



Counting the Cost - The financial reality for older people across Wales

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Introduction

In 2026, 52% of respondents to Age Cymru's annual survey said that they had found the cost of living a 'challenge' over the last twelve months.¹

This figure represents a sharp increase from 46% of respondents who struggled with living costs in 2025. It is an even starker contrast to our first annual survey back in 2020 when only 9% of older people said they were struggling with living costs. As comments in the survey showed, a series of economic shocks in recent years – from Covid-19 to the Iran War – have left older people in Wales feeling less financially secure and less certain about their ability to meet living costs into the future.

'With the impact of world events at the present time, I can only imagine that living on a fixed income will cause more pressure on my finances.' (M, 65-69, Neath Port Talbot)

Reduced economic security can have multiple effects on a person's ability to live a healthy and independent life. People who are financially uncertain are more likely to reduce their domestic energy use (as around 18% of survey respondents did over the last year), increasing the risk of health conditions caused by living in cold and damp (or excessively hot) homes. Some also reduce their transport use, driving less often or taking taxis, increasing the likelihood of loneliness and isolation.

More than a third of older people are spending less on food to try and make ends meet at the same time as food prices are rising. This has consequences for physical and mental health.

'I put a lot of clothing on to use less gas, the worst was last year when we didn't get the £200. I have to really cut back on food each week as the price goes up weekly. I was always proud of eating healthily. At first I could substitute cheaper healthy things but now my diet is not so good. I don't want to rely on medication for diabetes/cholesterol etc, so I have been able in the past to get exercise and eat

¹ Age Cymru ran its seventh annual survey of people aged 50 and over in Wales for seven weeks across March and April 2026. 1,448 people responded from across all 22 local authorities in Wales. Of these:

- 65% were aged over 70.
- 92% identified as White Welsh, English, Scottish, Northern Irish or British, while 7% of respondents were from Black, Asian or Ethnic Minority backgrounds.
- 33% consider themselves to have a disability (according to the terms of the Equality Act 2010).
- 64% identified as female and 35% as male; 6 respondents identified as transgender.
- 90% identified as heterosexual/straight, while 5% identified as gay, lesbian, bisexual or preferred to self-describe.

Age Cymru, 'What matters to you? Current experiences of people aged 50 or over in Wales: June 2026 headlines report' (June, 2026), <https://www.agecymru.wales/our-work/policy/annual-survey/>.

better to avoid this. Now it won't be so easy - costing the NHS more.' (F, 65-69, Flintshire)

Unsurprisingly, people in Wales are becoming more aware of their own financial precarity and its impact on later life. Research from the Bevan Foundation into the 2026 Senedd election (which took place three weeks after our annual survey closed) showed that 49% of people in Wales were not confident that they would have 'a decent standard of living in old age'.² It went on to show that fear of economic insecurity in older age was one of the biggest factors behind many voters' decisions to abandon the traditionally dominant parties (Labour and the Conservatives) in favour of Plaid Cymru, Reform UK and the Green Party.³

In June, Age Cymru published a 'headlines' report on the 2026 annual survey results.⁴ It showed how the cost of living had, along with physical health, become one of the two foundational concerns for older people in Wales. Drawing on both quantitative and qualitative data, it showed how spiking oil prices, higher water bills, along with many other factors were combining to reduce older people's ability to maintain long-term financial security.

The headlines report was, however, limited to the 'what', rather than the 'why'. It assessed and displayed the results of the survey but did not interrogate them further. The purpose of this present report is to go further, focusing on each of the main costs reported in the annual survey and examining the reasons behind them.

It looks at four core living costs to older people, as noted in the survey and in wider conversations: fuel, water, care and broadband. For each, it considers what specific problems respondents had with each cost (e.g. was it too high? Was it not value for money?), before analysing the cost in more detail to ascertain why it is currently causing such consternation. Why, for example, did so many people concentrate on oil prices this year (as opposed to gas prices, which have caused greater concern in previous years)? Why did water bills feature in so many people's comments this year?

This report aims to answer these questions and to provide policy recommendations to reduce the financial precarity of older people in Wales. As we shall see, economic uncertainty has developed rapidly in the last few years and is likely to grow further as the population continues to age. Tackling this problem will not be easy, but it is essential to making Wales a place in which people can live with the knowledge that they will have enough money for later life.

² Jac Larner, 'Economic Security in Wales: Evidence from the 2026 Senedd Election' (July 2026), <https://www.bevanfoundation.org/wp-content/uploads/2026/07/Economic-insecurity-and-the-2026-election.pdf>.

³ *Ibid.*

⁴ Age Cymru, 'What matters to you?' (2026).

Fuel

In this context, 'fuel' primarily refers to the means of producing energy for domestic use and to power transport. In most cases, this means *fossil* fuels: oil, gas and coal.

Fuel prices were by far the most reported expense in the 2026 annual survey, with 53% of people who had changed their lifestyle to save money stating that they had reduced energy use in recent months. This year, it was oil prices specifically that caused the most concern.

People complained primarily about the increased cost of petrol and diesel, which impacted their ability to get to work, to visit family and friends, carry out caring responsibilities and access healthcare and other necessities.

'Biggest expense is my car. It's a necessity because I need it to get to the people I care for. Fuel and maintenance of my car have rocketed and I'm very worried that I won't be able to afford it much longer, meaning those I care for will suffer too.' (F, Bridgend)

7.8% of homes in Wales use oil to power their central heating.⁵ People who lived in such households reported considerably higher prices this year.

'Oil heating means I have to pay a 200% increase in costs for oil. Just had a delivery which cost £834, compared to £305 previously.' (M, 85-89, Ceredigion)

By comparison, there were relatively few comments about gas or coal prices. This marks a change from previous years, when gas received much more attention – especially following the price hike following the Russian invasion of Ukraine in 2022.

Analysis

It's impossible to separate the increased cost of oil-based fuels from the ongoing Iran War. Our annual survey was launched on 2 March, just two days after the first airstrikes on Iran, and remained live until 17 April. The impact of the war and its disruptive effect on global oil supplies was clear from the beginning. During the first six weeks, the average price of unleaded petrol in the UK rose from 132.14 pence per litre (ppl) to 158.17ppl, while diesel rose from 142.15ppl to 192.14ppl.⁶

A significant number of respondents linked the spike in fuel prices to the war, voicing their concern about how suddenly geopolitical developments could impact

⁵ Welsh Government, 'Housing in Wales (Census 2021)' (5 January 2023), <https://www.gov.wales/housing-wales-census-2021-html>.

⁶ Petrolprices.co.uk, 'UK Fuel Price Index' [accessed 6 August 2026], <https://petrolprices.co.uk/fuel-price-index.php>. Although the price of oil gradually began to fall from mid-April, they have still yet to return to pre-war levels.

directly upon their cost of living.⁷ Several also commented on the probable impact that higher oil prices will have on food prices later in the year, due to the reliance of global agriculture on oil-based fertiliser and transport systems.

'I don't know [how I will afford living costs over the next year] because with the current conflict in the Middle East we don't know how much this will increase bills and cost of food. I am worried.' (F, 75-79, Pembrokeshire)

The key issue here is uncertainty, with older people (many of whom are on a fixed income) facing an unexpected and sudden rise in the price of a product that permits them to live an active, healthy and independent life. There are parallels here with February 2022, when the spike in gas prices triggered by the Russia-Ukraine War – combined with the economic cost of the pandemic – had a similarly damaging effect on people's finances in Wales. In that year, the annual survey reported that the proportion of older people struggling with the cost of living jumped from 15% to 35%.⁸ For most, the reason given was the hike in gas prices.

Older people are particularly vulnerable to price shocks, as being on a fixed income (like most retirees are) makes it difficult to adjust to sudden inflation outside the annual cycle of the Triple Lock mechanism.⁹ Under the Triple Lock, the State Pension increased by 4.8% in April 2026. The full State Pension now sits at £241.40 per week, while the 'old' State Pension is worth £184.90 per week. (Most people currently claiming pensions in Wales are receiving the 'old' State Pension.)¹⁰ However, because the increase was based on average earnings growth in May-July 2025, it did not take into account the jump in oil prices in March-April 2026, nor the rise in water bills in April 2026 (more on this below), nor the anticipated rise in food prices in late 2026. Many older people have therefore been left in a situation where day-to-day prices have risen quicker than their income.

It is of course possible that the Triple Lock system will accommodate these changes in April 2027 (or even April 2028, for some longer-term price rises) when the State Pension value is recalculated. Nonetheless, the sudden oil price increase of spring 2026 is instructive of how easily global events can disrupt the availability of fuel to older people in Wales, and how slowly their incomes catch up with this

⁷ There were 118 mentions of war or wars explicitly in this year's responses – a far higher rate than any previous year. There were likewise 51 mentions of Iran and 43 of Donald Trump. By contrast, the then-Prime Minister Sir Keir Starmer received only 6 mentions.

⁸ Age Cymru, 'Current experiences of people aged 50 or over in Wales of the Covid-19 pandemic, and views on the year ahead' (June 2022), <https://www.agecymru.wales/siteassets/documents/policy/annual-survey/age-cymru---report-on-the-current-experiences-of-people-aged-50-or-over-across-wales-of-the-covid-19-pandemic-and-views-on-the-year-ahead---june-2022.pdf>.

⁹ 80.3% of 2026 annual survey respondents were retired.

¹⁰ Older People's Commissioner for Wales, 'Understanding Wales's Ageing Population: Key Statistics' (March, 2026). Available at: [Understanding-Wales-Ageing-Population-Key-Statistics-2026.pdf](#) [accessed 3 September 2026].

disruption. At the time of writing, the Iran War is still in progress, with oil prices continuing to respond to events. As of August 2026, there is no indication that they will return to pre-war prices.¹¹

Not all price shocks are driven by global events. The UK Government's decision to restrict the Winter Fuel Payment in July 2024 left many older people with little time to prepare for the loss of this support. The subsequent decision to reinstate the payment for most pensioners is welcome. Changes of this significance should be carefully planned and communicated, giving older people sufficient time to adjust and make informed decisions about their finances where necessary.

Comment

Our annual survey shows that fuel prices are the prime concern when it comes to cost of living. Without fuel, people cannot heat their homes, access hot water, cook food or drive their cars. Oil prices specifically also affect access to food, due to the central role played by oil in global agricultural production. Fuel prices therefore directly impact on the ability of older people to live independent, healthy lives.

The globalised nature of the fossil fuel industry means that both gas and oil prices are easily affected by geopolitical events. We saw this in 2022 and are now seeing it again in 2026, as the conflict between the US-led alliance and Iran has caused oil prices to rise dramatically, directly impacting the lives of older people in Wales.

The real issue is the unpredictability of such price shocks – and the consequent inability of older people (many of whom are on a fixed income) to find the money to afford them. Public policy must guarantee older people some insulation against future fuel price uncertainty. This should be achieved through a mixture of social safety nets in the short term and a push for greater fuel security in the long term.

Policy recommendations

- Short term:
 - The UK Government must maintain the Triple Lock system for the State Pension.
 - The UK Government should increase the value of the Warm Home Discount and widen eligibility beyond those in receipt of means-tested benefits to cover households on low incomes.
 - The Welsh Government should increase the income thresholds to enable more older people to qualify for the Nest Warm Homes scheme to improve the energy efficiency of homes across Wales. This

¹¹ Petrolprices.co.uk, 'UK Fuel Price Index' [accessed 6 August 2026], <https://petrolprices.co.uk/fuel-price-index.php>.

should be alongside significantly increasing investment in the Warm Homes Programme overall.

- The Welsh Government should provide greater support for advice services to better help older individuals looking for help with fuel costs.
- Long term:
 - The UK and Welsh Governments should explore options for expanding Wales- and UK-based energy production to ensure long-term energy security.

Water

There are two water providers in Wales: Dŵr Cymru/Welsh Water, which covers most of the country, and Hafren Dyfrdwy, which covers parts of the North-East. Dŵr Cymru, owned by Glas Cymru Holdings, operates on a not-for-profit basis, with surplus income being reinvested in services or to reduce customer bills. Hafren Dyfrdwy is owned by Severn Trent and operates as a private company.

Water bills were the second-most mentioned cost among respondents to the 2026 annual survey. 21% of people said that they had cut down on water use this year to save money, and we received many complaints about the rising price of water.

'I take showers way less often than I used to, in order to save on water bills.' (F, 60-64, Wrexham)

Many people were surprised by their water bills in the last year, especially when they had been taking active measures to cut down on water usage.

'My water bill is for almost £1000 this coming year. [...] I don't have a dishwasher, I have an ordinary shower, and I use my washing machine around twice a week, always on a short wash at 30 [degrees]. I can't understand how it is that much. I won't have a water meter because I'd be afraid of flushing the toilet or washing.' (F, 75-79, Pembrokeshire)

We have also heard how some people have struggled with the system of social tariffs for water, which vary depending on provider. Last year, Age Cymru's Advice team heard the case of a woman who had initially been on Hafren Dyfrdwy's social tariff of £25 per month, but after moving away from Hafren Dyfrdwy's catchment area was found to be ineligible for the Dŵr Cymru social tariff. She reached out to Age Cymru after finding herself in growing debt.

Lastly, some respondents raised the issue of pollution, arguing that it was unfair for water companies to charge high prices at a time when the rivers and seas around Wales were badly polluted by sewage released by the same water companies.

'There's the terrible pollution of our rivers often caused and badly managed by [water company]' (F, 75-79, Pembrokeshire)

Analysis

It's not hard to see why water bills were causing so much stress for people in this year's survey. Both Dŵr Cymru and Hafren Dyfrdwy have increased their prices by considerable amounts in recent years, albeit by different increments:

Change in average household water bills for Wales, 2022-27
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	Dŵr Cymru Welsh Water	Hafren Dyfrdwy
2022-23	+ 0.1%	+ 5.7%
2023-24	+ 2.9%	+ 12.4%
2024-25	- 0.1-1.3% ¹²	+ 19.5%
2025-26	+ 27.0%	+ 14.2%
2026-27	+ 4.8%	+ 5.8%

Sources: [Bills-Table-Feb-2022.jpg \(2000×1414\)](#); [Cost of living: Welsh Water bill is the second highest - BBC News](#); [Welsh Water bills to fall from April | Dŵr Cymru Welsh Water](#); [Your bill 2025 | Dŵr Cymru Welsh Water](#); [Average Welsh Water bill to increase by 4.8% in 2026-27 | Dŵr Cymru Welsh Water](#); [Bills-Table-Feb-2022.jpg \(2000×1414\)](#); [Cost of living: Welsh Water bill is the second highest - BBC News](#); [hd-statement-of-significant-changes-household-2024-25.pdf](#); [hd-statement-of-significant-changes-2025-26-hh.pdf](#); [hd-statement-of-significant-changes-hh-2026-27.pdf](#).

Both water companies addressed these significant price rises back in 2024, stating that they were needed to fund major improvements to services over 2025-2030.¹³ In July 2026, the CEO of Dŵr Cymru added that ‘the only money we have... is the bills our customers are paying [...] More investment means taking money from bills and using it to fix the assets.’¹⁴ These improvements are supposed to include sewage system resilience, reservoir maintenance and storm overflow prevention.

Hafren Dyfrdwy has made similar statements. In March 2026, the company said that higher bills were necessary ‘to improve water quality and taste, strengthen pipes and reduce leaks, protect local rivers and wildlife and support community projects across Powys and Wrexham.’¹⁵

This explains the shock price rises felt by those older people who responded to our survey. After so many years of relatively stable bills, the sudden increase (especially the 27% jump in Dŵr Cymru bills in 2025) came as a surprise to households.

‘I have just had my water bill it's almost 150 more than last year. Council tax next, then household bills. How can anyone be sure?’ (F, Blaenau Gwent)

¹² This decrease in prices was partly caused by Dŵr Cymru Welsh Water receiving penalty charges due to a failure to meet Ofwat targets. The penalty was filtered back to consumers via a reduction in bills.

¹³ Senedd Research, ‘Water bills on the rise: what support is available for customers?’ (28 April 2025), <https://research.senedd.wales/research-articles/water-bills-on-the-rise-what-support-is-available-for-customers/>.

¹⁴ Huw Thomas, ‘Pay more for your water bill or wait longer for a better service - new boss’ (6 July 2026), <https://www.bbc.co.uk/news/articles/cy73j385l82o>.

¹⁵ Lou Moir, ‘Hafren Dyfrdwy boss explains latest water bills’, [MyWelshpool.co.uk](https://www.mywelshpool.co.uk/viewerfeatures/articleId/29218/COLUMN%3A-Hafren%C2%A0Dyfrdwy-boss-explains-latest-water-bills) (24 March 2026), <https://www.mywelshpool.co.uk/viewerfeatures/articleId/29218/COLUMN%3A-Hafren%C2%A0Dyfrdwy-boss-explains-latest-water-bills>.

There's a parallel here with the fuel price issue discussed in the previous section. The problem is not so much that prices have risen, but rather the scale and pace of the increase. As with fuel, it's the people who live on fixed incomes who are most heavily impacted by such unpredictability, as their options for budgeting are limited. Limited options lead to desperation, which can in turn lead to exploitation. Tellingly, in July 2026 Age Cymru's Advice line received its first case of an older person being targeted by a scammer impersonating a water company.

The sudden nature of the rise in water bills and the rationale behind them also raises questions about the way water is managed in Wales, suggesting that the water infrastructure has been poorly maintained in recent years. There is also the concern, notably raised by the National Infrastructure Commission for Wales (NICW), that the growing likelihood of extreme weather as a result of climate change is placing greater pressure on the water system, necessitating further long-term planning to avoid future price shocks hitting consumers.¹⁶

Comment

In some ways, the situation with water bills reflects that of fuel bills: a sudden increase in costs takes large numbers of older people by surprise, eating into their fixed income and putting them significantly out of pocket until the State Pension eventually catches up. However, water bills are less at the mercy of geopolitical events than fuel prices, being largely controlled by the two companies that manage water in Wales. This means that there is more capacity for the Welsh and UK Governments to respond to issues relating to water supply and pricing.

There are various ways that policymakers could respond here. One would be short-term support for older people who are impacted by higher prices, or by the inaccessibility of existing support (e.g. social tariffs). This should be complemented, as in the case of fuel prices, by longer-term measures to insulate people against future price shocks, including by compelling water companies to maintain infrastructure more sustainably. This would avoid the need for sudden price hikes to pay for years of under-maintenance. It may also help water infrastructure in Wales develop resilience to future shocks caused by climate change.

Water companies should do far more to ensure older customers know what support is available and how to access it. People cannot benefit from schemes or options that they simply do not know about. Alongside social tariffs, many households — particularly those made up of a single older person — may be better off with a water meter or an Assessed Measured Charge. Where it is clear that a

¹⁶ National Infrastructure Commission Wales, 'Water sector infrastructure insights: State of Play and Future Challenges' (2026), <https://nationalinfrastructurecommission.wales/wp-content/uploads/2026/03/Water-Sector-Infrastructure-Insights.pdf>.

customer would pay less through a different option, providers should move them onto the lower charge automatically wherever possible.

Policy recommendations

- The UK Government should impose a maximum amount by which water bills can increase annually, to stop sudden price shocks and to encourage water providers to make incremental changes to bills.
- The UK Government should introduce a National Social Tariff on water across Wales and England, ending the considerable disparities in social tariffs between different water providers.
- The UK and Welsh Governments should place a duty on water companies to proactively inform older customers of the cheapest options available for paying for water – whether they are likely to benefit from a water meter, an Assessed Measured Charge (AMC), a social tariff or other support – and wherever possible, automatically place them on these options.

Care

'Care costs' covers many different types of expenses. This could be the increased day-to-day costs if you need care or if you care for another person, including food bills, transport, energy costs (which may be higher than normal e.g. if you need to keep the heating on for extended periods of time), telecare, home cleaning and laundry costs. It may also involve paying for social care privately or paying top-up costs for residential care.

29% of those who completed the 2026 annual survey identified themselves as unpaid carers, though the true total is expected to be higher, as anecdotal evidence suggests that many older people who care for a relative or friend do not consider themselves to be 'carers', in any formal sense. Two-thirds of unpaid carers in the survey were women, and 77% were aged 65 or over.

Of these, 57% said that they found care a challenge, often due to financial pressures. Only 5% of self-identified carers in this year's survey were also receiving Carer's Allowance to help with day-to-day costs. Those who did qualify for Carer's Allowance were not always happy with what they received:

'Carers allowance is an insult. How are you supposed to live on it? Carers are saving Social Services billions of pounds. We should all get a proper living wage. No holidays, no time off, unable to recover when sick. Always thinking of others before yourself.' (M, 65-69, Torfaen)

16% of people told us that they tried to get help from social care over the last twelve months, of whom 40% were required to contribute to costs. Most felt that the charging system in Wales was fair, if hard to understand. Only 28% of people who accessed social care found it easy to understand the payment arrangements.

'Flat rate in Wales is very generous - £100 per week regardless of needs. Otherwise, fee structure makes no sense at all. Zero cost at the hospice, £100 PE [Personal Expenses] through local authority or £1,481 at a private dementia centre who received £224 PE top up from NHS as funded nursing care.' (anonymous, Gwynedd)

This raises some concern regarding accessibility. If people struggle to understand the payment arrangements for social care, or do not receive clear information from local authorities, they may well be put off applying entirely.

'Nothing was explained. I have dealt with local council means-testers in the past for my mother. They are not in the real world at all, in my opinion. So, we didn't bother, as we expected a negative outcome and certainly did not feel confident to pursue the things I really do need.' (F, 65-69, Flintshire)

A related issue is the lack of communication around social care costs, especially where care has been outsourced from local authorities. Age Cymru's Advice service

recently received a call from someone living in social housing whose telecare costs had jumped from £2 per week to at least £30 per month. It took several weeks to identify who was responsible for telecare costs, why they were raising the price so dramatically, and what could be done. As we discovered, much of the confusion was due to a change in telecare funding and systems that had not been communicated clearly by either the telecare provider or the social landlord.

The cost of residential care was a common issue raised by respondents, especially those who self-funded care home fees.

'Care home fees £7k per month.' (F, 75-79, Swansea)

In some cases, care homes fees were paid by the local authority and then 'topped-up' by relatives of the care home resident. Each local authority has a limit on the weekly cost of residential care placements they will pay, which often does not match the market cost. In such cases, a 'top up' to cover the difference can be requested from friends and family. This can result in little real choice: a loved one moves to an unfamiliar location further away, or somewhere that the quality of care is not considered to be as good. While this system can give people more choice over care homes, it can also mean that they are compelled to pay top-up fees or face significant disruption to care:

'I was told that unless I contributed £150 per week to my husband's nursing home fees from my only income (my State Pension), he would be moved to the far side of Swansea. So really disruptive of his care and my ability to visit.' (F, 75-79, Swansea)

This is in line with long-running issues Age Cymru has encountered around the perceived 'postcode lottery' of care home costs, with both fees and top-up cost systems varying dramatically by location.

Analysis

Most of the issues raised by unpaid carers in the annual survey revolved around either day-to-day costs or the physical and emotional difficulties of care.

The high day-to-day costs of care are partly linked to wider trends in the cost of living, in which rising prices of utilities and consumer goods are constricting the ability of older people to live in security and comfort. These trends tend to hit unpaid carers more heavily, as caring for someone incurs many extra costs and the carers themselves are often the sole earner in their household. The survey showed that 35% of unpaid carers have reduced their food bill in the last year to cut costs, while 14% have reduced their retirement savings. Carers Wales, meanwhile, has estimated that there are around 311,000 unpaid carers in Wales, most of whom

are older people. Of these, around one third are believed to live in poverty.¹⁷ Other research shows that around 55% of carers in Wales are over the age of 55. Unpaid carers are more like to be female, older and living in more deprived communities.¹⁸

The help available to carers is limited. Uptake of Carer's Allowance is low, even accounting for the obstacle of eligibility criteria. Age Cymru's concern is that not enough people know that help is available or are put off by the complexity of the application. The issue of people not seeing themselves as carers is also a barrier. Coverage of prosecutions linked to Carer's Allowance may also have deterred people from claiming. In some cases, people whose earnings changed from week to week no longer qualified for the payment, but they only found out after building up thousands of pounds in overpayments that then had to be repaid.

Many older people and their families tell us that they are not familiar with the social care charging arrangements that exist in Wales until they need to access care and support services. This often happens during periods of significant change or crisis, when people are already under pressure and trying to navigate difficult decisions. As a result, there can be uncertainty about what support is available, who is responsible for funding different aspects of care, and what costs individuals may be expected to meet.

If you have a disposable income, or savings and investments over £24,000 (excluding the value of your home), you may need to contribute to your non-residential social care costs. The Welsh Government places a £100 weekly cap on these social care charges.¹⁹ This policy helps provide financial certainty once people are aware and understand this limit.

The residential care system in Wales is split between local authorities and private providers. As of April 2026, the average monthly fee for a residential care home in Wales was £5,009, compared to £6,041 for more specialised nursing homes.²⁰ At present, if you hold capital worth over £50,000, you must self-fund care home fees entirely.²¹ If your capital sits below this threshold, the local authority will contribute towards fees, with the amount dependent on your income. Local authorities must leave each care home resident with at least £46.35 per week for personal use.

¹⁷ WPI Economics/Carers Wales, 'Poverty and financial hardship of unpaid carers in Wales' (September 2024), https://www.carersuk.org/media/bvdg2fvh/poverty-and-financial-hardship-of-unpaid-carers-in-wales_web.pdf.

¹⁸ Older People's Commissioner for Wales, 'Understanding Wales's Ageing Population: Key Statistics' (March, 2026). Available at: [Understanding-Wales-Ageing-Population-Key-Statistics-2026.pdf](#) [accessed 3 September 2026].

¹⁹ Welsh Government, 'Charging for social care' (accessed 6 August 2026), <https://www.gov.wales/charging-social-care>.

²⁰ Sarah Munson, 'Paying for a care home in Wales: 2026', [carehome.co.uk](https://www.carehome.co.uk) (20 April 2026), <https://www.carehome.co.uk/advice/care-home-funding-in-wales>.

²¹ Welsh Government, 'Charging for social care' (accessed 6 August 2026), <https://www.gov.wales/charging-social-care>.

Care home fees vary considerably by location and type of care required. There is also the issue of care home availability, which impacts on cost. Those living in areas with fewer homes have less choice, meaning that they may be required to pay higher fees than needed due to a lack of alternatives. The same applies to top-up fees and being compelled by lack of availability to accept homes that incur high top-up fees.

Comment

Care costs are a complex issue, covering a range of different expenses from day-to-day food bills to care home fees. Nonetheless, based on this analysis of annual survey responses, we can ascertain several key concerns.

The first is the higher cost of living pressure faced by unpaid carers, due to both the costs associated with care and the difficulty of maintaining an income while caring. As well as wider changes to insulate older people against sudden price shocks (as discussed above), tackling this issue will also require a more targeted approach to take-up of key benefits and entitlements, mainly Carer's Allowance. This must be accompanied by campaigns to broaden people's understanding of what a 'carer' is, making people realise their own carer status and the help available to them.

The second is the complexity of paying for social care. Although the system of paying for local authority social care is relatively simple, it is often poorly communicated, leading to reluctance to engage. Similarly, aspects of social care that have been outsourced from the local authority to other providers (as in the case of social housing telecare) can seem complex, especially if again communicated poorly. This further reduces social care use, incurring costs for unpaid carers and individuals and pushing them further towards residential or even hospital care.

Residential care is a mixed picture across Wales. While the payment system is simple, the variation in care home availability across the country means that some people face much greater financial pressures than others due to lack of choice.

Policy recommendations

- The UK Government should end the 'cliff edge' of Carer's Allowance whereby carers lose their entitlement if their pay exceeds the earnings threshold, even by a small amount, by introducing a taper system.
- Local authority advice services should be adequately resourced to proactively identify older people and unpaid carers who may be missing out on financial support, and help them access benefits, care-cost support and entitlements.

- All local authorities in Wales need to make sure they are applying fairer charging guidance on social care fairly and consistently. This includes charging relating to care home top-up fees: people should have a genuine choice of care homes and not be compelled to pay top-up fees to achieve this.
- Where social care has been outsourced to private providers, rigorous standards must be maintained to ensure that all changes to social care charging and provision are communicated clearly to all users, by both offline and online methods.
- In the long term, the Welsh Government should pursue a system in which social care services are provided free at the point of use, like NHS services. This would ensure that care is available to everyone and spread the cost of services across the generations, rather than it falling on those people who develop care needs.

Broadband

Broadband has been included in this report because, for most people, internet access is a necessity for daily life - including for work, accessing information, communicating with friends and family, banking, arranging care, booking travel and more. While Age Cymru supports those older people who do not have internet access at home (including through advocacy, campaigning and providing practical training via our local partners), we also recognise that many older people do, and that for them broadband is a regular living cost.²²

By and large, survey respondents had little to say about broadband costs. A small number felt that broadband was expensive, though they praised the service quality.

‘Expensive broadband but television and telephone require this.’ (F, 80-84, Cardiff)

‘Decent broadband speeds but increasingly expensive.’ (M, 70-74, Ceredigion)

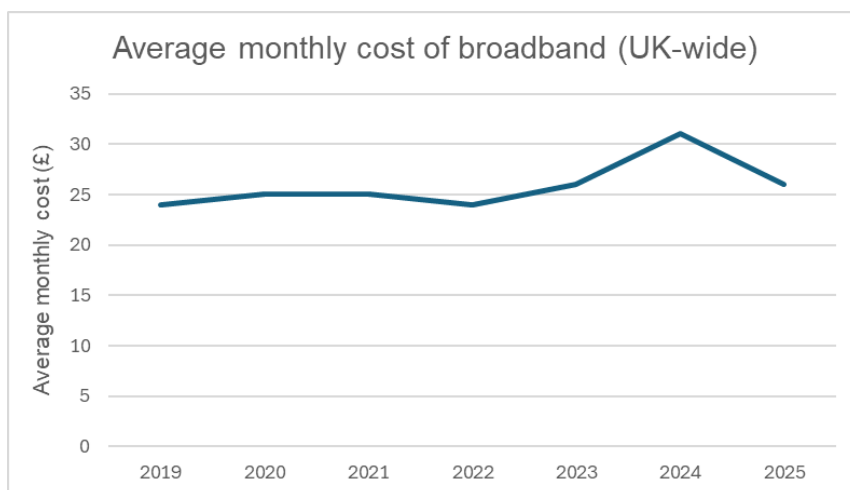
Some suggested that, as broadband had become a living cost like fuel or water, there should be greater availability of reduced tariffs based on need.

‘The internet is not a luxury item anymore but a necessity for living an inclusive life. The elderly should be provided with internet access through broadband or [...] 5G or similar to allow them to access the internet with little or no cost.’ (M, 65-69, Gwynedd)

Analysis

What is immediately apparent from the comments on broadband costs is that, unlike fuel or water, there is no sense of sudden price shocks. The data on the average broadband prices supports this, showing a remarkable stability in recent years:

²² Older People’s Commissioner for Wales, ‘Access Denied: Older people’s experiences of digital exclusion in Wales’ (2024), <https://olderpeople.wales/wp-content/uploads/2024/01/Access-Denied-Older-peoples-experiences-of-of-digital-exclusion-in-Wales.pdf>.



Sources: <https://www.uswitch.com/broadband/studies/broadband-statistics/?msockid=2939ea793d486ba03f6af99f3c706a51>

Of course, the cost of broadband varies considerably by provider, speed and local infrastructure, with rural areas often paying more. Nonetheless, there remains a relative stability when compared to other core living costs.

Of greater concern than price, however, is the debate around whether broadband is an ‘unavoidable’ living cost for people – especially older people, who are often assumed to have less need of, or interest in, internet access. (The latter is an example of digital ageism.) This uncertainty around the necessity of broadband means that, unlike energy or water, broadband providers face less public scrutiny of their behaviour towards customers.

We see this in the use of package deals by broadband providers. These deals include multiple features (e.g. Wi-Fi, mobile phone contract and landline services), which can be helpful to some customers but are an unnecessary burden on those who have no need of the different features.²³ Broadband companies have likewise been accused of poor communication with customers, a failing that deters many people from questioning costs or seeking to switch provider. Evidence suggests that such miscommunication is sometimes used as a deliberate tactic to retain contracts. In July, Ofcom fined Virgin Media £28 million for deliberately mishandling customer calls, thereby creating ‘unreasonable effort, hassle and

²³ Independent Age, ‘Surviving not living: The impact of persistently high household costs on older people living on a low income’ (18 November 2025), https://www.independentage.org/policy-and-research/surviving-not-living?_gl=1*1oluh5u*_up*MQ..*_ga*MTk0MTk5NTQzNS4xNzg5Nzc1MTEz*_ga_TGBBW3PC3T*cZE3ODE3NzUxMTIkBzEkZzEkdDE3ODE3NzUxNjQkajgkbDAkaDA.

difficulty' that would deter customers from going through the lengthy process of switching providers.²⁴

Furthermore, while most broadband providers have social tariffs, public awareness of these is limited. Research by Independent Age in 2025 found that 60% of older people on lower incomes did not know about broadband social tariffs.²⁵

This suggests is that, while broadband costs are reasonably stable, there is still some way to go before broadband is recognised as a 'necessary' living cost for households. The question of the necessity of internet connection in everyday life is an active debate across the world, with the experience of Covid-19 lockdowns pushing many to view broadband as a utility, rather than a consumer product.²⁶

There has so far been little formal recognition of utility status in the UK, with the previous government stating that it would not designate broadband as a utility because this would mean greater regulation and the potential breakdown of the competitive broadband market.²⁷ While this stance may encourage broadband companies to offer competitive pricing, it also shelters companies from the level of scrutiny faced by other utilities providers. This creates space for more exploitative business practices, as well as less obligation for companies to offer direct help to lower-income customers via social tariffs.

Comment

There are some significant differences between broadband and the other everyday living costs for older people in Wales. On the plus side, broadband prices are considerably less volatile than other living costs, remaining relatively stable in recent years where other core costs have spiked intermittently. However, the uncertain position of broadband as a 'necessary' living cost means that neither customers nor providers treat broadband with the same sense of scrutiny and assumed obligation as they do other, more defined utilities.

Put simply, the common assumption is that water and energy are non-negotiable necessities and that people should be helped to access them. This means good quality customer service, reasonable pricing and access to social tariffs (at least theoretically). The necessity of broadband is not so clearly defined, especially for

²⁴ Ofcom, 'Ofcom fines Virgin Media £28m for repeatedly preventing customers from cancelling contracts' (8 July 2026), <https://www.ofcom.org.uk/phones-and-broadband/switching-provider/ofcom-fines-virgin-media-28m-for-repeatedly-preventing-customers-from-cancelling-contracts>.

²⁵ Independent Age, 'Surviving not living' (2025).

²⁶ World Economic Forum, 'These are the places in the world where internet access is still an issue – and why' (5 September 2023), <https://www.weforum.org/stories/all/broadband-no-luxury-basic-necessity/>.

²⁷ UK Parliament, 'Broadband: Question for Department for Science, Innovation and Technology' (tabled on 13 March 2024), <https://questions-statements.parliament.uk/written-questions/detail/2024-03-13/18501>.

older people, meaning that providers can get away with poorer behaviour towards customers and have less incentive to advertise social tariffs.

Two policy solutions arise from this. In the short term, it's important that older people are made more aware of their rights as broadband customers, including the right to report bad business practice and to apply for social tariffs. In the longer term, what is needed is a cultural change towards viewing broadband as a necessity for life in the modern world – as much as access to fuel, water and care. By changing how we (or policymakers) understand broadband, we can ensure that its provision carries the same sense of social obligation as other utilities.

The Welsh Government has increasingly recognised that digital inclusion depends not only on internet connectivity, but also on access to suitable devices and the skills needed to use them, including through its work on the Minimum Digital Living Standard (MDLS).²⁸ With more and more essential services being delivered online, broadband access should be treated as an essential living cost. However, this must not come at the expense of accessible, high-quality offline services for those who need or choose to use them.

Policy recommendations

- Short term:
 - The Welsh Government should work with third and private-sector partners to expand awareness of social tariffs.
 - The Welsh and UK Governments should work with broadband providers to reduce barriers to accessing social tariffs, including through automatic eligibility checks and simplified enrolment processes. Eligible households should be offered social tariffs by default, while retaining the ability to opt for an alternative package if they prefer.
 - The Welsh Government should ensure that checks for social tariff eligibility are routinely incorporated into benefits advice, income maximisation services and local authority support programmes.
- Long term:
 - The Welsh and UK Governments should adopt a consistent policy approach that treats affordable broadband as an essential utility, recognising its importance for accessing public services, managing finances, maintaining social connections and participating fully in society. This should be alongside the provision of accessible, high-quality offline services for those who need or choose to use them.

²⁸ The collection of Welsh Government reports on the Minimum Digital Living Standard can be viewed at: [Towards a Welsh Minimum Digital Living Standard | GOV.WALES](#) .

Conclusions: supporting older people in an unpredictable world

This report has aimed to explore the reasons behind the cost-of-living issues raised in the 2026 annual survey – to establish the ‘why’ behind the ‘what’. Having discussed the survey results relating to four day-to-day costs (fuel, water, care and broadband) and placed them within a wider context, we have seen the emergence of a certain narrative that cuts across different sectors of the economy, impacting directly on the lives of older people in Wales.

Central to this narrative is unpredictability. Recent years have shown the vulnerability of living costs to sudden price shocks, particularly in the case of fuel prices, but also water and Council Tax. These shocks have been caused by a range of factors, including the Iran and Ukraine Wars, the Covid-19 pandemic and climate change. They have also occurred more frequently since 2020, creating an ongoing sense of uncertainty around people’s financial futures that has left, as we have seen, many people unsure as to whether they will be able to pay for the year ahead.

‘I worry about unexpected bill increases, especially as a result of Trump’s war with Iran.’ (F, 65-69, Conwy)

The only cost that seems to buck this trend is broadband, which has remained relatively stable over recent years. This may in part be because it is seen as a consumer good, complete with a high level of market competition between providers, which keeps prices down. However, as we have seen, broadband’s status as a consumer good – rather than a utility like energy or water – has also resulted in weaker regulation and a lack of awareness around social tariffs.

This leads into another aspect of the narrative emerging from the survey: the inadequacy of existing safety nets for those affected by price shocks. This is partly an issue with the benefits system, as many older people are unaware of their eligibility for certain benefits, or are unwilling to apply for them. Too few are applying for Pension Credit, Housing Benefit and Council Tax Reduction, and survey results also suggest that Carer’s Allowance remains underused by older unpaid carers.

Social tariffs are another source of potential help that are not utilised enough by older people, or which vary considerably by supplier. Research shows that many people simply aren’t aware of social tariffs, while in some cases the tariffs don’t meet people’s needs, as in the case of the Advice line caller who moved between water providers and found herself ineligible for her new provider’s social tariff.

Looking ahead

This report has offered a range of policy recommendations designed to protect older people from sudden price shocks and to build resilience to increased uncertainty in the cost of living.

The events of the last six years suggest that price unpredictability is unlikely to disappear any time soon. Since 2020, older people in Wales have seen the costs of fuel, water, care and broadband increase, often with little warning. Changes to core living costs also impact upon wider prices: for example, the increased cost of oil and repeated heat waves experienced in 2026 will likely result in higher food prices in the autumn.²⁹ Life is getting more expensive, and in unpredictable and volatile ways. What's more, there's little that the Welsh or UK Governments can do to stop the root causes of these price shocks when locked into a globalised economy that is at risk of geopolitical and climatological events.

With this limitation in mind, this report has considered what policymakers in Wales (and, to a lesser extent, Westminster) can realistically do to support older people in the face of a more uncertain global economy. In the short-term, it has argued that people must be better insulated against short-term price shocks. Achieving this could mean developing a more streamlined, targeted benefits system, expanding the Nest warm homes programme or instituting a National Social Tariff for water. However, there must also be a long-term strategy to address the inherent unpredictability built into our economic system, to ensure that the foundations of a good life aren't suddenly wrenched away.

Economic volatility may be here to stay, but there are ways for policymakers to adapt to a more uncertain world. By learning how to navigate such uncertainty, we may be able to blunt the impact of price shocks and continue to help older people live happy and healthy lives well into the future.

²⁹ Energy & Climate Intelligence Unit, 'Food prices set to rise by 50% since start of cost-of-living crisis, new analysis shows' (4 May 2026), <https://eciu.net/media/press-releases/food-prices-set-to-rise-by-50-since-start-of-cost-of-living-crisis-new-analysis-shows>.

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