Flowchart 3: use this flowchart if there has **never been a written contract with the Local Authority**

Where the Provider is being paid below the actual costs of care, the Provider can assert there is no contract and confirm the Provider's rates going forwards. The Local Authority may refuse and the Provider may consider legal action – see paragraph 5.1 of the Guide.

Where there has never been a written contract, the Provider would normally have to give 'reasonable notice' to terminate the arrangement. We recommend 1-2 months' notice generally.

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.