



Cyngor Sir
CEREDIGION
County Council

Charging for Residential Care and Support

A guide to Financial Assessment and Charges

2025-2026

Introduction

This booklet provides information and explains how you may be eligible to get help towards the costs of moving into a residential or nursing home. There is both national and Welsh Government legislation which tells us what we have to take into account when we assess your ability to pay care home fees. To ensure that the charges we make are fair, we use a Charging Policy, based on the provisions of The Social Services and Wellbeing (Wales) Act 2014 - <http://www.legislation.gov.uk/anaw/2014/4/contents/enacted> including;

- The Care and Support (Charging) (Wales) Regulations 2015 - http://www.legislation.gov.uk/wsi/2015/1843/pdfs/wsi_20151843_mi.pdf
- The Care and Support (Financial Assessment) (Wales) Regulations 2015 - http://www.legislation.gov.uk/wsi/2015/1844/pdfs/wsi_20151844_mi.pdf
- The Part 4 and 5 Code of Practice (Charging and Financial Assessment) - <http://gov.wales/code-practice-charging-social-care-services>

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1. What Residential Care and Support Services does the Council charge for?

- The Council periodically reviews the services that it charges for, and reviews the charge for each service annually, at least.
- Some people pay the full charge for services, some will pay nothing, and others will pay something.
- The care will be free if:
 - you receive after care 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.
- It is worth noting that nobody pays more than the full cost of the residential/nursing placement.

1.1 Residential Care and Support Charges Subject to a Financial Assessment

- The residential services listed below are subject to a financial assessment (means test) to determine the amount a person can afford to reasonably pay:
 - Short-term stays (which at the point of admission is unlikely to exceed 8 weeks) and respite care (which at the point of admission is for a maximum of 6 weeks) **or** Direct Payments in lieu of these services - please see “Charging for Non-Residential Care and Support - A guide to Financial Assessment and Charges” leaflet for more information.
 - Temporary stays (where it is anticipated that you will be able to return to your own home sometime in the future and your temporary stay is likely to exceed 8 weeks but may be less and can last for up to 52 weeks).
 - Permanent stays (where it is anticipated at the point of admission 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).
- If you receive these services you will be invited to have a financial assessment (means test) and the amount you will pay for these services will depend on the type of services you are assessed to receive and your income and capital, including property (if applicable). The financial assessment will only consider property/land in temporary and permanent residential stays as outlined in Section 3.2.

- The outcome of the financial assessment will determine the exact amount a person will pay but in any event the maximum anyone will be asked to pay is shown in Section 13, with some people paying much less and some receiving the services at no charge as outlined in Section 1.
- If you are assessed as needing nursing care, then the funded nursing care component will be met by the National Health Service and will not form part of your assessed charge.

Charges subject to a financial assessment are outlined in Section 13.

2. What is a Financial Assessment?

- A financial assessment (means test) determines the amount you can afford to reasonably pay for services that are subject to a financial assessment as outlined in Section 1.1.
- We will write to you and invite you to complete a 'Declaration of Means' form.
- If you do not handle your own money matters, then the person who does this for you can complete the form on your behalf.
- You have the option not to disclose your finances, in which case, you will be asked to pay the appropriate charge for the service(s) you are assessed to require, up to the full weekly charge as outlined in Section 13. You will be deemed to be a self-funder and a fixed annual fee as outlined in Section 13.1 will be payable in addition to the relevant care fees.
- It is important that you do not pay more than you should. By looking at your finances we can make sure that your charge is correct and also that you are receiving all of the benefits that you are entitled to. Advice and support can be provided to help you claim Department for Works and Pensions/Job Centre Plus benefit entitlement.
- We will ask to see any supporting financial documents and we will need to make copies of the financial documents that we use so that we have an accurate record of your finances at the time of your financial assessment. We have procedures in place to make sure your privacy is protected.
- If you knowingly make a false statement on the 'Declaration of Means' form to reduce or avoid liability to pay charges, or, if not all financial circumstances are disclosed, you may be charged the full cost of the service(s) provided, as outlined in Section 13.
- We will make a determination of the amount you can afford to reasonably pay for services that are subject to a financial assessment as soon as we have sufficient information and documentation to do so.
- Once we have made a determination, we will provide a statement to the person who has been financially assessed setting out the charge, explaining how the assessment has been carried out, what the charge will be and how often it will be made.

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

3. What is Included in a Financial Assessment?

- The financial assessment will be carried out on the person who is to receive the financially assessed service(s). Only income and capital, including property (if applicable) to which that person has a right are taken into account. Where income, capital/investments etc. are held jointly with another they will be apportioned equally, or on the basis of entitlement if the records provided reflect something different. Where benefits are paid in respect of a 'couple' then the amount paid for the person who receives a service will be taken into account in the financial assessment process. However, we can assess the income of a couple but only where this is financially more advantageous to the person being assessed.
- If anybody else lives with you at the same address then the Council will endeavour to ensure that the household's income does not fall below a certain level as set by Welsh Government. A financial assessment for the other person(s) living in the house would be offered and the result could mean a reduction in the charge to the person receiving the service.

3.1 Capital

- The Welsh Government sets a relevant capital limit each April as outlined in Section 12. If your assets, including savings, current accounts, investments and property (if applicable) are over this limit it will determine that you are required to pay up to the full weekly charge as outlined in Section 13.
- If you have assets **above** the capital limit as outlined in Section 12 you are regarded as a self-funder and you can contract directly with any Care home **of your choice**. If you ask the Local Authority to contract on your behalf, then a fixed annual fee as outlined in Section 13.1 will be payable in addition to the relevant care fees. It is important to note that in these circumstances, the relevant care fee is the same whether you contract directly with the respective Care home or request the Local Authority to contract on your behalf.
- If you have assets **below** the capital limit as outlined in Section 12 the Local Authority will arrange your placement. If you choose a care home or room that costs more than the Local Authority would usually expect to pay for accommodation of that type then a third party must sign an agreement to pay the difference in cost or **additional cost** for the duration of the placement.

The Additional Cost Contribution by a third party will be in addition to your means tested charge for your placement.

- Some forms of capital may be excluded when determining how much capital you have and for further information on this please contact the Financial Assessment Team (contact details are shown in Section 8).

- If your capital is under the limit, then this will be disregarded in the financial assessment and any assessed charge will depend only on your income and expenses/allowances as referred to in Sections 3.3 to 3.5.
- In some circumstances you may be treated as having capital even when you do not actually have it. This is called notional capital and can include capital which:
 - would be available to you if you applied for it;
 - is paid to someone else in respect of you;
 - you have deprived yourself of in order to reduce the amount you have to pay for your care and support (Please refer to Section 4).
- Your capital, for financial assessment purposes should therefore be the total of both actual and notional capital. However, if your actual capital is above the capital limit, it may not be necessary to consider notional capital.

3.2 Property

- For the purposes of the financial assessment, property can 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 another property/land then 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, however, you were to sell your property during this initial 12-week period then the sale proceeds will be taken into account from the date of the sale.
- If you own land then the value of the land will be included from the first day of admission to the care home for temporary and permanent stays.
- We will arrange to have your property valued for financial assessment purposes.
- The value of your house is not taken into account at all if it is also the main residence of any of the following people: Please refer to Parts 4 & 5 of the Code of Practice for definition of 'relative'.
 - Your partner (this means husband, wife, civil partner or someone you live with as husband/wife or partner)
 - A relative who is aged 60 or over
 - A relative who is incapacitated (this means they are receiving or could be receiving disability benefits)
 - A child who is aged under 18
 - A carer who has given up their own home to care for you
 - A lone parent with dependent child, who is the resident's estranged or divorced partner
 - A relative who does not own another home and lived with you before you moved to live in a care home

- If the value of your house has been disregarded because someone else is living there, and that person subsequently moves out or dies, then the value will normally be taken into account from the date they leave the property.
- If someone jointly owns your property we would examine documentation to confirm this and only take the value of your share into the financial assessment.
- If your property has been transferred to someone else we will normally ask you to provide information relating to the terms of the transfer. We may also consult with our legal department for a decision about whether your property will still need to be included in your financial assessment as notional capital as outlined in 3.1.

If you own your property you can choose whether or not to sell it. If your savings, investments and other capital is less than the capital limit as outlined in Section 12 then you will be offered a Deferred Payment.

- Agreeing to a Deferred Payment allows a proportion of your charge to remain unpaid until a later date. We would expect you to contribute any available income you receive and the shortfall between your available income and the full cost of the placement would be the amount which is deferred.
- You or your estate will have to pay back this debt (the deferred charge) when you sell your home or leave residential care. The authority will charge interest while payments are being deferred. There is an annual Deferred Payment administration charge for this service as outlined in Section 13.2.
- Should you wish to defer your payments, you will be required to enter into a written legal agreement with the authority.
- The Local Authority will put a “Legal Charge” on the property until it has been sold. This means that we can recover the amount that you owe us from the money you get in the future when you do decide to sell your property.

3.3 Income

- In the majority of cases all of your income from whatever source including welfare benefits will be included in the financial assessment. In some circumstances some elements of income may need to be disregarded, or, allowances applied, to reduce the income that is included in the financial assessment as referenced in Section 3.4 and 3.5.
- In some circumstances you may be treated as having income that you do not actually have. This is known as notional income and might include, for example, income which:
 - would be available to you if you applied for it;
 - is due but you have not yet received;
 - you have deprived yourself of in order to reduce the amount you have to pay for your care and support (please refer to Section 4).
- Your income, for financial assessment purposes should therefore be the total of both actual and notional income.

3.4 Earnings

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

3.5 Allowances and Disregards

- Within a financial assessment there is always an amount of money that we cannot include, this is known as the Minimum Income Amount as outlined in Section 14. The figure is set by the Welsh Government and is reviewed annually.
- The list below shows the main allowances and disregards that are applicable: -
 - Any employment earnings
 - Carer's Allowance
 - Child Benefit
 - Christmas Bonuses
 - Council Tax
 - Disabled Person's Tax Credit
 - 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 expenses at work
 - Vaccine damage payments and Thalidomide and an approved blood scheme associated with contaminated blood products compensation payments
 - Rent/mortgage
 - 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 victim of National Socialist persecution and Payments to Far Eastern former POW's
 - War Widows Special Payments
 - Winter Fuel Payments
 - Working (families) Tax Credit
 - War Disablement Pension fully disregarded
 - Up to the first £5.75 or £8.60 (couple) of Savings Credit

4. Can I give any of my assets away?

- If you give away savings, money or other assets or sell a property at less than its market value before receiving care and support, or whilst receiving care and support, then we may assess you as though you still have the full value of the asset. The person who benefits may become liable for any unpaid charges.
- We will ask you about the timing, reason, monetary value, and recipient of any transfer. This information will be used to make a decision whether the asset is included or disregarded from the financial assessment.

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

- You should inform us immediately if:
 - you get an increase or decrease in your benefits/income
 - you get any new benefits/income
 - you benefit from an inheritance or any other transfer
 - your savings/capital has gone above or falls below the relevant capital limit as outlined in Section 12
 - you incur new or additional expenses as a result of a change in your care and support needs.
- If you are in a Care Home on a temporary or permanent basis and you are admitted to hospital, we normally keep your placement available until it is decided that it is no longer needed, or is no longer suitable to meet your future needs.

During the time that you are in hospital, you will still be charged for your placement until a decision is made.

- Following your financial assessment for residential care and support, you will be charged up to and including the day your placement permanently ends.

6. How do I pay my charge?

- There are differences in how you pay your charge depending on whether the services you receive are arranged or provided by the Council or via direct payments.
- If you receive services via direct payments in lieu of Respite/Short Term Care, any charge you are required to pay following a financial assessment determination will be reduced from the amount the Council will pay you at 4 weekly intervals. You will be required to pay your contribution into the bank account set up specifically to manage your direct payments at 4 weekly intervals.
- For services the Council arranges or provides, we will send you an invoice every 4 weeks in arrears by post or electronically by email if that is your preference.
- Payment by Direct Debit is the preferred method of payment. You will be required to complete a Direct Debit form which will be sent out to you along with your statement of charge following a financial assessment determination.
- Alternative methods of payment are noted on the reverse of the invoice and will include payment by cash at a local cash office, payment by cheque and online payment at www.ceredigion.gov.uk

7. If you think your Financial Assessment is incorrect

- If you believe that your charge has been assessed incorrectly, please contact the Financial Assessment Team (contact details are shown in Section 8).

- 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.

8. Contact details for the Financial Assessment Team

If you wish to contact the Council about your charges then please telephone or write to:

Financial Assessment Team,
 Corporate Lead Officer: Finance & Procurement,
 Canolfan Rheidol,
 Aberystwyth,
 Ceredigion, SY23 3UE
 Telephone: 01545 572612 or 01545 572683
 Email: dss.assessments@ceredigion.gov.uk

9. 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

10. Who should I contact to discuss my care and support needs?

- You should contact 01545 574000 or your Social Worker, if you have been allocated one.

11. Other useful 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

12. Relevant Capital Limit for 2025/2026 for Temporary & Permanent Residential Care and Support (set by Welsh Government):

- £50,000.00 – capital under this limit is not included in the financial assessment

13. Charges for Residential Care and Support

<p>Short-term stays (up to 8 weeks) and respite care (up to 6 weeks) or Direct payments in lieu of these services</p>	<p>Please note that Non-Residential Services 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 cap, whichever is the lowest.</p> <p>Please see Non-Residential Social Services - A guide to Financial Assessment and Charges leaflet for more information.</p>	<p>£100.00</p>
<p>Charge for residential accommodation in local authority homes in respect of Permanent and Temporary (up to 52 weeks)</p>	<p>Weekly Standard Charge Subject to Financial Assessment</p> <ul style="list-style-type: none"> • Residential Very Dependent Elderly • Residential Dementia 	<p>£957.00</p> <p>£1,023.00</p>

<p>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.</p> <p>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 (NB: this may be higher than the fee paid by Ceredigion County Council).</p>	<p>Weekly Charge Subject to Financial Assessment:</p> <ul style="list-style-type: none"> • Residential Very Dependent Elderly • Residential Dementia • General Nursing • Nursing Dementia 	<p>£957.00</p> <p>£1,023.00</p> <p>£1,111.00</p> <p>£1,111.00</p>
<p>Charge for Adult residential college placements (term-time only)</p>	<p>Capped Weekly Charge Subject to Financial Assessment</p>	<p>£40.00</p>

13.1 Administration Charge Self-funders (Permanent Placements Only)

Administration charge (Self-funders)	Charge per annum	£795.00
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13.2 Administration Charge Deferred Payments

Administration charge (Deferred Payments)	Charge per annum	£795.00
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13.3 Property valuation

Actual cost of valuation plus £50 administration charge (if undertaken by Ceredigion County Council)

14. Minimum Income Amount for 2025/2026 for Residential Care and Support (set by Welsh Government):

- **£44.65 per week** * Subject to confirmation from the Welsh Government.

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.