

North Yorkshire County Council

Executive

25 August 2020

Henshaws Home Support Service

Report of the Corporate Director – Health and Adult Services

The Appendices to this report contain information of the type defined in paragraph 3 of Part 1 of Schedule 12A Local Government Act 1972 (as amended).

1.0 Purpose of report

The report seeks to gain approval to transfer the provision of the supported living service provided currently by Henshaws Society for Blind People Trustee Limited, a registered charity, to North Yorkshire County Council (as an in-house service run directly by the Council).

2.0 Executive Summary

- 2.1 Henshaws Society for Blind People Trustee Limited (Henshaws) which currently operates supported living services in the Harrogate district, sought to give 4 weeks' notice to the Council on their contract in March 2020. The Council engaged with the provider and negotiated an extension to the notice period to the beginning of October 2020 to allow for options on the future service to be developed and a safe continuation of services for the people affected.
- 2.2 Initial work focussed on a provider to provider transfer to limit the financial exposure and risk to the Council whilst providing service continuity for those people using the service. However, the due diligence activity carried out by the Local Authority has demonstrated that we will need to exercise powers under the Care Act 2014 to manage provider failure and prevent services being withdrawn from the Market.
- 2.3 Following significant work with the existing provider, we cannot be assured that they can deliver a provider to provider transfer without resulting in some services being withdrawn. There remains a lack of clarity on the current services being offered and due diligence has highlighted that the existing service is heavily reliant upon agency staff.
- 2.4 In responding to these issues, the Council is determined to get the best outcome for individuals and their families, for the local community and for the taxpayer.

3.0 Issues

- 3.1 Henshaws is a charity which operates predominantly in the Harrogate locality and supports people living with sight loss and a range of other disabilities. Within North Yorkshire, there are four main service areas including:

- Harrogate Home Support (including supported living, community support and personal care)
- Residential Care Homes
- Arts and Crafts Centre (arts, crafts, horticulture and café, day activities which are also open to the public as a social enterprise)
- Specialist College (A specialist college which offers residential and day placements to people between the age of 16 -25)

3.2 The County Council became aware of financial sustainability issues related to the Charity in November 2019. Discussions focused on the Harrogate Home Support and Residential Services although more recently have expanded into concerns about the Arts and Craft Centre, which the charity unilaterally announced was closing. In addition, it was reported that a proportion of agency staff were being used each week which, in itself, raised quality concerns.

3.3 The Home Support Service includes 10 Supported living properties in Harrogate, with capacity for 26 people, NYCC currently funds 15 people. The service also provides community support to 11 people of which NYCC funds 4. There are 6 voids within the current property configuration and the 4 remaining tenants are funded by Bradford, Leeds and York.

3.4 Whilst concerns remain about other services Henshaws provides, and discussions with the charity about these services continue, this report is focussed solely on the Harrogate Home Support Service.

3.5 In March 2020, the provider sought to give 4 weeks' notice to the Council on their Harrogate Home Support Service contract. The Council engaged with the provider and negotiated an extension to the notice period to the beginning of October 2020 to allow for options on the future service to be developed and a safe continuation of services for the people affected.

3.6 Weekly operational and strategic meetings have been held with Henshaws in relation to the Harrogate Home Support Service. These meetings have sought to improve the quality of the service being delivered, whilst supporting the provider during the notice period and working to achieve an effective transfer to a new provider. These meetings have also offered support during the Covid-19 pandemic.

4.0 Options

4.1 Since the notice period was agreed, both NYCC and Henshaws have been managing the response to Covid-19 which has generated a short delay in due diligence to support the options appraisal. Options and due diligence have now been considered by the Health and Adult Services Leadership Team and this review has concluded that NYCC has very limited options to ensure the continuation of services. Given the risk particularly relating to timescales, the significant use of agency staff and associated cost pressures, the preferred option of the Health and Adult Services Leadership Team is to transfer services to NYCC provider services.

5.0 Financial Implications

5.1 Work has been undertaken to understand the financial implications of the current and proposed service model. The outcome of this work provides assurance that the proposal to bring services back in house would be more cost effective than the current service model. This information can be found in Appendix 1.

6.0 Legal Implications

6.1 The legal implications of the proposal can be found in Appendix 2, whereby TUPE implications have also been considered. As the service would be brought back in house, it is considered that there are no procurement issues.

7.0 Consultation Undertaken and Responses

7.1 Henshaws, together with NYCC staff, have engaged with people affected by these changes and their families with letters distributed.

7.2 Weekly meetings are in place with Henshaws and Key Lines of Enquiry (KLOE) are being pursued in relation to information which is requested.

7.3 Care and Support Teams have been working with individuals and their families on reassessments and pen pictures to support the transfer of care, ensuring that individuals views are known and that outcomes continue to be met.

7.4 Service Development intends to establish a user group to allow people to be involved in how the future service is provided. We also continue to update the other local authorities and have requested assessment information and pen pictures be shared too.

8.0 Impact on Other Services/Organisations

8.1 Information in relation to the position of tenancies held with Henshaws is included within Appendix 3. NYCC provider services would work with Henshaws, with the latter acting solely as landlords, to ensure properties remain suitable for the individuals living within them and enable people to achieve their outcomes.

8.2 The proposal is not thought to impact on other services/organisations.

9.0 Risk Management Implications

9.1 A review of the risks associated with the proposal has been completed and a number of risks have been identified which require consideration, particularly around timescales and Human Resources, these can be found in Appendix 4.

10.0 Human Resources Implications

10.1 A detailed review of the Human Resources Implications can be found in Appendix 5.

11.0 Reasons For Recommendations

- The incumbent provider (Henshaws) has given notice on the Harrogate Home Support Service and an alternative provider needs to be put in place.
- NYCC has considerable experience in the provision of care and support and has existing infrastructure in place to deliver the service safely and to a high standard.

- Due to challenges in working with the provider, we cannot be assured that a provider to provider transfer will be successfully achieved and will not result at this stage in some services being withdrawn.
- Due diligence has concluded that the existing service is heavily reliant upon agency staff and this makes a provider to provider transfer less attractive as an option. Meanwhile, as a provider of last resort, NYCC is well placed to attract the appropriately trained staff of the highest calibre with reduced reliance upon agency staff.
- Timescales remain very tight for any other option to be pursued without creating additional financial or service failure risks to NYCC and it is important to give certainty to individuals and families.
- Pursuing this option does not rule out the possibility of NYCC subsequently transferring the service to another provider at a later date if this is deemed appropriate

12.0 Recommendation(s)

Executive is asked to consider the contents of this report and agree to a transfer of service from 2 October 2020 back in-house to be delivered by the NYCC Provider Services to prevent provider failure and ensure full continuation of services.

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Corporate Director – Health and Adult Services

County Hall
Northallerton
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Confidential Appendices:

Appendix 1 – Financial Implications
Appendix 2 – Legal Implications
Appendix 3 – Impacts of other Services/Organisations
Appendix 4 – Risk Management Implications
Appendix 5 – Human Resources Implications