

Baroness Louise Casey of Blackstock CBE  
Chair, Independent Commission into Adult Social Care

Dear Baroness Casey,

I am writing as Chief Executive of Care England, the largest representative body for independent providers of adult social care in England, following your speech at the Nuffield Trust Summit in March.

Your comments regarding Integrated Care Boards commissioning private companies to identify savings within Continuing Healthcare expenditure, whilst those same companies then receive a proportion of the savings achieved, prompted a significant response from our members because it reflected concerns providers have been raising with us for a number of years. When you questioned how we had reached a point where these arrangements are now operating within the system, I think many providers felt you had articulated something they have struggled to get policymakers to fully recognise.

The reason I wanted to write directly is because we believe Care England can provide your Commission with detailed evidence and practical insight into how some of these arrangements are operating on the ground across learning disability and complex care services.

The organisation raised most frequently with us is Valuing Care, which a number of local authorities and Integrated Care Boards have commissioned to undertake fee modelling and cost calculation exercises. In several cases, we believe those arrangements have been structured on a percentage-of-savings basis.

Providers have consistently questioned how a model built around savings generation can properly reflect the actual cost of delivering safe and sustainable care, especially where services support people with highly complex needs, significant behavioural support requirements, or long-term specialist placements. The concern raised with us repeatedly is not simply that providers disagree with outcomes, but that the methodology underpinning those outcomes is often not transparent, difficult to challenge, and in some cases withheld entirely from the providers expected to accept the conclusions reached.

What has caused frustration is the way some commissioning authorities have embedded these exercises within wider fee uplift processes. We have seen examples where providers have effectively been told that unless they complete Valuing Care templates and submit extensive commercially sensitive information through that process, fee uplifts may not progress. For many providers, especially smaller or specialist organisations operating on already narrow margins, that creates an extremely difficult position where they feel compelled to engage with a system they do not trust in order to secure funding increases needed simply to absorb rising workforce and operational costs.

Our members have discussed these issues extensively over recent years, and the themes reported by providers are remarkably consistent across different parts of the country. Members describe funding decisions being reached with little apparent reference to the real cost of delivery, benchmarking exercises that take insufficient account of complexity, prolonged disputes over specialist placements, and funding caps applied in ways that bear little resemblance to the needs of the individual receiving support.

The operational consequences of this are becoming increasingly difficult for providers to absorb. Organisations are delaying investment decisions, reconsidering future service development, and in some cases questioning whether highly specialist provision remains financially viable under current commissioning approaches. Several providers have also described the amount of management time now being diverted into repeated cost exercises, challenges, negotiations and appeals processes, often with very limited clarity around how final decisions are ultimately reached.

I also think there is a broader issue here around the direction parts of the commissioning system have travelled over time. Many providers now feel they are engaging with mechanisms designed primarily to control cost growth, rather than processes genuinely focused on understanding what good care requires to be delivered safely, consistently and in accordance with regulatory expectations. That creates a relationship between commissioners and providers which can quickly become adversarial, especially where transparency is limited and financial incentives within the process appear misaligned.

For that reason, we would encourage the Commission to look carefully at commissioning arrangements where third parties financially benefit from reducing care fees or package costs, alongside the wider question of transparency and accountability within fee-setting processes more generally. We also believe there is a strong case for clearer national expectations around the use of external cost modelling exercises, including ensuring providers are able to submit evidence directly to commissioners and fully understand how conclusions have been reached.

We would very much welcome the opportunity to support the Commission's work constructively in this area. Care England has extensive engagement with providers operating across residential care, nursing care, supported living and specialist learning disability services, and I believe there would be genuine value in giving the Commission direct access to the operational experience of organisations dealing with these issues day-to-day.

With that in mind, I would like to invite you, or members of your team, to attend a dedicated session with a group of Care England members who operate extensively across learning disability, autism and complex care services, many of whom have direct experience of CHC commissioning, fee modelling exercises and wider funding negotiations. The discussion would provide an opportunity to hear first-hand how these arrangements are operating in practice,

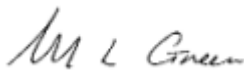
including the impact they are having on service sustainability, workforce pressures and future provision.

I genuinely believe the insight available through that conversation would be useful to the Commission because these are providers who understand in considerable detail how these systems now operate in practice, where the tensions sit, and how current incentives can shape behaviour across the system in ways that are often not visible at national level.

We would of course also be very happy to arrange a separate meeting at whatever stage would be most helpful for you and your team.

Please do not hesitate to contact me directly. We would welcome the opportunity to contribute to the Commission's work in whatever way would be most useful.

Yours sincerely,



Professor Martin Green OBE

**Chief Executive, Care England**