

ISLE OF ANGLESEY COUNTY COUNCIL							
Report to:	Executive						
Date:	27th January 2026						
Subject:	Local Authority Homes for Older People – Setting the Standard Charge 2026/27						
Portfolio Holder(s):	Councillor Neville Evans						
Head of Service / Director:	Arwel Wyn Owen, Adult Services Manager						
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Local Members:	All Members						
A – Recommendation/s and reason/s							
<p>The Local Authority needs to set the level of its Standard Charge for local authority care homes for the year April 2026 – March 2027.</p> <p>In 2025/26, the cost of all the Council's residential homes (Brwynog, Haulfre and Plas Mona) were pooled together to calculate an average standard charge for standard residential care, whilst the costs of the Council's Dementia residential provision (Garreglwyd and Plas Crigyll) were pooled together to calculate an average standard charge for Dementia residential care,</p> <p>In 2025/26, the Standard Charge for Residential care was calculated at £983.86 per week. In 2025/26, a Standard Charge for Dementia Residential care was calculated at £1,171.52 per week. However, given that 2025/26 was the first year in which we set a fee for Dementia residential homes, the increase from the standard charge for residential homes in 2024/25 to the standard charge for Dementia residential homes in 2025/26 was deemed too high to implement in year 1, therefore, it was decided to stagger the increase over 3 years. The standard charge for Dementia Residential Care for 2025/26 was established at £1,046.41</p>							
<p>Residential Care Home Fees</p> <p>The following table calculates the estimated cost per resident week for the year to 31 March 2027, based on forecasted occupancy levels and running costs from 2025/26 plus inflationary increases:-</p> <table border="1"> <tbody> <tr> <td>Number of Residential Beds Available</td><td>77</td></tr> <tr> <td>Estimated Occupancy Rate</td><td>92.00%</td></tr> <tr> <td>Estimated Number of Resident Weeks</td><td>3,693.80</td></tr> </tbody> </table>		Number of Residential Beds Available	77	Estimated Occupancy Rate	92.00%	Estimated Number of Resident Weeks	3,693.80
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	Standard Charge 2025/26 £	Forecasted Running Costs 2026/27 £	Standard Charge 2026/27 £
Estimated Running Costs for 2026/27, based on 2025/26 forecasted running costs + inflation	879.49	3,333,121	902.35
Add - Depreciation charge	60.88	290,117	78.54
- Support Services	43.49	168,556	45.63
TOTAL	983.86	3,791,794	1,026.52
Increase compared with the standard charge in 2025/26	42.66		4.34%

Based on the above table, the estimated cost per resident week for the year to 31 March 2027 is £1,026.52.

The estimated cost per resident week for the year to 31 March 2027 is higher when compared to the estimated cost for the year to 31 March 2026. This is as a result of inflationary increases and a change in the forecasted occupancy levels.

Dementia Residential Care Home Fees

The following table calculates the estimated cost per resident week for the year to 31 March 2027, based on forecasted occupancy levels and running costs from 2025/26 plus inflationary increases:-

Number of Dementia Beds Available	53
Estimated Occupancy Rate	92.00%
Estimated Number of Resident Weeks	2,542.49

	Standard Charge 2025/26 £	Forecasted Running Costs 2026/27 £	Standard Charge 2026/27 £
Estimated Running Costs for 2026/27, based on 2025/26 running costs + inflation	1,054.96	2,760,759	1,085.85
Add - Depreciation charge	71.33	211,475	83.17
- Support Services	45.23	112,371	44.20
TOTAL	1,171.52	3,084,605	1,213.22
Increase compared to the standard charge in 2025/26, based on full cost of care	41.70		3.56%

Based on the above table, the estimated cost per resident week for the year to 31 March 2027 is £1,213.22. This is an increase of £41.70 per week when compared with the residential rate of £1,171.52 for 2025/26.

As noted above, it was agreed in 2025/26 that the increase to actual cost of care for Dementia Residential care be implemented over a 3 year period. Therefore, in line with this decision, we propose to increase the Dementia fee to £1,150.99 in 2026/27, with a further increase in 2027/28 to bring the fees to actual cost of care by 1st April 2027.

	Standard Charge 2025/26 £	Standard Charge 2026/27 £	% Increase
Dementia Standard Charge (Full Cost)	1,171.52	1,213.22	3.56
Residential Standard Charge (Full Cost)	983.86	1,026.52	4.34
Difference between Dementia Standard Charge and Residential Standard Charge	187.66	186.70	
2/3 of difference between Dementia Standard Charge and Residential Standard Charge 2026/27	62.55	124.47	
Proposed Dementia Rate for 2026/27	1,046.41	1,150.99	9.99

Recommendation

R1 - It is recommended that the full cost of the service is charged, which is £1,026.52 per week in 2026/27 for Residential Care.

R2 – It was decided in 2025/26 that the full cost of service was to be implemented over a 3 year period, therefore, it is recommended that the full cost of service is discounted to £1,150.99 per week in 2026/27 for Dementia Residential Care.

B – What other options did you consider and why did you reject them and/or opt for this option?

The setting of the standard charge follows a prescribed method which does not allow for options to be considered. It is possible for the Executive to set a fee which differs from the Standard Charge. Charging less than the standard charge results in the Council subsidising the cost of care of clients who have been identified as having the financial means to pay the full cost of their care. As a result, the option has been discounted.

C – Why is this a decision for the Executive?

Local Authorities are required, under Section 22 of the National Assistance Act 1948, to set the Standard Charge for their homes.

CH – Is this decision consistent with policy approved by the full Council?

This decision is consistent with National Policy, as outlined in section C above.

D – Is this decision within the budget approved by the Council?

Yes

DD – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	The setting of the fee will only impact on a small number of clients who pay the full cost of their care. This decision will have minimal impact on the long term needs of the Island.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	The decision eliminates the subsidy that the Council provides to those clients that have been identified as having the means to pay for their full cost of care.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom	Not applicable
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Not applicable
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Not applicable
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	The decision would impact on the clients who have been assessed as having the means to pay for their full cost of care. These are not a group that are experiencing socio-economic disadvantage.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	No impact on the Welsh Language.

E - Who did you consult?**What did they say?**

1	Chief Executive / Leadership Team (LT) (mandatory)	
2	Finance / Section 151 (mandatory)	
3	Legal / Monitoring Officer (mandatory)	

4	Human Resources (HR)	Not applicable
5	Property	Not applicable
6	Information Communication Technology (ICT)	Not applicable
7	Scrutiny	
8	Local Members	Not applicable
9	Any external bodies / other/s	Not applicable

F - Appendices:

None

FF - Background papers (please contact the author of the Report for any further information):

None