

By email

Our Ref:	MHRES25_26
Date:	07 <sup>th</sup> March 2025

Dear Sir/Madam,

### **Mental Health Residential Care Uplift 2025/26**

We are writing to confirm Essex County Council's position for the increase in care fees for adults with mental health conditions placed in residential care settings.

In line with acknowledged pressures on staffing costs and general inflation we have calculated an increase of 5.1% is required to keep pace with inflation on packages in Essex. Please refer to the Uplift Approach section of this letter to understand how the uplift is to be apportioned to packages within Essex and any further action you may need to take.

When awarded the new uplifted fee will be backdated a maximum of 3 months prior to the request being made by the provider or to the 1st of April if requested in April or May of 2025.

### **Uplift Approach**

As with the increase in the past few years, this is not being applied as a blanket increase to all packages and we want to engage with providers that we have not yet spoken with to understand the cost breakdowns of these packages so they can be benchmarked with Care Cubed, which is the tool we use to benchmark all new and existing MH residential packages in Essex.

The uplift will be applied to packages that have been made at homes where we have benchmarked the fees through Care Cubed and have agreed the package is in scope for an increase.

Therefore, you will be required to complete a cost breakdown to ECC detailing the current costs of delivering the care package in 2025-26. This will then be entered into Care Cubed to identify the benchmarked rate and whether an uplift is appropriate in each case.

Please contact [awd.procurement@essex.gov.uk](mailto:awd.procurement@essex.gov.uk) to start this process.

### **Out of County Placements**

This uplift applies to packages placed within the Essex Administrative Area only, and any package placed outside of this, including Southend and Thurrock unitary authorities will be approached in a different manner.

Essex County Council will commit to uplifts for any out of county packages up to the offer of the host authority for the home on application by the provider for an increase to the package.

Upon application, Essex County Council will require the provider to complete a full pricing breakdown before an increase is awarded. This will then be used to benchmark the package using Care Cubed to define whether an uplift will be awarded, and the appropriate level of the uplift.

We would like to take the time to thank you for your support through the past 12 months and the exemplary care that has been provided to adults within your services and for the support provided to staff throughout this time.

### **Additional Provider Support**

The Council is committed to supporting the market to deal with financial challenges, and reduce costs for care providers. Care England and ECC are promoting a variety of initiatives designed to solve problems deal with challenges, and reduce costs for care providers to supplement uplifts offered this year. These initiatives can be found via Care England's website and Essex County Council's Provider Hub at the following link: [Provider Support & Offers | Provider Hub | Essex \(essexproviderhub.org\)](https://www.essexproviderhub.org).

Should you have any queries regarding the uplift approach for 2025/26 please get in touch with us directly at [awd.procurement@essex.gov.uk](mailto:awd.procurement@essex.gov.uk)

Yours sincerely

Zoe Harriss

A handwritten signature in black ink, appearing to be 'John', with a small purple dot above the 'i'.

**Head of Procurement**  
Procurement Services

**W:** [www.essex.gov.uk](http://www.essex.gov.uk)