

By email

Our Ref: MHRES26_267
Date: 18th March 2026

Dear Sir/Madam,

Procurement Services
E1 Zone 4
County Hall
Chelmsford
CM1 1QH

Mental Health Residential Care Uplift 2026/27

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 3.5% 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.

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.

Automatic Uplifts

Where packages have been benchmarked in the past 12 months and fees are confirmed to fall within benchmarked ranges, and automatic uplift will be applied.

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. Uplifts will be applied from 6th April 2026.

Non-Automatic Uplifts

Where packages have not been benchmarked within the past 12 months, further action will be required from the provider to request an uplift. Communication will be issued to providers that have packages that fall into this category, but where communication is missed it is the responsibility of the provider to check package values within the payment system to ascertain if an uplift has been applied, or not.

Therefore, you will be required to complete a cost breakdown to ECC detailing the current costs of delivering the care package in 2026-27. 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 to start this process.

Where an uplift is agreed the new uplifted fee will be backdated a maximum of 3 months prior to the request being made by the provider or to the 6th of April if requested prior to July 2026.

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.

Please contact awd.procurement@essex.gov.uk to start this process.

Where an uplift is agreed the new uplifted fee will be backdated a maximum of 3 months prior to the request being made by the provider or to the 6th of April if requested prior to July 2026.

Joint Funded Packages

Where a placement commissioned in full or part by Essex County Council is part-funded by an Integrated Care Board (ICB), an automatic uplift has not been applied.

Where an uplift is requested or required on a joint-funded package the provider is required to contact Essex County Council to enable us to engage with the respective Integrated Care Board. The intent is to drive closer collaboration between Essex County Council and ICB partners in respect of the application of uplifts across services.

Contact for uplifts on joint-funded packages must be made within the 2026-27 financial year.

Additional Provider Support

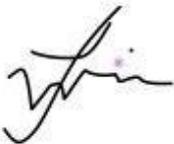
We would like to take the time to thank you for your support through the past 12 months and the exemplary care that has been provided to adults within your services and for the support provided to staff throughout this time.

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 \(essexproviderhub.org\)](#).

Should you have any queries regarding the uplift approach for 2026/27 please get in touch with us directly at awd.procurement@essex.gov.uk

Yours sincerely

Zoe Harriss



Head of Procurement
Procurement Services

W: www.essex.gov.uk