions'. The team give really great feedback and enjoy completing the star documents with the children – they tell me consistently how user friendly the interface is and feel that the prompts on the system give them reminders to add really full detail into their work. The team are clear on areas of progression and the direct relationship the Star has with the 3 Stage Journey of STEP and we discuss this in our team meetings and then share with one another additional things that specific keyworkers can add in too.

#### Hearing the voice of the child

We continue to make excellent progress in enabling every service across our children's portfolio to hear the child's voice. Our partnership with Mind of My Own, the award-winning digital app that helps children and young people express themselves and communicate with professionals, will soon enter its fourth year. Co-produced with children and young people, the app seeks to ensure that they are easily understood and encourage participation. Mind of My Own helps young people to communicate what's important to them.

Nearly 90%, up from 71% (2022), of our services have integrated the use of the Mind of My Own apps in daily operations. Over the course of 2023, we have more than doubled the number of statements from young people in our care, rising from 6,000 to just over 13,400 (November 2023).

The feedback from children has been encouraging and their views and feelings continue to help shape our service improvements. As of 1<sup>st</sup> October 2023, the cumulative views of children indicated that 93% of children feel positive about where they live.

#### Implementation of Electronic care recording system

We are commencing a procurement exercise to select an electronic care recording system for our children's homes. This will be invaluable in streamlining operational efficiency to improve the quality of the care we provide.



## **Next steps**

Key priorities for the coming year include the following:

- We will implement our second annual Social Value survey in early 2024. Using the results from 2023, we will ensure that the work of the CareTech Foundation is better communicated to ensure that those staff who volunteer and fundraise make better use of the funds available to support local initiatives in their communities.
- The roll-out of STEP and STAR will continue. A further 20 children's homes will be operating STEP with a further 20 homes going live every five months. We will also have quarterly Outcome Star data for those young people who have a Star and we will develop and embed the use of this data to celebrate the journeys they make during their time with us.
- We are aiming to continue to increase the number of statements from our children and in doing so improve our responsiveness to their needs. Our aim is to increase the proportion of sites mobilised by a further 5% to 95%, and to gather approximately 600 new statements per month. In addition, our ability to analyse this information will mean we can share the fantastic feedback we receive, with our key external stakeholders.
- We aim to have procured an Electronic Care Recording System and to implement it across our children's portfolio.

## Ensuring Good Governance

### Governance Headline Commitment

**We will create a Staff Consultative Committee to ensure that the voices of our staff are at the heart of our business.**

### Progress

#### Staff Consultative Group

We have welcomed a new Executive Director for people to the Group. This has provided a great opportunity to review our overall strategy for employee engagement.

Plans have progressed to re-launch our Staff Consultative Committee with invitees representing a vertical slice of the organisation, as reported in the CARE4 People section of this report. We will provide training from external subject matter experts to enable individuals to participate effectively as members of the Committee.

We will use the reconstituted Staff Consultative Committee as the vehicle to launch a group wide wellbeing survey to reinvigorate staff interest and move to greater digital engagement with our employees. We will establish several feedback channels for the survey results including, for example, a CEO video, a series of management sessions, or incorporation into the existing monthly divisional management review meetings.

We will also incorporate themes that emerge from the survey feedback into Executive Team discussions and ensure these are effectively embedded in divisional, regional, and service level management debate, so extending a 'you said we did' concept across the organisation.

We aim to progressively redirect our employee relations efforts to enriching employee experience as opposed to 'issue management'. Integral to the broader engagement and consultation agenda is a specific focus on Equality, Diversity and Inclusion. The new engagement strategy is a very tangible commitment to promoting diversity and inclusivity.

#### 'Well led' review

A key focus for our corporate governance work this year has been the preparation for and engagement in a Care Quality Commission (CQC) corporate 'well led' review.

Our priorities on leadership, clinical governance and having a clear focus on quality and governance have generated a number of projects including

- Board and executive learning programmes on key quality priorities

- Active engagement of the clinical workforce in our hospital settings in the preparations for the newly introduced national patient safety framework, that focuses on learning and not blaming when incidents occur
- Sharing experiences and learning from various quality and clinical forums through the introduction of '5 key messages'

The exercise with CQC has provided valuable learning for the senior team, in particular in the continuing journey to extend service user co-production and extending the voice of everyone involved in services to go from 'good to great'.

#### Preparing for the new Adult Social Care Single Assessment Framework

We welcome the important proposed changes to the Care Quality Commission inspection framework and the new addition of an unambiguous requirement on providers to understand and address their impact on environmental sustainability.

To support Registered Managers for this important change, we have developed a separate online training course on the new environmental sustainability criterion in the new CQC single assessment framework. As well as preparing managers for this new element of the inspection framework, the course reinforces how the CARE4 One Planet Living model can help managers to demonstrate deliver on and demonstrate the company's commitment to sustainability.

#### **Next steps**

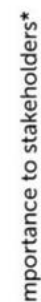
Key priorities for the coming year include the following:

- Make rapid progress on the objectives for the employee engagement committee and implement these across the whole organisation
- Share findings from the CQC 'well led' exercise and ensure that all learning points are 'owned' and led by an Executive to give clear leadership, timelines and outcomes by which the organisation can be measured
- Launch the revised integrated governance framework enhancing the oversight and assurance across all quality aspects of our services

#### **WEF disclosures**

G2.1, G3.1, G4.1, G4.2, G5.1

## CareTech Materiality Analysis — World Economic Forum Core 21 Topic


1

**Tier 3:** topics of lower strategic importance or low impact

\* Stakeholders including: Investors, Regulators, Commissioners, Employees, Individuals in our care and local communities.

- 1 PL1.1 Greenhouse gas (GHG) emissions
- 2 PL1.2 TCFD implementation
- 3 PL2.1 Land use and ecological sensitivity
- 4 PL3.1 Water consumption and withdrawal in water-stressed areas
- 1 G1.1 Setting purpose
- 2 G2.1 Governance body composition
- 3 G3.1 Material issues impacting stakeholders
- 4 G4.1 Anti-corruption
- 5 G4.2 Protected ethics advice and reporting mechanisms
- 6 G5.1 Integrating risk and opportunity into business process
- 1 PP1.1 Diversity and inclusion (%)
- 2 PP1.2 Pay equality (%)
- 3 PP1.3 Wage level (%)
- 4 PP1.4 Risks for incidents of child, forced or compulsory labour
- 5 PP2.1 Health and safety (%)
- 6 PP3.1 Training provided (#, \$)
- 1 PR1.1 Absolute number and rate of employment
- 1 PR1.2 Economic contribution
- 1 PR1.3 Financial investment contribution
- 1 PR2.1 Total R&D expenses
- 1 PR3.1 Total tax paid

CORE METRICS & DISCLOSURES	Data Scope	Materiality Commentary	FY22/23 Return
<b>G1.1 Setting purpose</b>	Group-level	All of our stakeholders value our purpose-led culture; it is a unique aspect of CareTech culture that differentiates our service and unites us behind a shared intent to deliver the very best that we can for all those in our care.	CareTech's purpose is inherent in all that we do. We enable children, young people and adults with complex needs to make their own life choices, and to develop confidence and independence to live, learn, thrive and engage, building better futures. We refer to this as providing <i>Extraordinary Days, Every Day</i> .
<b>G2.1 Governance body composition</b>	Group-level	The composition of our governing body is of importance to all stakeholders, in particular our regulators.	<p>Amalfi TopCo Ltd, the owners of CareTech Holdings Ltd, meets quarterly and comprises five members (Chairman, CEO, CFO and two representatives of Three Hills Capital). The Board is assisted by four committees: Care Quality &amp; Governance Committee; Audit Committee; the Committee; and, Remuneration Committee.</p> <p>In addition, the CareTech Ltd Executive Group comprises nine Directors committed to the highest level of corporate governance, supporting management while ensuring an appropriate level of challenge, and exercising proper oversight while facilitating decision-making.</p>

		<p>To protect the integrity, expertise, professionalism and success of our business, we are focused on ensuring that our Board not only meets the statutory requirements but is equipped to deliver the financial and quality performance standards that we are committed to meeting.</p>	<p>The Executive Group met all of the 'Fit and Proper Person' requirements of the Health and Social Care Act, with a full audit of all Board and Executive team having been undertaken by the Group People Director.</p>
<p><b>G3.1 Material issues impacting stakeholders</b></p>	<p>Group-level</p>	<p>Understanding the material ESG issues that affect the success of CareTech is foundational to business success.</p>	<p>CARE4 is constructed to address the sustainability issues that we have identified as material to our business; these are drawn from the WEF ESG framework.</p> <p>We consulted with shareholders on a formal basis twice a year and on an ad hoc basis throughout the year to identify priorities.</p> <p>In response to requests from staff in 2020, we launched a new Staff Consultative Committee in 2021 and repeated our annual staff survey to facilitate engagement and feedback.</p>

		<p>We recognise the importance of this to our stakeholders and are committed to stakeholder consultation to ensure that we align business strategy to their priorities.</p>	<p>We regularly receive feedback from our commissioning and regulatory bodies. We are currently exploring digital tools that will enable us to engage better with the diverse individuals in our care across multiple locations.</p>
<b>G4.1 Anti-corruption</b>	Group-level	<p>Ethical behaviour is of significant importance to all stakeholders. As such, it is inherent in our culture and processes and we believe that due to our culture and track record, the risk of corruption in services is low. Therefore, this is an issue of mid-level importance to</p>	<p>Core staff induction training covers awareness training regarding fraud, bribery and corruption. Where appropriate to role, employees receive additional training on the organisation's anti-corruption policies and procedures.</p> <p>No incidents of corruption related to previous years were confirmed during this reporting year. 31 potential incidents of corruption were investigated and confirmed during the current year, related to this year, of which one (1) related to attempted fraud of corporate systems (invoice payments) and 30 related to services (stolen debit/credit cards, unauthorised transactions, card cloned and money taken).</p> <p>All Executive and Board members are required to self-declare under the 'Fit and Proper Persons' requirements of the Health and Social Care Act, with a full audit of all Board and Executive team having been undertaken by the Group People Director.</p> <p>A review of our Anti-bribery and Fraud Policy was undertaken this year. The Register of Board interests was reviewed and full declarations made.</p>

		business success and we see it as low risk.	
<b>G4.2 Protected ethics advice and reporting mechanisms</b>	UK regulated services	Our success is dependent upon the positive impact that we have for individuals in our care. A focus on ethics and efficacy is, therefore, of primary importance and is inherent in our processes and culture. This is an essential aspect of our approach for all stakeholders, in particular for our service users and their families, and the people who work for us and, of course, to	<p>The Board has established a framework of formal sub-committees for Information Governance, Clinical Governance and safeguarding. Sub-committees have Executive sponsorship and an assurance report updating on the business of each sub-committee is reviewed monthly.</p> <p>An internal advice and escalation programme is established, including the procurement of independent advice on matters of policy, legislation or ethics.</p> <p>Due diligence and enhanced declarations of interest process are introduced and in key areas of the business external accreditation systems are in place – for example cyber-security, and health and safety where we were awarded CHAS (Contractors H&amp;S Assessment Scheme) accreditation.</p> <p>In this reporting period, we: introduced an updated Duty of Care Policy; confirmed that Fit and Proper declarations were undertaken for Board and Executive members; and, had a positive submission made to NHSE for provider licensed services commissioned by the NHS.</p>



		commissioners and regulators.	
<b>G5.1 Integrating risk and opportunity into business process</b>	Group-level	<p>As a regulated business, management of risk is central to our approach and our 'licence to operate'.</p> <p>Our risk profile is of significant importance to financial and commercial partners as well as our ability to capitalise on opportunities arising.</p> <p>As a care and education provider, we have a long-term business model and effective risk management is essential to protect</p>	<p>Executive sponsors are assigned to lead effective risk oversight and mitigation of corporate risk. Work in previous business years to enhance the business continuity process and service risk assessments continues to improve responsiveness to incidents. Standardised Risk Registers have been further refined to reflect the different service offerings and risk appetite across the Group portfolio.</p> <p>In this reporting period, we have:</p> <ul style="list-style-type: none"> <li>• updated our Accountable Executive Lead Schedule;</li> <li>• updated our Modern Slavery Statement;</li> <li>• put in place an enhanced programme of assurance and risk framework for cyber security;</li> <li>• enhanced membership of our Information Governance Committee; and,</li> <li>• consulted on a new Group Safeguarding Strategy.</li> </ul>

		continuity for those in our care.	
<b>PL1.1 Greenhouse gas (GHG) emissions</b>	All CareTech Group UK companies.	GHG emissions had not been an issue of strategic importance to CareTech. However, with increasing focus on the climate emergency from all stakeholders as well as approaching legislation and regulation, this issue is now fully recognised as one of increasing strategic risk to the long-term future of the business and is now being addressed over the short-	<p>Building on our annual SECR reporting (which covers Scope 1,2 and (limited) 3 emissions) and our separate Scope 3 baselining exercise last year, we have commissioned an annual calculation of the full (ie Scopes 1, 2 and 3) environmental impact of our UK operations.</p> <p>On a market basis, our direct emissions (Scopes 1 and 2) for this reporting period are 11,361 tCO<sub>2</sub>e, which is a decrease of 50% from FY2021/22. On a location basis our emissions for this reporting period are 13,869 tCO<sub>2</sub>e, which is a decrease of 30% from FY2021/22. This represents an average of 2.36 tCO<sub>2</sub>e per FTE, a 52% reduction from FY2021/22.</p> <p>The fall in emissions is down to a combination of factors.</p> <ul style="list-style-type: none"> <li>• The most significant contribution to our reduced carbon emissions was the company's switch to renewable energy contracts for all centrally-procured electricity. This change reduced our total direct carbon emissions by 22%.</li> <li>• We have taken a range of steps to reduce energy consumption across the Group, such as: replacing older diesel vehicles with newer and more fuel-efficient RDE2-compliant vehicles; increasing the number of EV and PHEV vehicles in the company fleet' replaced old boilers with more efficient condensing boilers; and introducing a scheme of replacing lighting with LEDs when they come to the end of their lifespan.</li> <li>• A number of changes to the Group's property portfolio, particularly sites that now offer supported living where the company does not manage energy consumption, have reduced consumption.</li> </ul> <p>Our indirect emissions (Scope 3) for this reporting period are 31,688 tCO<sub>2</sub>e. This is a 5% increase against the baseline of FY2020/21. The main increases in our indirect emissions relate to significant emissions from business travel and employee commuting; this is unsurprising as our baseline year was during the COVID19 pandemic which significantly reduced staff travel and, thus emissions. We remain confident that measures being taken to reduce travel-related emissions will show reduced emissions in future years. As noted below, however,</p>

		to medium-term accordingly.	<p>our Scope 3 emissions are slightly lower per FTE staff member than the baseline year of FY2020/21. The Group employs 6% more FTE staff members than it did in our baseline year (FY2020/21) showing that the Group's efforts to reduce indirect emissions are now having a positive impact.</p> <p>We have continued to improve our underlying data measurement systems, so this year's data is more complete than in previous years which has resulted in fewer estimations being required.</p> <p>We calculate emission intensity metrics on a per FTE basis. This year:</p> <ul style="list-style-type: none"> <li>• our intensity metric for direct (Scope 1 and 2 – market-based) emissions is 1.31 tCO<sub>2</sub>e/FTE, a 46% decrease from FY2021/22.</li> <li>• our intensity metric for indirect (Scope 3) emissions, our intensity metric is 3.65 tCO<sub>2</sub>e/FTE, a 2% decrease from FY2020/21.</li> </ul>
<b>PL1.2 TCFD implementation</b>	All CareTech Group UK companies.	GHG emissions had not been an issue of strategic importance to CareTech. However, with increasing focus on the climate emergency from all stakeholders as well as approaching legislation and regulation, this	CareTech has a commitment to achieve net zero emissions by 2050. We are currently developing TCFD-aligned targets. As a first step, this year the Group has developed an internal Carbon Reduction Strategy.

		issue is now fully recognised as one of increasing strategic risk to the long-term future of the business and is now being addressed over the short-to medium-term accordingly.	
<b>PL2 Land use and ecological sensitivity</b>	UK only	Nature loss is not perceived by stakeholders to be an issue of particular relevance to CareTech and it does not currently impact business success.	<p>Nature loss is not a material issue for CareTech. We do, however, make best use of the natural green spaces within our community settings such as gardens and encourage services to manage their gardens to support biodiversity.</p> <p>We are not aware of any of our sites that owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBA), but we plan to undertake a more thorough analysis moving forward.</p>
<b>PL3 Water consumption and withdrawal in water-stressed areas</b>	UK only	Water use is not perceived by stakeholders to be an issue of particular relevance to	<p>Water consumption is not a material issue for CareTech. We do, however, encourage all our services to implement water conservation measures.</p> <p>We are aware of one site in the UK that is in a high or extremely high baseline water stress area. This site (as with other local properties) is supplied via unmetered natural water sources, rather than mains supply, so we are unable to report on the amounts of water extraction.</p>

		CareTech and it does not currently impact business success. There is a low-level long-term risk associated with water supply but this is not considered to be an issue for investment at this stage.																												
PP1.1 Diversity and inclusion (%)	All CareTech Group UK companies (except Purple and SmartBox)	<p>This is an issue that is increasing in importance for all stakeholders and is particularly relevant to our people and individuals in our care.</p> <p>Our workforce is inherently diverse both as a consequence of our culture</p>	<p>The tables below show the breakdown of our employees by age group, gender and ethnicity as at 30<sup>th</sup> September 2023.</p> <table><tr><th>Age Group</th><th>Count of People</th><th>%</th></tr><tr><td>18 - 24</td><td>747</td><td>7.12%</td></tr><tr><td>25 - 34</td><td>3082</td><td>29.36%</td></tr><tr><td>35 - 44</td><td>2725</td><td>25.96%</td></tr><tr><td>45 - 54</td><td>2019</td><td>19.24%</td></tr><tr><td>55 - 64</td><td>1597</td><td>15.22%</td></tr><tr><td>65 &amp; Above</td><td>320</td><td>3.05%</td></tr><tr><td>Under 18</td><td>6</td><td>0.06%</td></tr><tr><td>Total</td><td>10496</td><td>100.00%</td></tr></table>	Age Group	Count of People	%	18 - 24	747	7.12%	25 - 34	3082	29.36%	35 - 44	2725	25.96%	45 - 54	2019	19.24%	55 - 64	1597	15.22%	65 & Above	320	3.05%	Under 18	6	0.06%	Total	10496	100.00%
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		and the nature of the workforce. We have robust plans by which to build on our strengths in this area, particularly in respect of senior roles across the business.	<table><tr><th>Gender</th><th>Count of People</th><th>%</th></tr><tr><td>Female</td><td>7387</td><td>70.38%</td></tr><tr><td>Male</td><td>3109</td><td>29.62%</td></tr><tr><td>Total</td><td>10496</td><td>100.00%</td></tr></table> <table><tr><th>Ethnic Group</th><th>Count of People</th><th>%</th></tr><tr><td>Asian or Asian British</td><td>785</td><td>7.48%</td></tr><tr><td>Black or Black British</td><td>1327</td><td>12.64%</td></tr><tr><td>Mixed</td><td>106</td><td>1.01%</td></tr><tr><td>Not Stated</td><td>182</td><td>1.73%</td></tr><tr><td>Other Ethnic Groups</td><td>194</td><td>1.85%</td></tr><tr><td>White</td><td>3704</td><td>35.29%</td></tr><tr><td>Undeclared</td><td>4198</td><td>40.00%</td></tr><tr><td>Total</td><td>10496</td><td>100.00%</td></tr></table>	Gender	Count of People	%	Female	7387	70.38%	Male	3109	29.62%	Total	10496	100.00%	Ethnic Group	Count of People	%	Asian or Asian British	785	7.48%	Black or Black British	1327	12.64%	Mixed	106	1.01%	Not Stated	182	1.73%	Other Ethnic Groups	194	1.85%	White	3704	35.29%	Undeclared	4198	40.00%	Total	10496	100.00%
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PP1.2 Pay equality (%)	CareTech Group UK businesses meeting legislative requirements for disclosure.	In line with our commitment to diversity equity and inclusion, we monitor pay equality rigorously across the organisation.	<p>The table below shows the mean and median differences in pay (fixed and variable) between male and female staff (The data is from 2023).</p> <table><tr><th></th><th colspan="2">Hourly pay Rate</th><th colspan="2">Bonus Pay</th></tr><tr><th>Legal Entity</th><th>% Difference (Mean)</th><th>% Difference (Median)</th><th>% Difference (Mean)</th><th>% Difference (Median)</th></tr><tr><td>Cambian Asperger Syndrome Services Limited</td><td>5.92%</td><td>4.53%</td><td>-127.60%</td><td>0.00%</td></tr><tr><td>Cambian Autism Services Limited</td><td>-6.74%</td><td>0.58%</td><td>-100.45%</td><td>-100.00%</td></tr></table>		Hourly pay Rate		Bonus Pay		Legal Entity	% Difference (Mean)	% Difference (Median)	% Difference (Mean)	% Difference (Median)	Cambian Asperger Syndrome Services Limited	5.92%	4.53%	-127.60%	0.00%	Cambian Autism Services Limited	-6.74%	0.58%	-100.45%	-100.00%																			
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Oakleaf Care (Hartwell) Ltd	0.08%	0.00%	-25.00%	-50.00%																																																	
Selborne Care Ltd	-0.97%	0.00%	-33.92%	0.00%																																																	
Spark of Genius Training Ltd	9.31%	14.69%	18.92%	0.00%																																																	
Valeo Limited	-1.62%	0.00%	-110.84%	-23.84%																																																	
<b>PP1.3 Wage level (%)</b>	All CareTech Group UK companies (except Purple and SmartBox)	<p>We are committed to ensuring fair pay and attracting talent and recognise that competitive salaries are a vital part of our wider benefits package.</p> <p>We are committed to ensuring that all staff are rewarded</p>	<p>The table sets out the entry level wage by gender compared to the National Living Wage for all new starters in this reporting period:</p> <table><tr><td></td><td>Above NLW</td><td>%</td><td>Living Wage</td><td>%</td><td>No Pay Rate</td><td>%</td></tr><tr><td>Female</td><td>2197</td><td>68.19%</td><td>32</td><td>0.99%</td><td>50</td><td>1.55%</td></tr><tr><td>Male</td><td>919</td><td>28.52%</td><td>10</td><td>0.31%</td><td>14</td><td>0.43%</td></tr><tr><td></td><td>3116</td><td>96.71%</td><td>42</td><td>1.30%</td><td>64</td><td>1.99%</td></tr></table> <p>The ratio of the annual total compensation of the CEO to the median of the annual total compensation of all its employees, except the CEO, is 32:1.</p>		Above NLW	%	Living Wage	%	No Pay Rate	%	Female	2197	68.19%	32	0.99%	50	1.55%	Male	919	28.52%	10	0.31%	14	0.43%		3116	96.71%	42	1.30%	64	1.99%																						
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		appropriately and recognising their contribution to the business fairly.	
<b>PP1.4 Risks for incidents of child, forced or compulsory labour</b>	Group-level	With changes to immigration affecting recruitment in the social care sector from overseas, we recognise that this issue is now of more significant materiality to the business than previously.	<p>CareTech's business is primarily one based on our people in our employment and in our care; we therefore have relatively limited reliance on other suppliers. Our value chains are mainly local — we recruit locally, our services buy locally, we partner locally, and we are commissioned locally.</p> <p>We are working with our suppliers, in line with our procurement policies, to safeguard against the risk of incidents of child forced or compulsory labour within our value chains and are not aware of significant risks for incidents of this nature.</p> <p>This year, we have undertaken a comprehensive review of safer recruitment standards and organisational processes. We have also undertaken a comprehensive compliance audit of recruitment processes for overseas employees. Our Modern Slavery Statement was also updated and placed on the Home Office portal to enhance its visibility and the company's commitment.</p> <p>We have appointed a new employee engagement team to signpost all new employees during their first weeks of employment to support available to them, with the specific appointment of an advisor for overseas recruits. Employee support programme post C19 reviewed and retained.</p> <p>We will continue to assess and report on the full supply chain across the Group to ensure compliance with our policies and procedures.</p>
<b>PP2.1 Health and safety (%)</b>	CareTech Group UK businesses	Health and wellbeing is of particular importance to our employees.	<p>There has been no material change in accident, incident or claims incidence or risk exposure.</p> <p>A comprehensive programme of insurer site audits is in place to support our internal Health &amp; Safety and wider compliance programme with all recommendations and action plans reviewed at Executive level.</p>



		<p>As a business dependent on skilled and committed people, we recognise the critical importance of protecting and enhancing their wellbeing.</p>	<p>High value claims (in excess of £100,00) are monitored through the Board; no new high value reserve claims were received in year.</p> <p>All work-related injuries are recorded and reported to insurers. Work-related injuries account for less than 1% of workforce annually. There were zero work-related fatalities during this reporting period. The company recorded 60 RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013) incidents during this reporting period, with injury types involving upper limb fractures, burns/scalds, head injury and lower limb fractures.</p> <p>The Company provides an employee support line that includes access to a range of mental health and counselling services. Through the CareTech Foundation, all employees and their families can apply for support if they face significant financial hardship, including for example support with funeral costs.</p>
<b>PP3.1 Training provided (#, £)</b>	All CareTech Group UK companies (except Purple and SmartBox)	<p>The quality of service we provide is heavily dependent on the people who deliver it and so we are committed to ensuring that they have access to the skills development required. This is a key strategic priority.</p> <p>All our stakeholders</p>	<p>Company policy is to provide all staff members with a minimum of five (5) days of learning and development per year.</p> <p>Not including training provided through our Apprenticeship scheme, in this reporting period we delivered 390,000 learning interventions which we estimate to equate to 345,109 hours of training. This is an average of 33 hours – approximately, 5 days - per employee.</p> <p>We estimate that 80% of training is provided to front line care staff.</p> <p>Total training costs, including our Apprenticeship Levy contributions, of approximately £4,471,000 have been incurred across the total Group headcount of 10,477 to provide an average training and development expenditure per employee of £427.</p>

		place importance on a skilled workforce. Our employees seek to constantly improve the standards of care that they deliver and, so, we invest in enabling high standards.																			
PR1.1 Absolute number and rate of employment	All CareTech Group UK companies (except Purple and SmartBox)	CareTech services play an important role in local economies and we recognise the importance of meeting the priorities and needs of the communities in which we operate. Our success provides work and opportunity for those who	<p>Our staff retention rate this reporting year was 68%.</p> <p>The tables below record the total number of new employee hires during the reporting period, by age group, gender and ethnicity.</p> <table><tr><th>Age Group</th><th>Count of People</th></tr><tr><td>18 - 24</td><td>385</td></tr><tr><td>25 - 34</td><td>1167</td></tr><tr><td>35 - 44</td><td>952</td></tr><tr><td>45 - 54</td><td>440</td></tr><tr><td>55 - 64</td><td>250</td></tr><tr><td>65 &amp; Above</td><td>23</td></tr><tr><td>Under 18</td><td>5</td></tr><tr><td>Sum:</td><td>3219</td></tr></table>	Age Group	Count of People	18 - 24	385	25 - 34	1167	35 - 44	952	45 - 54	440	55 - 64	250	65 & Above	23	Under 18	5	Sum:	3219
Age Group	Count of People																				
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55 - 64	250																				
65 & Above	23																				
Under 18	5																				
Sum:	3219																				

we employ and also with the businesses with which we engage. Conversely, our success is intrinsically linked to the positive interactions that we have with community stakeholders.

Low employee turnover is an important success factor and we are investing in technology to provide better data visibility on this key issue.

Gender	Count of People
Female	2278
Male	944
Sum:	3219

Ethnic Group	Count of People
Asian or Asian British	442
Black or Black British	632
Mixed	50
Not Stated	32
Other Ethnic Groups	109
White	1149
blank	808
Sum:	3219

Pay Group	Under 18	18 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 & Above
Above £90						1	
£75.01 - £90						1	1
£60.01 - £75					1		

			£45.01 - £60					1	2	2	
			£30.01 - £45			3	6	8	4		
			£15.01 - £30		4	41	61	60	28	3	
			£9.01 - £15	5	376	1109	867	359	210	19	
			Less than £9		2	3	1	1			
			No Rate Recorded		4	12	14	9	4		
			Sum:	5	386	1168	950	440	250	23	
			Pay Group	Asian or Asian British	Black or Black British	Mixed	Not Stated	Other Ethnic Groups	White	blank	
			Above £90						1		
			£75.01 - £90						2		
			£60.01 - £75	1							
			£45.01 - £60					1	4		
			£30.01 - £45	2				1	16	2	

			£15.01 - £30	9	20	2	2	4	127	33
			£9.01 - £15	424	606	47	29	102	970	767
			Less than £9	1	2				2	2
			No Rate Recorded	5	5	1	1	1	24	6
			Sum:	442	633	50	32	109	1146	810
			Pay Group	Female		Male				
			Above £90			1				
			£75.01 - £90			2				
			£60.01 - £75	1						
			£45.01 - £60	2		3				
			£30.01 - £45	10		11				
			£15.01 - £30	139		58				
			£9.01 - £15	2088		857				

			<table><tr><td>Less than £9</td><td>6</td><td>1</td></tr><tr><td>No Rate Recorded</td><td>32</td><td>11</td></tr><tr><td>Sum:</td><td>2278</td><td>944</td></tr></table>	Less than £9	6	1	No Rate Recorded	32	11	Sum:	2278	944
Less than £9	6	1										
No Rate Recorded	32	11										
Sum:	2278	944										
PR1.2 Economic contribution	Group-level	<p>Sustainable economic contribution enables our business to continue to Provide value for all stakeholders.</p> <p>As a core objective for our business and our stakeholders, we place considerable focus on this issue.</p>	<p><b>ESG DISCLOSURE A</b></p> <p>The Group's direct economic value generated and distributed (EVG&amp;D) for the financial year was:</p> <ul style="list-style-type: none"><li>- Revenue £569M</li><li>- Operating Costs £149.2M</li><li>- Employee wages and benefits £341.3M</li><li>- Payments to providers of capital £0</li><li>- Payment to government £0</li><li>- Community investment £0.3M</li></ul> <p>The Group made charitable donations to the CareTech Foundation in line with its commitment to the Foundation.</p> <p><b>ESG DISCLOSURE B</b></p> <p>Financial assistance received from the government: £0</p>									
PR 1.3 Financial investment contribution	Group-level		Capital expenditure was £28.6M, which includes £5.7M to purchase and develop new sites, £18.8M maintenance capex and £4.1M on intangibles. Depreciation and amortisation for the year amounted to £16.0M and £3.6M respectively.									
PR2.1 Total R&D expenses (£)	Group-level	To deliver on stakeholder expectations	Research costs expensed at £0.5M.									

		of growth and impact, we are committed to investing in innovation that will enable us to meet our purpose and enable independence for increasing numbers of people in our care.	
<b>PR3.1 Total tax paid</b>	Group-level	As a legal requirement and corporate obligation, this is a critical issue for all parties. We are compliant with the law and therefore no further action is required.	£24.9M consisting of: social security taxes £24.2M, Corporation Tax £0.6M, and Stamp Duty £0.0M.