

Flowchart 2: use this flowchart if the written contract with the Local Authority has **expired without renewal**

Usually, an unwritten contract will form between the parties on the basis of the expired contract on the same or varied terms, depending on circumstances – see paragraph 4.1 of the Guide.

Carefully consider the approach taken towards the end of the contract. Providers should not agree to contracts ‘rolling over’ on unsatisfactory terms - see paragraph 4.2 of the Guide.

Where a new contract has not been agreed and the expired contract contained an express term for an uplift in fees, Providers should assert that the Local Authority should honour further uplifts – see paragraph 4.3 of the Guide.

If a Provider is being paid below the actual costs of care, the Provider can assert the old contract has expired and confirm the Provider’s rates going forwards. The Local Authority may refuse and the Provider may consider legal action – see paragraph 4.4 of the Guide.

What information should be included when writing to the Local Authority seeking fee uplifts?

Evidence should be provided to show the Provider’s costs e.g. income and expenditure – see paragraph 6.1 of the Guide.

Providers should explain the consequences of the Local Authority refusing to grant a fee uplift e.g. termination of contract, risk of insolvency of the Provider and safeguarding issues – see paragraph 6.3 of the Guide.

Providers should remind the Local Authority of their statutory duties under the Care Act 2014 such as having regard to the actual cost of good quality care in deciding budgets – see paragraph 7 of the Guide.