

Cyngor Sir
CEREDIGION
County Council

Charging for Residential Care and Support

A guide to Financial Assessment and Charges

2026-2027

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Introduction

This booklet provides information on how you may be eligible for help towards the costs of moving into a residential or nursing home.

There is both national and Welsh Government legislation that sets out what must be taken into account when assessing your ability to pay care home fees. To ensure that the charges we apply are fair, we follow a Charging Policy based on the provisions of The Social Services and Wellbeing (Wales) Act 2014:

https://www.legislation.gov.uk/anaw/2014/4/contents

This includes:

- The Care and Support (Charging) (Wales) Regulations 2015 – https://www.legislation.gov.uk/wsi/2015/1843/contents
- The Care and Support (Financial Assessment) (Wales) Regulations 2015 – https://www.legislation.gov.uk/wsi/2015/1844/contents
- The Part 4 and 5 Code of Practice (Charging and Financial Assessment) - https://www.gov.wales/code-practice-charging-social-care-services

1. Residential Care and Support Services charges.

The Council regularly reviews the services it charges for, and each service charge is reviewed at least once a year. Some people will pay the full charge for their service, some will pay nothing, and others will contribute an amount based on their circumstances. No one will be charged more than the full cost of their residential or nursing placement.

Care will be provided free of charge if:

- you receive aftercare services under S117 of the Mental Health Act 1983
- you are an adult who has been diagnosed with Creutzfeldt-Jacob Disease
- you are placed in an Interim Care Bed
- your services are funded through Continuing Health Care by the Local Health Board

The residential services listed below are subject to a financial assessment to determine how much a person can reasonably afford to pay:

- **Short-term** care – where at the point of admission the stay is not expected to exceed 8 weeks
- **Respite** care – where at the point of admission the stay will be for a maximum of 6 weeks
- **Direct Payments** – payments which are provided in place of short-term or respite care. Further information on Direct Payments can be found in the “Charging for Non-Residential Care and Support - A guide to Financial Assessment and Charges” leaflet.

- **Temporary** stays – where at the point of admission it is anticipated that you will be able to return to your own home in the future **and** your stay is likely to exceed 8 weeks but may be shorter, lasting up to a maximum of 52 weeks.

- **Permanent** stays – where at the point of admission it is anticipated that you will remain a resident indefinitely.

- **Residential College** stays – where it is identified as part of a care and support plan that young adults with disabilities require a residential college placement to meet identified needs for a time limited period.

Please note that if your type of service changes e.g. you are placed in a temporary stay at a care home and before the end of the 52-week period it is determined that your stay will be permanent, then the charging rules for a permanent stay will be applied from the point of change in the service

The financial assessment will determine the exact amount you will be required to pay for the service that you receive and will be dependent on your financial circumstances and not be more than the maximum amount for that service as detailed in Section 12.

If you are assessed as needing nursing care, the funded nursing care component will be paid by the National Health Service and will not be included in your assessed charge.

2. What is a Financial Assessment?

A financial assessment (also known as a means test) determines the amount you can reasonably afford to pay for services that are subject to a financial assessment as outlined, in Section 1.

We will write to you and invite you to complete a ‘Declaration of Means’ form. If you do not manage your own financial affairs, the person who does this for you may complete the form on your behalf.

You may choose not to disclose your financial information. If you do so, you will be required to pay the appropriate charge for the service(s) you are assessed to require, up to the full weekly charge as outlined in Section 12 and will be deemed to be a self-funder (see Section 3). As a self-funder a fixed annual fee as stated in Section 12 will be payable in addition to the relevant care fees.

It is important that you do not pay more than you need to. By assessing your finances, we can ensure your charge is correct and that you are receiving all the benefits you are entitled to. Advice and support are available to help you claim benefits from the Department for Work and Pensions or Job Centre Plus where appropriate.

We will ask to see supporting financial documents and will make copies of these documents to ensure we have an accurate record of your financial circumstances at the time of assessment. We have procedures in place to ensure your information is handled securely and your privacy is protected.

If you knowingly make a false statement on the ‘Declaration of Means’ form or fail to disclose all relevant financial circumstances in order to reduce or avoid paying charges, you may be charged the full cost of the service(s) provided, as outlined in Section 12.

We will determine the amount you can reasonably afford to pay for the services subject to a financial assessment as soon as we receive all the required information and documentation.

Once a determination has been made, we will provide a written statement explaining how the assessment has been carried out and the amount you will be charged.

Once a charge is determined, you will be required to pay it from the date that care and support was first provided.

3. Self-Funding

You have an option not to disclose your finances. If you choose not to disclose your finances, you will be assessed to pay the full charge for your care and you will be classed as a 'self-funded'.

You will also be classed as 'self-funded' if your assets, such as savings, land, property value, are above the maximum capital threshold (see Section 5.1).

As a self-funder you will be responsible for paying the care fees charged by the home. In addition, a fixed annual administration fee will be applied on a pro-rata basis.

Details all charges can be found in Section 12.

4. Third-Party Additional Cost Contributions

A 3rd Party Additional Cost Contribution is a payment made to a care home on your behalf usually by a friend or relative.

This may be required if, following a financial assessment that determines your assets are below the maximum capital threshold, you choose your own care home or room rather than the placement offered by the Local Authority.

If the care home or room you choose costs more than the amount the Local Authority would usually pay for that placement, a third party must sign an agreement to pay that additional cost for the duration of the placement.

Please note: The Additional Cost Contribution paid by a third party is separate from and in addition to the amount you will be required to pay towards your placement.

5. What is Included in a Financial Assessment?

The financial assessment will be carried out on the person who is receiving the service(s) and is eligible for a financial assessment.

Only the income and capital, including property (where applicable), to which that person has a right will be taken into account.

Where income, capital or investments etc. are held jointly with another person they will be apportioned equally unless the records provided show a different entitlement.

Where benefits are paid in respect of a ‘couple’, the amount attributable to the person receiving the service will be used in the financial assessment. However, we can assess the income of a couple if doing so is financially more advantageous to the person being assessed.

If anybody else lives with you at the same address, the Council will seek to ensure that the household’s income does not fall below the minimum level set by Welsh Government.

5.1 Capital

The Welsh Government sets a relevant capital limit each April. For the financial year of **2026/2027,** the capital limit is**:**

£50,000.

If your assets, including savings, current accounts, investments and property (where applicable) are above this limit you will be required to pay up to the full weekly charge as outlined in Section 12, and you will be classed as a ‘self-funder’ (see Section 3).

If your assessed capital is below the limit, it is not included in the financial assessment calculation, and any assessed charge will be based solely on your income and allowable expenses as referred to in Sections 5.3 to 5.5.

Some forms of capital may be excluded when determining your total capital. Please contact the Financial Assessment Team for further information.

In certain circumstances you may be treated as having capital even if you do not actually possess it. This is known as notional capital and may include capital that:

- would be available to you if you applied for it
- is paid to someone else on your behalf
- you have disposed of in order to reduce the amount you are required to pay for your care and support (see Section 6).

For financial assessment purposes your capital is therefore the total of both actual and notional capital.

If you have assets **below** the capital limit, the Local Authority will arrange your placement, and the assessed charge will apply. If you want to choose a care home or room other than the ones offered by the Local Authority, a Third-Party Additional Costs Contribution may also apply, as detailed in Section 4.

5.2 Property

For the purposes of the financial assessment, property may include land, a house, a shop, a caravan, a flat, etc. which is owned or partly owned by you.

If your stay is temporary, the value of your main residence will not be taken into account for as long as you remain temporary, up to a maximum of 52 weeks. However, if you own any additional property or land, the value of this asset will be included in the financial assessment from the first day of your stay.

If your stay is permanent, the value of your main residence is taken into account after the first 12 weeks following your admission into care. If you sell your property during this initial 12-week period, the proceeds from the sale will be taken into account from the date of sale.

If you own land, the value of the land will be included in the financial assessment from the first day of admission to the care home, regardless of whether your stay is temporary or permanent.

You will be required to provide an official valuation of your property or land, by a RICS accredited Estate Agent, for Financial Assessment purposes. If you do not provide a valuation, the Council may arrange one on your behalf. In such cases, you will be charged the actual cost of the valuation, as well as an additional administration fee for this service – **see Section 12**.

The value of your home will not be taken into account if it is also the main residence of any of the following people (see Parts 4 & 5 of the Code of Practice for definition of 'relative').

- Your partner (husband, wife, civil partner or someone you live with as a partner)
- A relative who is aged 60 or over
- A relative who is incapacitated (i.e. receiving or eligible to receive disability benefits)
- A child under the age of 18
- A carer who has given up their own home to care for you
- A lone parent with dependent child who is your estranged or divorced partner
- A relative who does not own another home and who lived with you before you moved into a care home

If the value of your home has been disregarded because someone else is living there, and that person later moves out or dies, the value of the property will normally be taken into account from the date they leave or die.

If your property is jointly owned, documentation would be reviewed to confirm this, and only the value of your share will be included in the financial assessment.

If your property has been transferred to someone else, you may be asked to provide information about the terms of the transfer. The Local Authority may also consult with our legal department to determine whether the property would be treated as Notional Capital as outlined in section 6.

If you own your property, you may choose whether or not to sell it. If your savings, investments and other capital is less than the capital limit as outlined in Section 5.1, you will be offered a Deferred Payment.

A Deferred Payment allows part of your care charges to remain unpaid until a later date. You will still be expected to contribute any available income, and the difference between your income and the full cost of the placement will be deferred.

You or your estate will be required to repay the deferred amount when you sell your home or leave residential care. Interest will be charged on the deferred amount, and an annual administration fee will apply, as outlined in Section 12.

If you choose to defer your payments, you will be required to enter into a written legal agreement with the Local Authority.

The Local Authority will place a “Legal Charge” on the property until it is sold. This ensures that the amount owed can be recovered from the proceeds of the future sale.

5.3 Income

In most cases all your income, regardless of source, including welfare benefits will be included in the financial assessment. In certain circumstances some elements of income may be disregarded, or specific allowances applied to reduce the amount included in the assessment as outlined in Section 5.4 and 5.5.

In some situations, you may be treated as having income that you do not actually receive. This is known as notional income and may include income which:

- would be available to you if you applied for it
- is due but has not yet been paid
- you have deprived yourself of in order to reduce the amount you are required to pay for your care and support (see Section 6).

For financial assessment purposes, your income is therefore the total of both actual and notional income.

5.4 Earnings

In all cases, earnings from employment and self-employment as defined in Welsh Government Regulations will be disregarded in the financial assessment.

5.5 Minimum Income Amount, Allowances and Disregards

Within a financial assessment there is always an amount of income that cannot be taken into account. This is known as the Minimum Income Amount and is set annually by the Welsh Government. For the financial year of **2026/2027,** it has been set at:

£46.35 per week.

The list overleaf shows the main allowances and disregards that are applicable: -

- Any employment earnings
- Carer’s Allowance
- Child Benefit
- Christmas Bonuses
- Council Tax
- Income Tax and National Insurance
- Mobility component of Disability Living Allowance and Personal Independence Payment (as opposed to the care component)
- War Pensioner’s mobility supplement

- Paid work-related expenses
- Vaccine damage payments, Thalidomide compensation, and approved contaminated blood scheme compensation payments
- Rent or mortgage payments
- The first £10.00 of War Widows/Widowers pensions, Survivors Guaranteed Income Payments from the Armed Forces Compensation Scheme, Civilian War Injury Pension, payments to victims of National Socialist persecution, and Payments to Far Eastern former POW's
- War Widows Special Payments
- Winter Fuel Payments
- War Disablement Pension fully disregarded
- Up to the first £5.75 or £8.60 (couple) of Savings Credit

6. Can I give any of my assets away?

If you give away savings, money or other assets or if you sell a property for less than its market value before receiving care and support, or whilst receiving care and support, then the full value of the asset may be included in your assessment as Notional Capital or Notional Income.

We will ask you for information about the timing, reason, value, and recipient of any transfer. This information will be used to determine whether the asset should be included or disregarded in the financial assessment.

The person who has benefited from the transfer may become liable for any unpaid charges.

7. Do I need to tell you about any change?

You should inform us immediately if:

- you receive an increase or decrease in your benefits or income
- you begin receiving any new benefits or income
- you receive an inheritance or any other financial transfer
- your savings or capital rise above or fall below the relevant capital limit stated in Section 5.1
- you incur new or additional expenses as a result of changes in your care and support needs

If you are resident in a Care Home on a temporary or permanent basis and you are admitted to hospital, we will normally keep your placement available until it is decided that it is no longer required or is no longer suitable to meet your future needs.

During any period that you are in hospital, you will continue to be charged for your placement until a decision is made regarding your on-going care.

Following your financial assessment for residential care and support, charges will apply up to and including the day your placement permanently ends.

8. How do I pay my charge?

There are differences in how you pay your charge depending on whether your services are arranged or provided by the Council or delivered through Direct Payments.

Servies arranged or provided by the Council:

If the Council arranges or provides your services directly, you will receive an invoice every four weeks in arrears. This can be sent by post or electronically by email, depending on your preference.

A range of payment methods is available, but the preferred option is **Direct Debit**. You can set this up by contacting our Recovery Section on 01970 633250.

Alternative payment methods are listed on the back of your invoice and include:

- Payment in person at a Customer Contact Centre by cash, cheque, credit or debit card
- Automated telephone payments by credit/debit card on 01970 633252
- Online payments at https://www.ceredigion.gov.uk/resident/online-payments/

Services delivered through Direct Payments

If you receive services via Direct Payments, any charge you are required to pay following your financial assessment determination will be deducted from the amount the Council pays you every four weeks. You must then pay your contribution into the bank account set up specifically for managing your Direct Payments, also on a four-weekly basis

9. If you think your Financial Assessment is incorrect

If you believe that your charge has been assessed incorrectly, please contact the Financial Assessment Team.

An Officer will review your assessment to re-check that all the figures are correct and that there is no relevant information missing. If you are still unhappy with the outcome, then you can ask for a manager to carry out a formal review.

You can also ask someone independent of the Council to check the calculations, for example, the Citizens' Advice Bureau by telephoning 03444 772 020.

10. What if I am unhappy with the service or want to make a complaint?

Although most people have a very positive experience of the processes involved in care assessment, receiving care and support services and the financial assessment, it can sometimes be complicated.

If you are unhappy with our services, or about the way you have been treated you have a right to complain and you should contact our Information and Complaints Team. You will not lose services as a result of making a complaint.

You can contact the Information and Complaints Team in the following ways:

- By phone on 01545 574151
- By email complaints@ceredigion.gov.uk

11. Contact Details

Financial Assessment Team

To discuss the financial assessment of your service charges then please telephone or write to:

Financial Assessment Team,
Corporate Lead Officer: Finance & Procurement,
Neuadd Cyngor Ceredigion Penmorfa
Aberaeron
Ceredigion
SA46 0PA
Telephone: 01545 572612 / 572683 / 572615
Email: dss.assessments@ceredigion.gov.uk

Social Services

To discuss your care and support needs please contact your allocated Social Worker or alternatively telephone 01545 574 000.

Other Contacts:

Age Cymru Ceredigion- North	01970 615151
Age Cymru Ceredigion - South	01239 615777
Care and Social Services Inspectorate for Wales	0300 7900126
Carers Information Service	01970 633564
Citizens Advice Bureau	03444 772 020
Independent Age	0800 3196 789
Department for Work and Pensions (DWP)	0800 882 200
Job Centre Plus (JCP)	0800 055 6688

12. Charges for Residential Care and Support

Service	Note	Charge
Short-term care (up to 8 weeks) Respite care (up to 6 weeks) Direct payments in lieu of above services Please see Non-Residential Social Services - A guide to Financial Assessment and Charges leaflet for more information.	Please note this is a **weekly** charge from Monday to Sunday inclusively. Therefore, if a person is in respite or a short-term placement for 1 night only the charge will be either their **weekly** assessed charge (if applicable) or the maximum **weekly** charge, whichever is the lowest.	£100.00
Charge for residential accommodation in local authority homes in respect of Permanent and Temporary (up to 52 weeks)	Weekly Standard Charge (subject to Financial Assessment) • Residential Very Dependent Elderly • Residential Dementia	 £1,000.00 £1,067.00
Fees paid by Ceredigion County Council to Independent Sector Care Homes in respect of Permanent and Temporary placements (up to 52 weeks) for persons who are not paying the full cost. If you are financially assessed to pay the full cost, you will be required to pay the full Private fee set by that Care Home which may be higher than the fee paid by Ceredigion County Council.	Weekly Charge (subject to Financial Assessment) • Residential Very Dependent Elderly • Residential Dementia • General Nursing • Nursing Dementia	 £1,000.00 £1,067.00 £1,157.00 £1,157.00
Charge for Adult residential college placements (term-time only)	Capped Weekly Charge – (subject to Financial Assessment)	£40.00
Self–Funders Administration charge	Annual Charge (charged weekly on a pro-rata basis)	£825.00
Deferred Payments Administration charge	Annual Charge (charged weekly on a pro-rata basis)	£825.00
Property Valuation by Council	Actual cost of valuation plus a £50 administration charge	Variable

Please note that any charges contained within this booklet are liable for change. Changes usually apply from April each year.

If you would like the booklet in large print, please contact the Financial Assessment Team on ☎ 01545 572683 or 01545 572612

This document is also available in Welsh / mae'r ddogfen hon hefyd ar gael yn Gymraeg.