



BDO | Nursing Homes Ireland

Private and Voluntary Nursing Home Survey

Supported by



2023-24

Caring together.
Collaboration and community.



Contents

Forewords	1	Discussion of Survey Results	25
Introduction and Methodology	5	Presentation of Survey Results	26
BDO Highlights Prelude	6	Key Sector Indicators	27
BDO Conclusion	8	Profile of Facilities	28
Highlights	9	Profile of Residents	29
Nursing Homes Ireland	10	Dependency Levels	30
The Irish Nursing Home Sector	12	Occupancy Levels	31
Ireland's Ageing Demographic Profile	13	Financial Performance	32
Ireland's Current Supply	14	Staffing Costs	34
Private Supply Growth 2004–2024	15	Average Salary Levels & Hourly Rates	35
Current Supply Analysis	16	Other Staffing Matters	37
Nursing Home Openings and Closures	17	Other Costs Food, Medical and Other	39
Supply Growth 2022–2024	18	Other Costs Repairs, Maintenance and Capital Expenditure	40
Nursing Home Size	19	Summary Conclusion	41
Demand for Nursing Home Beds	20		
Nursing Home Development Activity	21		
Fair Deal Scheme	22		
Average Private/Public Fair Deal Rates	23		
Health Budget 2025 Overview	24		

Foreword | BDO

by Brian McEnery BDO Managing Partner, and Stephen O’Flaherty BDO Head of Healthcare

BDO are delighted to present the BDO Nursing Homes Ireland Private and Voluntary Nursing Home Survey 2023/2024.

We know this is a highly valued publication for the many and varied stakeholders of the nursing home sector. This is becoming increasingly more relevant now given Ireland’s ageing demographic profile with the estimated population aged 65 and over increasing by 7.4% since the 2022 census and the CSO further estimates that this population cohort will account for 20.1% of the overall population by 2036.

There are a number of findings in this survey which point towards a need for swift strategic action to be taken at the earliest opportunity so as to ensure the long term sustainability of this valued sector to society.

At its core the Private and Voluntary Nursing Home sector is aimed at delivering compassionate and the highest quality of care to our older and often most vulnerable members of society. It is therefore crucial that providers of care are supported to the maximum extent possible by Government in pursuing such aims.

Against a backdrop of a net reduction (17) in the number of nursing homes operating in the country since our last survey, coupled with a marked reduction in planned development activity levels; we call on all sector stakeholders to proactively respond to the findings of this survey.

More specifically we call on Government to revise the assessment criterion for determining Fair Deal (FD) rates along with increasing the prevailing rates so as to stem further Home closures, ensure the sustainability of the current provision and promote additional new capacity to the sector such that future demand levels can be met.

As set out in the Highlights Prelude section of this report, BDO as a firm is positive about the future outlook for the sector and for its various stakeholders. Further in this regard, we hope the findings of this survey proves valuable to all decision makers and stakeholders in the sector, and acts as a catalyst for ensuring required changes are recognised and initiatives actioned for the long term betterment of the sector and society in general.

At its core the Private and Voluntary Nursing Home sector is aimed at delivering compassionate and the highest quality of care to our older and often most vulnerable members of society



BRIAN MCENERY
Managing Partner, BDO
Tel: +353 1 470 0460
Mobile: +353 87 205 3708
Email: bmcenery@bdo.ie



STEPHEN O’FLAHERTY
Corporate Finance Partner and Head of Healthcare, BDO
Tel: +353 61 41 44 55
Mobile: +353 87 056 8156
Email: soflaherty@bdo.ie

Foreword | NHI

by Tadhg Daly Chief Executive Officer, Nursing Homes Ireland

Nursing Homes Ireland (NHI) is pleased to present this important report, commissioned from BDO in Ireland, which provides critical insights into the provision of nursing home care in Ireland.

We are grateful to BDO for delivering a comprehensive survey report that once again serves as both a timely assessment and another warning about the future of nursing home care in Ireland.

With the country's ageing population, there has never been a more pressing need for accurate data to inform the direction of policy and planning. We face serious challenges in the sector, including increasing closures, incessant cost pressures and unprecedented workforce challenges. The sustainability of care provision must be a priority for any new Government, and 2025 brings an opportunity for this essential shift. We need a Government ready to grasp the challenge and secure nursing home care as a core part of the continuum of care that supports care of the older person across Ireland.

This report underscores the financial realities faced by the sector. In 2023 the sector witnessed increased numbers of nursing home closures, highlighting the critical need for fair and sustainable funding. To secure the future of nursing home care, we call on the new Government to publish the long-awaited FD pricing review within its first 100 days and to implement changes

that align the actual cost of care with FD rates. For communities to continue provision of local nursing home care, it is crucial that FD funding reflects the realities of the true cost of high-quality person-centred care.

The resilience of our sector is rooted in the commitment of its people – dedicated staff who care for some of Ireland's most vulnerable individuals. However, resilience has its limits. We need meaningful reform to preserve this vital sector for residents and the staff who serve them in local communities throughout Ireland.

Our recent "*It's Not Fair*" campaign has brought attention to the need for a sustainable, community-focused approach to care. Nursing homes are hubs of health and social care expertise, uniquely positioned to play a central role in Sláintecare's vision of integrated local community care. We urge policymakers to be ambitious, positioning nursing home care as a pillar of Sláintecare to fully integrate care for older persons within the community.

At a macro level, the sector's challenges are underscored by a worrying trend: while private and voluntary nursing homes have managed to add a net 599 beds since our last survey report, they did so amidst net closures of 15 Homes, mostly smaller, community-based Homes. Meanwhile, public bed numbers have declined, adding pressure to the already stretched sector.



TADHG DALY
CEO, Nursing Homes Ireland

As BDO's report confirms, the FD Scheme, while essential, needs urgent recalibration. The criteria for FD rates must be reformed to account for real-time and future cost increases, preventing further closures and supporting the sustainability of the sector.

Nursing homes are hubs of health and social care expertise, uniquely positioned to play a central role in Sláintecare's vision of integrated local community care.

BDO's positive outlook for the sector reflects the determination of all stakeholders to deliver quality care in warm, supportive environments. However, if recent trends continue unchecked, we may see systemic imbalances that disrupt care for the older population.

We hope this report serves as a catalyst for a holistic, collaborative review of nursing home care to ensure its long-term viability. NHI and our Members stand ready to play our part once again.

Tadhg Daly



CEO
Nursing Homes Ireland





Foreword | Bank of Ireland

by Grainne Henson Head of Healthcare, Bank of Ireland

Bank of Ireland is delighted to have collaborated with BDO and NHI on producing this report.

With my own background in this sector, I can sincerely say that it's heartening to see our nursing homes returning to normalcy after a period of incredible turbulence. This resilience is testament to the dedication of operators and the commitment of staff. This report offers a clear view of the current state of the sector and identifies immediate, medium-term, and long-term challenges that operators face.

While it is wonderful that many people are living longer and healthier lives, the demographics outlined in this report emphasise that the role of nursing homes is more crucial than ever. If we are fortunate, we will all reach old age, and we deserve to be treated with dignity, compassion, and respect as we navigate this life stage. Like many aspects of life, we don't fully appreciate the value and importance of a service until we find ourselves in need of it.

My own experience in nursing home management has convinced me that operating a nursing home is a complex endeavour that requires a unique blend of skill, dedication, and compassion to ensure consistent quality care. Staff are the heartbeat of these homes, and the importance of a familiar face cannot be overstated. Residents thrive when their caregivers understand the importance of the little things—like how many sugars they have in their cup of tea, their preferred shade of lipstick, and which Sunday paper they enjoy reading.

While it might sound like a cliché, the little things truly do mean a lot, and in the context of a nursing home, they play a critical role in creating a sense of comfort and belonging. This personal connection enhances quality of life and significantly contributes to happiness and emotional wellbeing, much like the relationships we build with our hairdresser or our GP. Such connections should not be viewed as a 'nice to have' but rather as an essential. Consequently, staff retention becomes critical to maintaining these meaningful relationships and ensuring continuity of care.

The little things truly do mean a lot, and in the context of a nursing home, they play a critical role in creating a sense of comfort and belonging

As the report highlights, there is a marked disparity in the funding between private and public nursing homes operating within the same demographic and governance framework, with funding serving as the primary differentiator. I believe this is the core issue. Equalised funding would make it much easier to offer comparable wages, significantly reducing the incentive for staff to seek employment elsewhere and resulting in greater stability and continuity of care. While there is no panacea for the challenges the sector will face in the coming years, implementing equal funding models would represent a significant step forward.

The report also emphasises the increasing demand for services and a concerning shortfall in future capacity. To address these

issues, we must support and enable small operators to modernise their facilities and incentivise investment and development in the sector. By doing so, this will enhance the lived experience for residents, and ensure everyone has access to the support they need as they age, strengthening the overall healthcare system and promoting a sustainable future for long-term care.

As you read through the following pages, I believe you will find that the report sheds accurate light on a sector that has weathered many challenging times and offers key insights into how the sector can thrive in the future. As the Greek proverb wisely states, "A society grows great when people plant trees in whose shade they will never sit." In this context, we have the opportunity to cultivate a great society by sowing seeds of care and compassion today, ensuring that we will all benefit from the shade of those trees in our later years. Ultimately, our commitment to caring for the elderly reflects our values, compassion, and humanity, guiding us in this endeavour.



GRAINNE HENSON
Head of Healthcare, Bank of Ireland

Introduction and Methodology

BDO and Nursing Homes Ireland are pleased to present our report on the Private and Voluntary Nursing Home Survey 2023/2024.

A comprehensive survey was undertaken in mid 2024, distributing a questionnaire to all registered private and voluntary nursing homes across the country. 100 Homes responded resulting in a 23% response rate which is deemed to provide a representative sample of the population under study. Varying response levels were received from Homes based on query applicability and data availability. This report contains responses or references to individual queries only where a representative number of replies were received.

When referencing findings from the 2023/2024 survey, the data provided pertains to the financial year ending 31 December 2023, or the closest accounting period ending thereto if the responding Home's financial year does not conclude on December 31st. The main goal of the survey is to report on the status of the private and voluntary nursing home sector in Ireland, and to analyse key sector indicators and trends.

Key findings from the survey are summarised herein, with comparisons to the 2020/2021 survey provided where relevant. The figures and financial information provided by respondents and included in this report were not audited by and have not been verified by BDO, but rather have been analysed and presented in contrast to previous survey findings to highlight trends in the sector. Accordingly, the survey results and trends presented herein should not be relied upon to the same extent as audited financial statements. Furthermore, individual Homes can display different trends dependent on amongst others, and including but not limited to; their size, location; resident mix and profile etc.



BDO Highlights Prelude

Increased Supply, Home Closures & Demanding Demographics

The section hereafter depicts the key highlights arising from our survey, with this prelude and the pages following providing both context and further detail. At a macro level, it is noteworthy that the sector as a whole witnessed a net reduction of 17 Homes (34 closures and 17 openings) since our last survey. In relation to the public sector, there has been a net reduction of 2 Homes (4 closures and 2 openings) along with bed closures leading to a contraction of 103 beds, from 5,182 to 5,079. Conversely, the private and voluntary sector has seen a net reduction of 15 Homes (30 closures and 15 openings) however, overall bed capacity has increased by 599 beds, from 26,561 to 27,160. The additional net 599 beds supplied by the private and voluntary sector is noteworthy considering the closure of 30 such Homes; however those that closed had on average 36 beds whilst the 15 new private and voluntary homes had on average 99 beds thereby leading to the net addition to overall bed supply. Furthermore, expansion projects were undertaken in relation to existing Homes which created an additional 195 beds. Whilst it is encouraging to see overall bed supply increase marginally, this must be viewed in the context of our country's ageing population, as detailed below.

Per the Central Statistics Office (CSO) (April 2024), the population aged 65 and over was estimated at 833,400, or 15.5% of the country's estimated population. This is a 7.4% increase on 2022 levels. The estimated population aged 85 and over has increased by 8% over the same period. This demographic trend is projected to continue with the CSO estimating that by 2036 the population aged 65 and over will be c. 1.193 million, equating to 20.1% of the



projected population at that time. This trend will necessitate the continued delivery of increased capacity to the sector. However, with 30 private and voluntary home closures in the past 2 years, significant reform of the sector's funding will need to take place so as to ensure our older population have access to the requisite level of long-term care facilities in their local community.

Fair Deal Rates and Rising Operator Cost Base

The prevailing FD Scheme operated by the HSE is the predominant funder of long-term care in Ireland. The FD Scheme was the basis of reimbursement for 69% of the residents of respondents to this survey. Average FD rates have increased since our 2020/2021 survey, increasing by 14.2% in the period from May 2022 to November 2024. However, the cost base of nursing home operators has also markedly increased with, for example, minimum wage rates alone increasing by 21% over the same period. This trend is also reflected in replies to this survey which note that 51% of respondents did not make a profit in their latest reporting period in 2023. Accordingly, it is clear that the Department of Health (DoH) will need to respond proactively to the findings of this survey and other demographic and sectoral analysis when reviewing the FD scheme so as to stem further Home closures, ensure the sustainability of the current provision and promote additional capacity.

Assessment of Funding Requirements – Call for Change

The findings of this survey reveal a marked and concerning slowdown in development activity levels since 2022. It is in this context that BDO calls upon stakeholders (the Government, the

BDO Highlights Prelude

HSE, the National Treatment Purchase Fund (NTPF), NHI, existing and prospective nursing home operators) to study the findings of this survey carefully to ensure the long-term sustainability of this important sector to our country's health and social care services and older population, and in doing so recognising its importance as one of the key elements in the continuum of care.

BDO believes the Government should consider a review of the assessment criteria for assessing FD rates. Currently, rates are assessed on 4 main criterion; costs reasonably incurred, prices previously charged, the local market and budgetary constraints of the State. We often witness these criteria being applied selectively however and in a retrospective manner, against historic and often outdated financial statements. Significant

Right now and without action we are likely to see a continued slowdown in the delivery of new care facilities

anomalies can arise in the application of, for instance, the local rates charged criterion. Local rates charged are based upon county boundaries by the NTPF. However, in reality, operating costs are not driven by county boundaries and the application of this criterion has been a contributory factor for some Home closures in certain counties such as Galway which has been severely impacted by Home closures over the past two years.

For many operators, 2022 filed accounts, and, or later management accounts would be submitted as part of the FD

rate negotiation process however these would not fully capture current year increases such as the 12% minimum wage increase introduced in January 2024 nor would these address future cost increases such as the further c. 6% increase in the minimum wage rate to be introduced in January 2025, along with pension auto-enrolment costs as a further example. Again, to stem the number of closures in the sector and ease the financial challenges being experienced by some operators we encourage further recognition of future costs (both revenue and capital) to be brought into the negotiation review process, be that via the request (and review) of operator projections or some other mechanism.

New Facilities - Viability Challenges

The previous pages contextualised the future impact of our ageing population. It is clear that new long term residential care (LTRC) bed capacity will be required; however, our report highlights a marked decline in the number of applications for, and grants of planning permission over the past two years. This is a consequence of both high construction costs and current valuation metrics which indicate non viability for many new developments when the prevailing FD rate is applied to assumed occupancy levels and the prevailing costs of care.

Whilst such metrics may increase in the future, right now and without action we are likely to see a continued slowdown in the delivery of new care facilities, which in the context of our ageing population could have potential detrimental impacts for our older population and the wider health sector in the future. Therefore, we call on the Government to enhance its support to the sector through increased FD rates and to consider other innovative initiatives as seen in other sectors where levies and



incentives have been introduced to promote development and which in this case would help new build facilities pass viability tests and thus be successfully delivered into the future. We make this call in the knowledge that the private and voluntary sector has already proven their ability to deliver care at efficient rates, which is further evidenced through the most recent survey findings which highlight that on average public homes are remunerated €640 more (+53%) in weekly FD rates above that of the private and voluntary sectors (and noting this is an increase from €612 in our last survey).

Staffing Pressures

Access to care staff is a key requirement for the delivery of quality care. Currently, in Ireland, staff recruitment and retention remains a challenging area for operators. In particular, overseas recruitment is now a dominant feature of the sector. To alleviate pressures, we encourage the Government to review the 50/50 rule limiting the proportion of Non-EEA employees to 50% of the workforce and to ensure any further increases in the associated minimum pay levels for such staff is compensated for in FD rate negotiations noting that the equivalent hourly pay rate for overseas Non-EEA Health Care Assistant (HCA) staff is set to increase from €13.31 to €14.79 in January 2025 representing a c. 11% increase.

BDO Conclusion

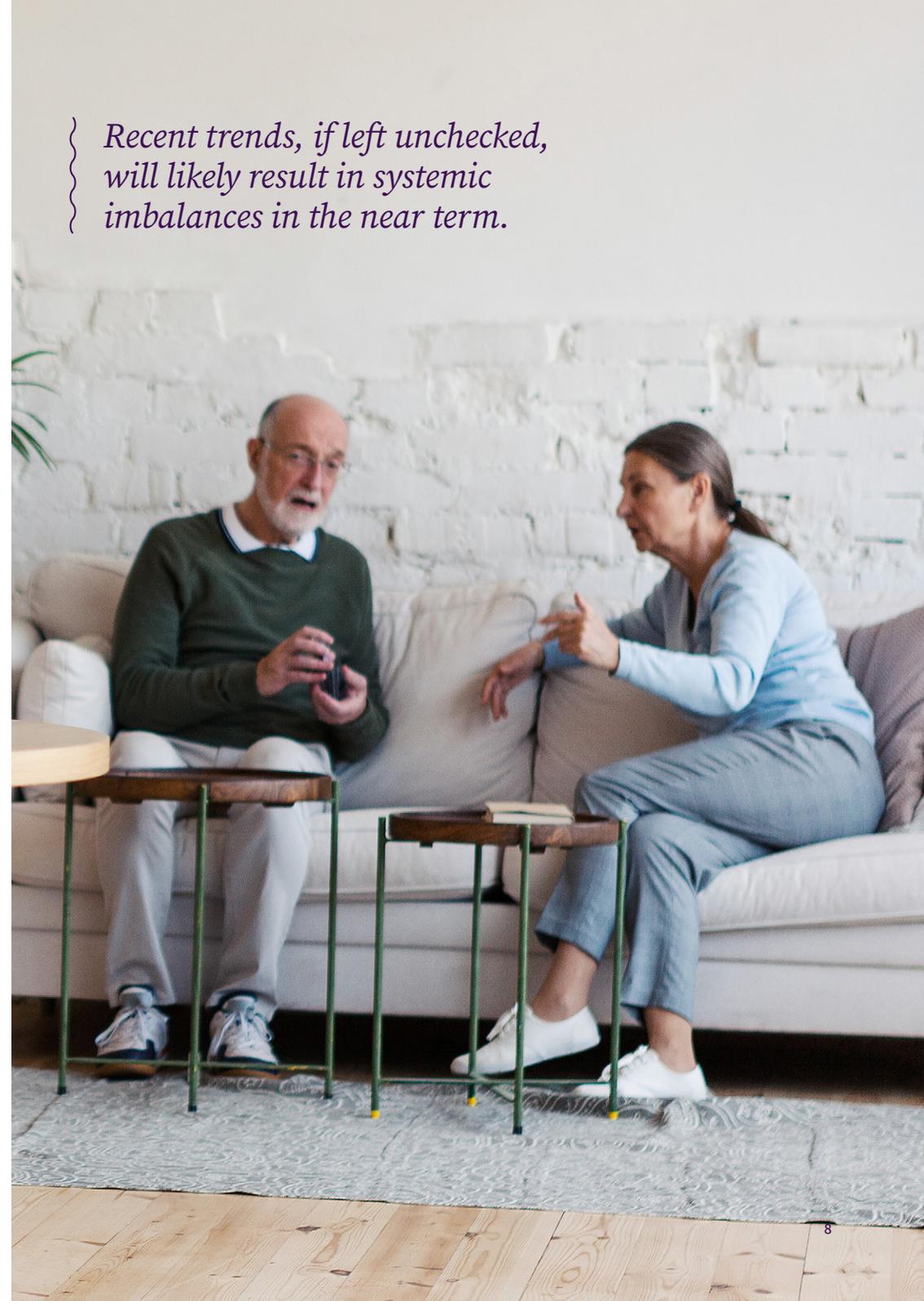
We are delighted to present our survey highlights and results in the pages following and in particular would like to thank NHI for commissioning and Bank of Ireland for their support with this survey.

We would like to thank the many operators who took time to respond and participate in what we hope proves to be a valued analysis of the sector's current dynamics and future needs.

As a firm, BDO is positive about both the outlook for the sector and its various stakeholders. We understand all stakeholders are determined to deliver high quality care in homely care facilities. The sector has dealt with many challenges in the recent past, not least of which being the Covid19 pandemic. As advisors to the long-term care sector for three decades, we are confident that the leadership shown by sector stakeholders will ensure its long-term sustainability and benefit to the population as a whole. We encourage, a holistic all parties review of the sector dynamics and key drivers.

This survey, along with previous iterations demonstrates some worrying trends in the supply of new long-term care beds that cannot be turned on at short notice. Recent trends (if left unchecked), will likely result in systemic imbalances in the near term. We hope the publication of this survey will assist all stakeholders to make informed and appropriate strategic decisions, thereby ensuring the long term sustainability of this valued sector.

Recent trends, if left unchecked, will likely result in systemic imbalances in the near term.



Highlights

Supply*



547

Public, private and voluntary nursing homes.



Net reduction of

17

nursing homes since our 2020/2021 survey (34 closures in total).



Marked reduction in applications for, and grants of planning permission.



32,239

Registered beds in public, private and voluntary nursing homes.



1.6%

increase of the supply of public, private and voluntary registered beds since our last survey (+496 beds).

*As of September 2024.

Staffing



Staff costs

Staff costs on average accounted for

59.1%

of turnover in respondents' Homes; a **1.8 percentage point (pp) decrease** on our 2020/2021 survey.



Staff Turnover

Staff turnover was

36.3%

on average within respondents' homes, representing an 18.5pp increase from our 2020/2021 survey.



Agency Costs

Marked increase to

€1,543

per occupied bed from €1,038 in our 2020/2021 survey.



Non-EEA Staff

Non-EEA staff accounted for

43%

of staff in 2023 in respondents' Homes.

Resident



Occupancy

92.3%

on average during 2023, an increase of 2.5pp compared to our 2020/2021 survey (2023 based on a higher bed supply).



Dependency Levels

A significant **60.9%**

of residents in respondents' Homes were classified under high and maximum dependency levels, an increase of 6.0pp compared to our 2020/2021 survey.



Care Hours

On average

3.74

care hours were provided per resident per day, up from 3.61 in our 2020/2021 survey.



ALOS

Average Length of Stay was

2.48 years

in 2023, down from 3.65 years in our 2020/2021 survey.

Nursing Home Income



Weekly Nursing Home Support Scheme (FD) Rates

The average weekly FD rate nationally as of November 2024 for accommodation in private and voluntary nursing homes was

€1,207

per resident.



Weekly Public Nursing Home Rates

The average weekly rate nationally in May 2024 (latest available) for accommodation in public nursing homes was

€1,846

per resident.



Income Profile

FD income continues to be the dominant funding source at

69%

followed by Other income (including *contract care*, *transitional care beds* and *complex care*) and Private income.

Nursing Homes Ireland

Introduction

NHI is the representative organisation dedicated to representing and supporting the interests of nursing homes across the country. Established with a mission to ensure the highest standards of care for the older persons and vulnerable populations, NHI plays a critical role in shaping policies, advocating for resources, and promoting best practices within the sector.



The organisation serves as a unified voice for private and voluntary nursing homes, fostering collaboration and dialogue among stakeholders, including healthcare providers, regulatory bodies, and the Government. By championing quality care, NHI aims to enhance the well-being and dignity of residents, ensuring they receive compassionate and professional support.

At the heart of NHI's efforts is a commitment to continuous improvement and innovation in elder care. The organisation provides a wealth of resources, training and guidance to its members, helping them navigate the complexities of healthcare regulations and standards. Through its various initiatives, NHI encourages the adoption of evidence-based practices and the integration of new technologies to improve care delivery.

Furthermore, NHI actively engages in public policy discussions, advocating for legislative changes that support sustainable and high-quality care environments. This proactive approach not only benefits the residents but also ensures that nursing homes remain viable and resilient in the face of evolving healthcare challenges.

MISSION

NHI provides a united voice for its members by advocating for high-quality sustainable care and supporting the provision of services to meet evolving needs.

VISION

Nursing homes that contribute to making our country one of the best places to age, and anyone who wants or needs nursing home care will get it and can avail of NHI members' nursing homes.

VALUES

- **Empower** We empower members with up-to-date information and guidance.
- **Influence** We influence policy decisions, using up-to-date evidence and advocacy.
- **Lead** We provide leadership for the sector.
- **Promote** We promote a positive image of the sector and the important role nursing homes play in the provision of health care and social care.
- **Partner** We partner with all our key stakeholders to support the delivery of care.



Quality care to
27,000+
people in over
437+
private and voluntary
nursing homes



90%
of all private and voluntary
nursing home beds as
NHI members



Provide almost
35,000
direct employment



Reducing pressure on
acute hospitals and the
health budget, with private
and voluntary home care
1/8 of the cost of an
acute hospital stay

Nursing Homes Ireland

NHI Strategy 2024–26



Highlighting the voice of residents and members to enable better, care-led experiences for all.

We amplify the voice of residents and members, placing people at the heart of everything we do. As the national representative organisation and leading voice, we pledge to uphold our position as active advocates, embracing the direct voice of residents, championing a care-first philosophy, and responding to the evolving needs and challenges of our members.

Organising internal processes, support structures and governance mechanisms to develop improved ways of working.

We enhance and refine internal systems to develop improved ways of working, resource sharing, governance, and financial planning, continuously identifying opportunities to enhance our day-to-day operations. By aligning policies and processes with the needs of members and residents, we embed the principles of care into our organisational DNA.

Motivating the Government, policymakers and society at large through advocacy, knowledge-sharing, and strategic collaboration to drive vital change.

As a trusted, omnipresent resource for nursing homes, we are uniquely positioned to lead the national conversation and build a more robust and responsive sector. Through proactive advocacy, knowledge-sharing, relationship-building and strategic collaborations with key policy stakeholders, we aim to influence, inform, and lobby for imperative and meaningful action.

Engaging members at all levels to ensure everyone feels truly valued, supported, and represented.

We actively involve members at all levels, working collaboratively to move Ireland forward as an exemplar in older person care. By enhancing engagement structures and empowering members' voices, we ensure their experiences mould the development of future services. As our members provide 24/7 specialist care to residents, we will continue to support their needs while finding new ways to build our community and broaden the reach of our services.

Shaping the provision of care for our ageing population to make Ireland one of the best places to age.

As the unifying voice of Irish nursing homes, we commit to advancing the sector to enable an integrated, sustainable, and appropriately resourced model of care. Through impactful advocacy, thought leadership, strategic lobbying, and robust support services, we are working with members to create a system that is responsive and respectful of the needs of our ageing population, ultimately shaping Ireland into one of the best places to age.

The Irish Nursing Home Sector

Nursing Home Sector Overview

The private and voluntary nursing home sector in Ireland has undergone significant evolution over the past few decades, driven by shifting demographics, social changes, and policy developments. The introduction of various Government policies and funding schemes has played a crucial role in regulating and supporting the sector. Notable among these is the Health (Nursing Homes) Act 1990, which established regulatory standards for private nursing homes.

In 2009, the FD scheme (Nursing Home Support Scheme Act 2009) was introduced to enhance the accessibility and affordability of nursing home care, offering financial assistance based on means testing which has evolved over the years.

Also in 2009, the Health Information and Quality Authority (HIQA) commenced independent inspections of all nursing homes in Ireland. HIQA was established with a statutory mandate as outlined in the Health Act 2007 and its remit includes the development of standards for health and social care services.

In 2024, the Commission on Care for Older People was established, tasked with examining the health and social care services and supports provided to older individuals across the continuum of care. The Commission was established after the Programme for Government “*Our Shared Future (2020)*” noted the disproportionately negative impact of the pandemic on older persons. The Commission is also responsible for making strategic development recommendations for these services. In response to a survey issued by the Commission, NHI made a submission in November 2024 to share their insights into



the sector and to underscore the urgent need to address the current policy deficit in nursing home care. Additionally, NHI is represented on a Commission on Care for Older People Reference Group.

Policy changes over the decades have led to significant growth in the private and voluntary nursing home sector, which has become the largest provider of nursing home care in Ireland. This growth has resulted in a substantial increase in the number of available beds, with the private and voluntary sector now accounting for 84% of the nursing home bed supply.¹

Modern nursing homes are increasingly sophisticated, offering a wider range of facilities and the capability to meet more complex care requirements. Historically, this sector was predominantly managed as small family businesses or operated by Religious Orders. The sector has in more recent times seen the increase of multi-site operators driven by significant investment from both real estate investment funds and international operators of scale.

Note: (1) Based on the September 2024 HIQA bed register.

In Ireland nursing home care is principally regulated by the following legislation:

- Health (Nursing Homes) Act 1990 (as amended)
- Nursing Homes (Care and Welfare) Regulations 1993
- The Health Act 2007 (as amended)
- Care and Welfare Regulations as amended – Health Act 2007
- Registration Regulations – Health Act
- Nursing Homes Support Scheme Act 2009
- National Standards for Residential Care Settings for Older People in Ireland 2016 (as amended)
- S.I. No. 415/2013, - Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) Regulations 2013
- S.I. No. 61/2015, Health Act 2007 (Registration of Designated Centres for Older People) Regulations 2015
- National Standards for infection prevention and control (IPC) in community services (2018)
- S.I. No. 293/2016 - Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) (Amendment) Regulations 2016
- Patient Safety (Notifiable Incidents and Open Disclosure) Act 2023
- Health (Miscellaneous Provisions) Act 2024.

Ireland's Ageing Demographic Profile

The population aged 65 and over is a key demographic metric when seeking to estimate the requirement for nursing home beds in a country due to the increasing medical dependency of people as they age.

Figure 1 opposite illustrates the current population trends in Ireland and Figure 2 shows the projected increase in population aged 65 and over to 2036.

Arising out of this analysis, it is a likely scenario that by 2030 the number of persons aged 65 and over will have increased to more than 1 million (applying CSO estimates).

Such increases will result in increased demand for nursing home beds, and thus ongoing increased supply requirements. It is therefore essential that the sector is supported over the coming years to deliver the growth in supply required.

Figure 1. Ireland's Current Population Estimates (April 2024)



5,380,300

total population

+4% since 2022
and +13% since 2016

833,400

15.5% of the population is aged 65+

+7% increase since 2022
and +31% since 2016

91,200

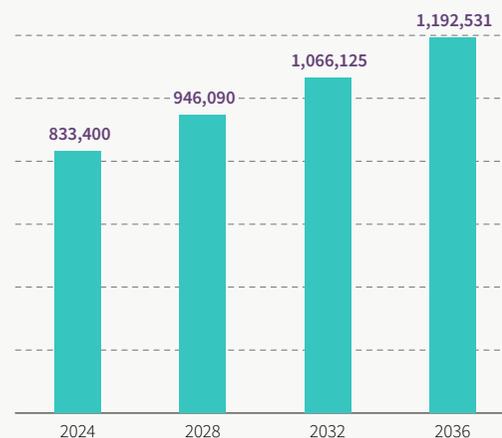
1.7% of the total population aged 85+

+8% increase since 2022 and
+34% since 2016

Projections - Population Aged 65 and Over

The graph presented in figure 2 illustrates the anticipated population growth of those aged 65 and over in Ireland, as forecasted by the CSO.* The data indicates a notable upward trend in this demographic, with a Compound Annual Growth Rate (CAGR) of 3.03%.

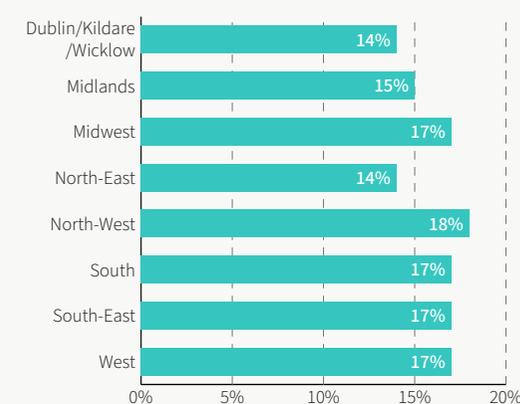
Figure 2
Projected Population Aged 65+



Population Aged 65 and Over by Region

Figure 3 displays the population aged 65 and over (as of April 2024) by NHI region. As can be seen, the North-West of Ireland (Donegal, Leitrim, Sligo) comprises the largest percentage of individuals aged 65 and over.

Figure 3
Percent of Population Aged 65+ By Region 2024



Note: *CSO 2022 projection data adjusted for difference between 2022 data and the more recent April 2024 population data.

Ireland's Current Supply

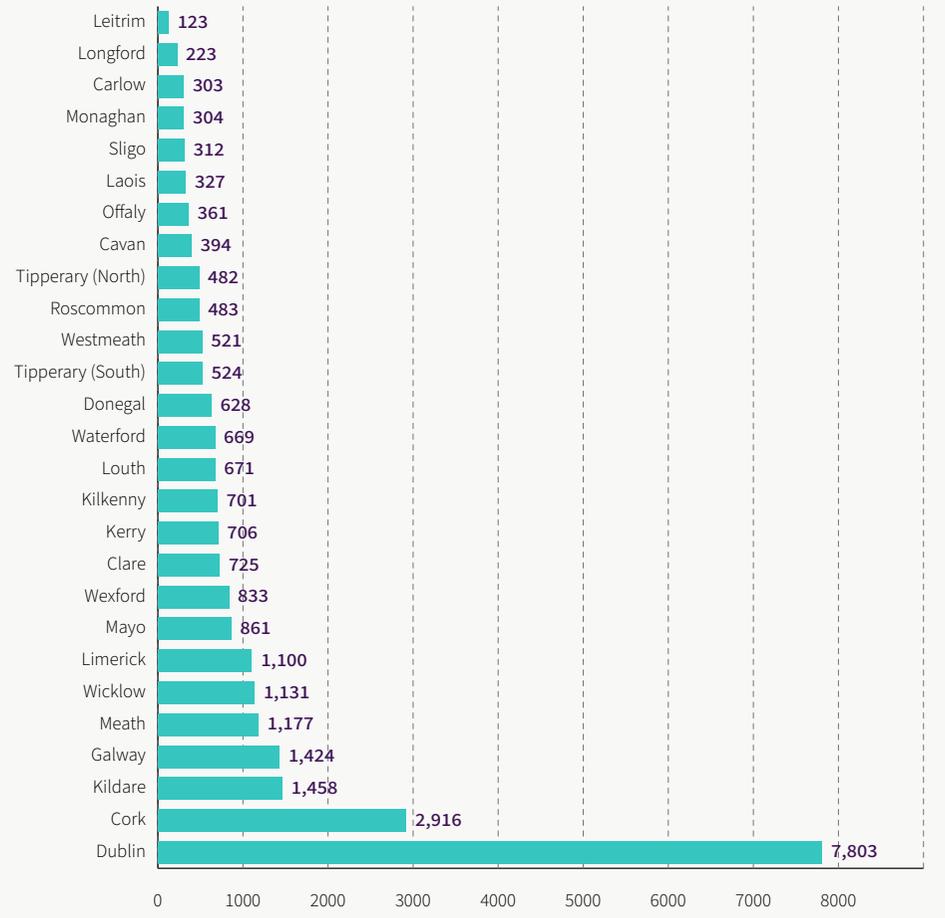
Public, Private and Voluntary

In the country there are currently **32,239** nursing home beds of which **5,079** beds are operated by the HSE with the balance (**27,160**) operated by private and voluntary nursing homes.

Figure 4 opposite shows the concentration of the private and voluntary beds in the country by county.



Figure 4
Number of Private and Voluntary Beds



50% of the supply is largely concentrated in **Dublin, Cork, Kildare and Galway** which is broadly trending with the population density in the country.

The current bed supply would imply a **3.9%** (**32,239/833,400**) supply to the estimated population aged 65 and over. However, this calculation does not account for regional disparities in demand and supply, which can vary significantly across different areas.

Additionally, factors such as socioeconomic status, health trends, and local policies on elder care can further influence the actual need for nursing home beds.

Therefore, while the national average provides a useful benchmark, a more granular analysis is essential to ensure that resources are allocated efficiently and equitably across the country.

Private Supply Growth 2004–2024

According to the latest HIQA Bed Register (September 2024), the total number of private and voluntary beds in the country was 27,160, spread across 437 private and voluntary nursing homes. This represents a 65.0% increase in the number of private and voluntary beds available over the past 20 years.

Nursing Home Supply Growth

The pattern of growth in the supply of private and voluntary beds over the past 20 years is shown in Figure 5. The CAGR of nursing home beds was 2.5% between 2004 and 2024. In the twenty-year period to 2024 there was a 10,699 increase in the supply of private and voluntary beds (a 65.0% increase in supply).

Interestingly, when comparing the CAGR with 2004 as the base year, we see much of the increase in bed supply leading up to the 2009 “Great Recession”, followed by decreased new bed supply in the country year on year and as of today private and voluntary beds are experiencing the lowest year on year growth on a CAGR basis.

This trend can likely be attributed to the inflationary environment the sector has faced over the past few years and consequential financial challenges being experienced by operators, as evidenced in this survey. Additionally, the discrepancy between nursing home construction costs and valuation metrics (primarily predicated off prevailing FD and occupancy rates) infers viability concerns for new build projects based off current rates.

Figure 5
Supply Growth of Private and Voluntary Beds (2004 - 2024)



Current Supply Analysis

Public, Private and Voluntary

Figure 6 opposite shows the estimated number of persons aged 65 and over per public, private and voluntary bed based on CSO 2024 population figures.

Information on the supply of public, private and voluntary beds is based on the number of nursing home beds registered with HIQA.



Supply vs Current Population

Figure 6 opposite shows the estimated number of persons aged 65 and over (based on CSO 2024 estimates) per nursing home bed.

Currently, there is one nursing home bed for every 25.9 people aged 65 and over. The North-West Region has the fewest beds (one per 31.5 people), while the Dublin/Kildare/Wicklow region has the most (one per 23.8 people).

Compared to our 2020/2021 survey, where there was one bed per 24.2 people, the availability of beds per the population aged 65 and over has decreased due to older population growth outpacing bed growth. This is despite the fact the private and voluntary sectors have added 599 beds since 2022, whilst noting public beds have decreased by 103.

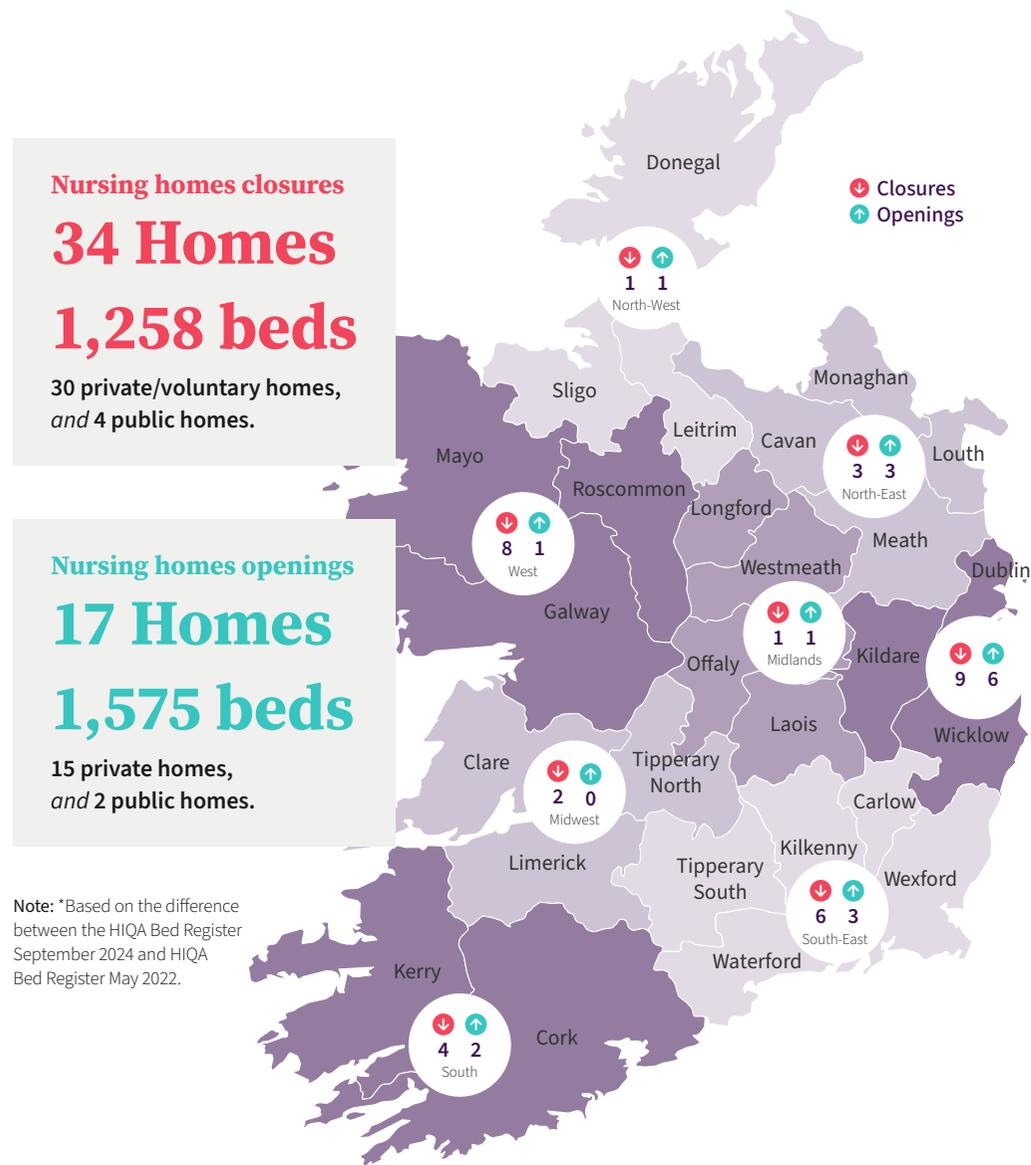
However, and somewhat more concerning is that there has been a net reduction of 17 public, private and voluntary nursing homes since our last survey (**34 Home closures with 17 new Homes**) as set out in more detail on the page following.

Region*	Population ≥65 (2024)*	Private and Voluntary Beds	Population ≥65 per Private and Voluntary Bed	Public Beds	Total Number of Beds	Population ≥65 per Bed
Dublin/Kildare/Wicklow	269,468	10,392	25.9	941	11,333	23.8
Midlands	49,900	1,432	34.8	375	1,807	27.6
Midwest	75,046	2,307	32.5	413	2,720	27.6
North-East	75,412	2,546	29.6	398	2,944	25.6
North-West	51,420	1,063	48.4	569	1,632	31.5
South	128,700	3,622	35.5	1,153	4,775	27.0
South-East	95,554	3,030	31.5	601	3,631	26.3
West	87,900	2,768	31.8	629	3,397	25.9
Total	833,400	27,160	30.7	5,079	32,239	25.9

Figure 6

Note: *CSO 2024 regional data estimates, proportionally adjusted to align with NHI Regions based on CSO 2022 population data by county.

Nursing Home Openings and Closures*



Supply Growth 2022–2024

According to the latest HIQA Bed Register (September 2024), the total number of beds in the country was 32,239, spread across 437 private and voluntary nursing homes and 110 public facilities.

The detailed distribution of these Homes and beds is provided in Figure 7 opposite.

The number of private and voluntary beds has increased from 26,561 in 2022 to 27,160 in 2024 (a 2.3% increase). The North-East region experienced the greatest relative increase in bed supply (+13.2%) and the West experienced the largest decrease in bed supply over this period (-6.2%).

The number of public beds has decreased by 2.0% over the same period. The Dublin/ Kildare/ Wicklow region experienced the largest decrease in public beds during the period (-14.4%) and the South-East region experienced the largest increase in number of public beds (5.1%).

While there has been an increase in the total bed supply, there has been a

significant net reduction in the total number of nursing homes across the country by 17 (a 3.0% decrease). The West experienced the greatest decrease in private/voluntary nursing homes with seven Home closures over the period. The Dublin/ Kildare/ Wicklow region experienced 2 closures of private/voluntary homes and one closure of a public home.

A 2024 report published by HIQA¹ found that nursing homes in Ireland are growing in size and are catering for larger number of residents whilst in contrast, smaller nursing homes are ceasing operations due to a variety of challenges which we explore further within this report.



547

Total Public, Private and Voluntary Homes (-3.0% since 2022)



32,239

Total Public, Private and Voluntary Beds (+1.6% since 2022)

HSE Area	Private and Voluntary Homes 2022	Private and Voluntary Homes 2024	% Change in Private and Voluntary Homes	Public Homes 2022	Public Homes 2024	% Change in Public Homes	Private and Voluntary Beds 2022	Private and Voluntary Beds 2024	% Change in Private and Voluntary beds	Public Beds 2022	Public Beds 2024	% Change in Public Beds
Dublin/ Kildare/ Wicklow	137	135	-1%	15	14	-7%	10,072	10,392	3%	1,099	941	-14%
Midlands	21	21	0%	9	9	0%	1,356	1,432	6%	375	375	0%
Midwest	46	44	-2%	9	10*	30%	2,334	2,307	-1%	428	413	-4%
North-East	37	38	3%	10	9	-10%	2,250	2,546	13%	389	398	2%
North-West	22	21**	-5%	14	14	0%	1,055	1,063	1%	551	569	3%
South	66	64	-3%	27	27	0%	3,572	3,622	1%	1,105	1,153	4%
South-East	61	58	-7%	11	11	-20%	2,972	3,030	2%	572	601	5%
West	63	56	-11%	16	16	0%	2,950	2,768	-6%	663	629	-5%
Total	453	437	-4%	111	110	-1%	26,561	27,160	2%	5,182	5,079	-2%

Figure 7

Notes: *The increase in public homes in the Midwest is not due to an increase in the number of nursing homes; rather, it reflects a change in the registration of one Home from one registered unit in 2022 to two units in 2024. Overall, there was a net 2 Home reduction in the public sector in the period. **The reduction in private homes in the North-West is not due to the closure of a nursing home; rather, it reflects a change in the registration of one Home from two registered units in 2022 to a single unit in 2024. Overall, there was a net 15 Home reduction in the private sector in the period. (1) 15 Years of Regulating Nursing Homes, HIQA, 2024.

Nursing Home Size

Figure 8 outlines the distribution of Homes categorised by size and highlights that the majority of same comprise 60 or more beds.



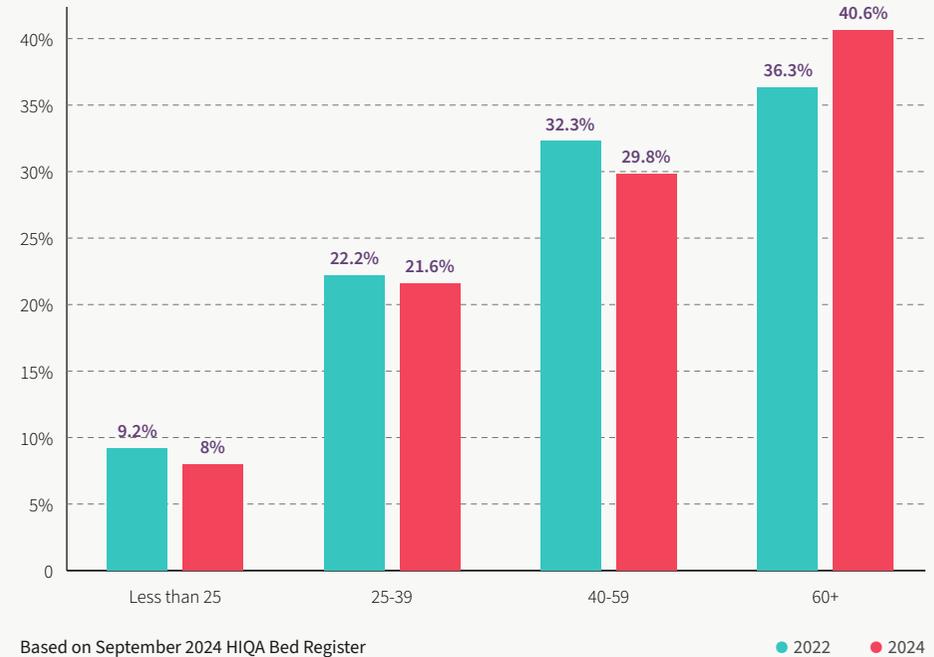
Size of Nursing Homes

As referred to earlier, the total number of beds in the private and voluntary sector has increased from 26,561 in 2022 to 27,160 in 2024 (2.3% increase). During the same period, the total number of nursing homes in operation decreased by 3.0%. This trend indicates the increase in supply has come via expansion of existing Homes and the development of new larger Homes.

Figure 8 opposite illustrates the distribution of nursing homes by size. As can be seen, 8% of Homes in the country currently have fewer than 25 beds, representing the smallest proportion. Conversely, Homes with over 60 beds constitute the majority at 40.6%. This aligns with findings by HIQA¹ and the ESRI² that Homes are growing in size due to investment, efficiencies, consolidation and changes in the ownership structure.

Notes: (1) 15 Years of Regulating Nursing Homes, HIQA, 2024. (2) Long-term residential care in Ireland, Developments since the onset of the Covid19 pandemic, Brendan Walsh and Sheelah Connolly, ESRI, 2024.

Figure 8
Nursing Home Size



Demand for Nursing Home Beds

Figure 9 presents the estimated number of individuals aged 65 and over for the year 2024, along with projections to 2036. This data, sourced from the CSO as of April 2024, has been analysed and categorised by NHI region.

Population and Demand

According to CSO estimates as of April 2024, the population has grown to approximately 5,380,300, with persons aged 65 and over increasing to 833,400.* This signifies a notable increase of 7.4% since the 2022 census. Projections indicate that by 2036, the population aged 65 and over will rise considerably to approximately 1,192,531.

In order to ensure that appropriate types of care are available to meet the diverse needs of the growing population aged 65 and over, a multifaceted approach is required from the Government.

There has been an increased focus on home care by the Government as is evidenced in recent health budgets and the pending introduction of a Statutory Home Support Scheme. BDO welcomes this enhanced support in terms of home care as it provides opportunity, where medically appropriate, to maintain care in the community for longer periods. This is beneficial for both the recipient and overall health sector. However, this type of care is not suitable for all, and residential care is required for those whose care needs can no longer be provided for in the home.

As evidenced by survey findings, occupancy levels are at an all time high, increasing from 89.8% in 2020 to 92.3% in 2023 despite private and voluntary bed numbers growing by 2.3%. Further, with increasing community-based care, it is a likely scenario that individuals are entering nursing homes at higher dependency

NHI Region	Estimated Population ≥ 65 Extrapolated 2036**	Estimated Increase to 2036**	Estimated Population ≥ 65 2024*	Estimated Increase 2024	Population ≥ 65 2016
Dublin/Kildare/Wicklow	395,239	47%	269,468	31%	205,574
Midlands	75,822	52%	49,900	33%	37,393
Midwest	102,888	37%	75,046	31%	57,272
North-East	114,961	52%	75,412	35%	55,906
North-West	71,431	39%	51,420	25%	41,022
South	179,576	40%	128,700	30%	98,877
South-East	134,403	41%	95,554	31%	72,965
West	118,212	34%	87,900	28%	68,558
Total	1,192,531	43%	833,400	31%	637,567

Figure 9

levels therefore requiring increasing levels of care. We see this correlation in the survey results with high and maximum dependency levels rising to 60.9% in 2023, a 6.0pp increase compared to the 2020/2021 survey.

Although it is evident from this demographic analysis that demand for nursing home beds will increase into the future, concerningly there has been a net decrease of 17 Homes across the sector since our last survey. Additionally, the closure of Homes has not been regionally uniform with a larger proportion of

closures in the Southern and Western regions even though there is strong population growth expected in these regions.

Also, and as referenced earlier, the discrepancy between nursing home construction costs and valuation metrics (primarily predicated off prevailing FD rates and assumed occupancy rates) infers viability concerns for new build projects based off current rates and without some action to promote new development, new builds are likely to remain subdued.

All of this supports the view that significant development of funding, and care structures is essential to meet the demands of the growing ageing population. Whilst other forms of care are supported, and very much encouraged within the overall care continuum, there is a clear requirement for further supports and investment into the long-term residential care sector.

Notes: *CSO 2024 regional data estimates, proportionally adjusted to align with NHI Regions based on CSO 2022 population data by county.

**2036 estimates extrapolated based on adjusted CSO 2022 population projections, and thereafter allocated on a regional basis based on 2016 breakdown information.

Nursing Home Development Activity

Building Information Ireland (BuildingInfo), one of the leading providers of researched construction project activity across the country, has contributed for a second year to our survey providing insights into the level of the construction activity in the nursing home sector.

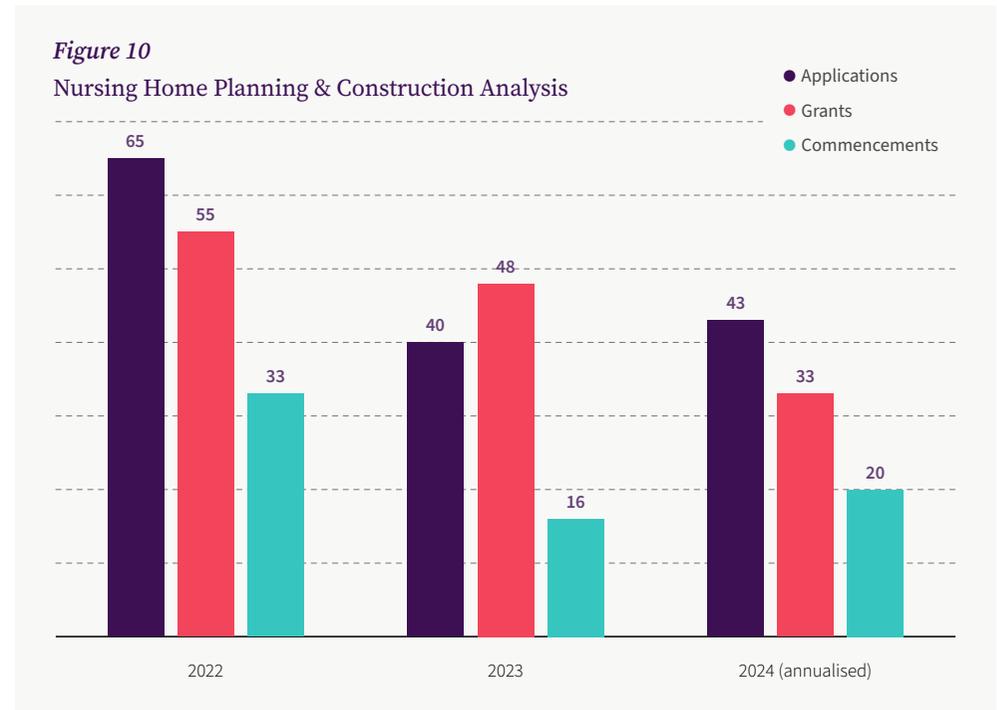


Analysis by *BuildingInfo* found that construction activity in the sector has decreased over the period between 2022 and 2024 as illustrated in *Figures 10 and 11* opposite.

2024 (data to Q3 annualised) is showing signs of improvement compared with 2023 in terms of applications and commencements however, the number of grants of approval is down 31%. The grant approval decrease in 2024 is likely due to the fact that it takes approximately 1 year for a planning decision to be made on projects of this nature, and grants of approval in 2023 were based on 2022 applications where the volumes were higher.

It is important to note that this construction activity does not solely relate to new builds with a material element also relating to extension/alterations. Nevertheless, the data points to a concerning reduction in activity levels since the last survey.

BDO believes that prevailing FD rates are not sufficient in many cases to incentivise the building of new Homes with construction costs coming in higher than valuations which are heavily influenced by FD rates. Thus, and without some intervention (either through increased FD rates and/or new-Home development incentives), BDO believes new build commencements are likely to remain subdued in the short to medium term.



	Applications	Grants	Commencements
2022	65	55	33
2023	40	48	16
2024 (Q1 - Q3 Annualised)	43	33	20
Variance ('24 annualised vs '23) est.	8%	-31%	25%

Figure 11

Fair Deal Scheme

The FD Scheme, which began on October 27, 2009, offers financial support for individuals needing long-term nursing home care.

Under this scheme, residents contribute towards the cost of their care, with the State covering the remaining balance (see Figure 13). Since its inception in 2009, the Scheme has developed and introduced a number of

changes in order to support participants. There have been amendments introduced over the past 2 years and same are discussed in Figure 13.

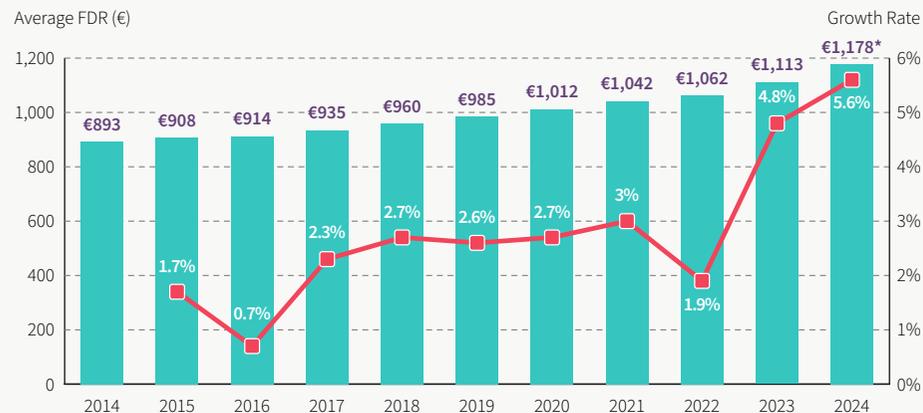
The average FD rate has increased at a CAGR of 2.8% over the past 10 years; however, as can be seen in Figure 12, in recent years FD rate increases have been larger in an attempt by the NTPF to compensate operators for cost increases relating to general inflation

and increased labour costs (many being state imposed e.g. minimum wage, sick leave and pension auto enrolment).

Whilst average FD rates have increased by c. 12% between 2021 to 2024, CPI has increased by circa 15%. Furthermore, CPI is not sector specific but rather measures the prices paid by consumers for a basket of goods, with nursing homes being more exposed to direct increases such as labour cost rises, and energy price increases. Indeed, the majority of respondents have referenced rising inflation/costs pressures among their biggest challenges when replying to the survey, with respondents also referencing insufficient FD rates among their biggest challenges.

A recent study by the ESRI (2024)¹ highlighted a trend of separation between ownership and care provision and found some private LTRC homes are owned by one entity (real estate owner – ‘PropCo’, who generally are REIT’s) but care is provided by a separate entity (operator – ‘OpCo’). This trend has also been identified in this survey with 46.9% of respondents reporting such structures.

Figure 12
Average Fair Deal Rate



*Based on average of the average FD rates from January 2024 to November 2024.

Figure 13

Single Person Contribution

80%

of assessable income (income received on a regular basis minus deductions²)*

*The first €36,000 of your assets is excluded from the assessment.

7.5%

of cash and non-cash assets² (e.g., savings, stocks, land)

Recent Amendments

- Residents can now apply to have 100% of the rental income from their family home exempt from assessment. This represents an increase from the previous 60% and prior 20%.²
- The 3-year cap, which limits the inclusion of some assets included in the calculation of a resident’s cost of care to 3 years, was amended in 2021 to include family farms and businesses if a family successor committed to working the farm or business. New proposals are to expand successor eligibility to extended family members.²

Notes: (1) Long-term residential care in Ireland, Developments since the onset of the Covid19 pandemic, Brendan Walsh and Sheelah Connolly, ESRI, 2024. (2) Financial assessment: How much you pay towards care, HSE.

Average Private/Public Fair Deal Rates

Figure 14 opposite shows the average FD rate by county for both public and private homes.

The country average FD rate as of November was €1,207 a €150 (or 14.2%) increase since our last survey (which referred to May 2022 FD rates). Dublin has the highest average FD rate at €1,335 while Donegal has the lowest average FD rate at €1,125.

Since our last survey, county Westmeath has experienced the largest average FD rate increase with FD rates increasing from €962 in May 2022 to €1,136 in November 2024, an 18.1% increase. Dublin has experienced the lowest average FD rate increase over the same period with rates increasing from €1,235 to €1,335 (8.1%); however, as mentioned, Dublin has the highest average FD rate in the country which is likely contributing to the lower average increases.

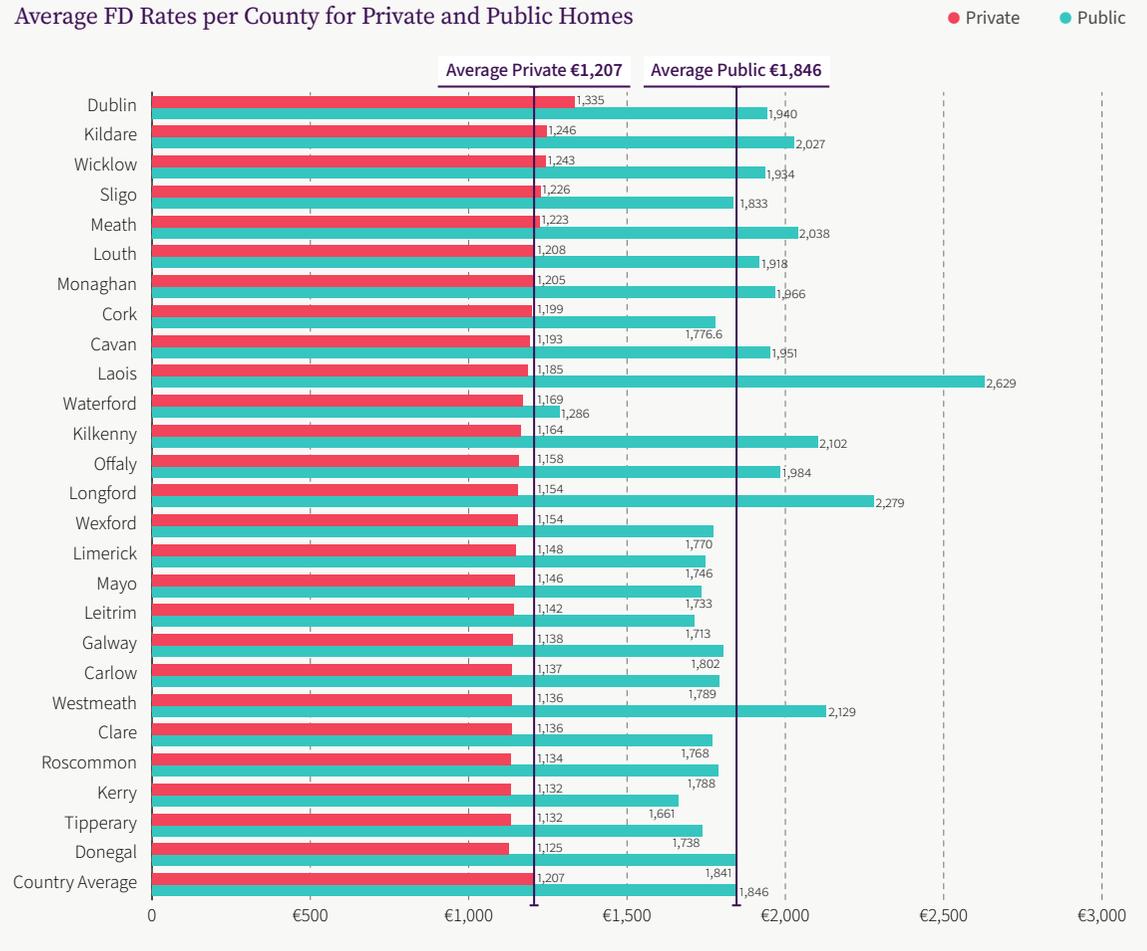
Figure 14 also displays the average public rates by county. As can be seen from the chart opposite, without exception, the published weekly rates for publicly provided accommodation under the FD continue to exceed weekly rates for privately provided accommodation in every county in Ireland.

It is worth noting that on average across the country there is a c. €640 disparity between the average public rate and private rate across the country in November 2024. This equates to a 53% higher rate for public homes and represents an increase of €28 since our previous survey which found the disparity between public and private rates to be €612 per week.

Taking a 60-bed Home as an example, this would infer that a public home receives on average c. €2,000,000 (€640×60×52) in additional revenues via the Nursing Home Support Scheme above that received by private/voluntary operators.

Figure 14

Average FD Rates per County for Private and Public Homes



Health Budget 2025 Overview

In October 2024, the Minister for Health announced a record €25.8 billion budget for the delivery of health services in 2025. This represented an overall increase of €2.94 billion on the 2024 allocation, recognising the challenges of inflation and the increased demand on services due to a growing and ageing population.¹

Some of the announced changes (outlined opposite) will take effect immediately. Others will come into effect in January 2025 or later in the year. Many measures still need to be finalised before they can be implemented. Some aspects of these measures may be altered when the necessary legislation to enact them is passed.

BDO Comments:

BDO welcomes the **€62m increase** in funding allocated to the FD scheme.³ However, this represents just **5.3% of an increase**, while operators have faced a c. **12% increase** in minimum wage in January 2024 and are bracing for an additional c. **6% increase** scheduled for January 2025.

This is compounded by enhanced sick pay obligations and the new pension auto-enrollment obligations commencing in 2025, along with broader inflationary pressures within the sector, particularly related to the living wage and competition from other industries.

Accordingly, there is concern that this increase will not be sufficient to remunerate providers appropriately. It is noteworthy that in relation to the profitability question in our survey, **51% of the respondents advised they did not make a profit in 2023.**



An additional €349 million has been secured for older persons services in 2025. This is the largest ever budget for older persons services with almost €3 billion allocated to maintain and further enhance older persons services.²



An extra €62 million³ has been secured for nursing homes to support the FD scheme and help nursing homes to meet rising costs. This increases the budget from €1.161bn⁴ in 2024 to €1.223bn in 2025, a 5.3% increase. A further €10 million was also announced for a Scheme focusing on improving compliance with Regulation 17 (Premises).⁵



Over €120 million will go to home support services, to help older people live in their own homes for as long as possible.

This aims to deliver 24 million home support hours to almost 60,000 people in 2025.²



Providing enhanced services for people with dementia continues to be a priority and an additional €2.3 million in funding has been allocated to improve access to diagnostics and supports for people with dementia.²



Increase in the provision of transitional care funding and transitional care complex funding by €37 million in 2025 to make sure that older people receive the nursing home care they need leaving hospital.²

Notes: (1) Ministers for Health announce record €25.8 billion budget for the delivery of health services in 2025 – Gov.ie. (2) Minister for Mental Health and Older People announces Budget 2025 funding increases – Gov.ie. (3) Health Budget 2025, DOH. (4) National Treatment Purchase Fund, Dáil Éireann Debate, Wednesday, 18 September 2024. House of the Oireachtas. (5) Minister for Mental Health and Older People highlights significant progress in delivering key reforms for nursing home care - Gov.ie.

nhi

Discussion of Survey Results

Presentation of Survey Results

Survey Period

Following on from our 2020/2021 survey, we undertook this survey in mid 2024. We received a total of 100 responses from private and voluntary nursing homes across the country. We would like to take this opportunity to thank every respondent for their effort in completing this year's survey.

We now present the results of the survey over the following pages. The data provided in the survey pertains to the financial year ending 31 December 2023 or the closest accounting period ending thereto if the responding Home's financial year does not conclude on December 31st.

Whilst noting that the strong response rate of 23% is deemed an adequate representative of the overall population under study, individual Homes can display different trends dependent on, but not limited to, their size, location; resident mix and profile etc.

Regional Analysis

In order to provide a meaningful regional analysis and to ensure comparability with the previous survey, the information captured in this survey is reported by reference to the below NHI regions.

The NHI Regions (*"the Regions"*) are outlined below:

- **Dublin/Kildare/Wicklow.**
- **Midlands:** Laois, Longford, Offaly, Westmeath.
- **Mid-West:** Clare, Limerick, Tipperary (North)
- **North-East:** Cavan, Louth, Meath, Monaghan.
- **North-West:** Donegal, Leitrim, Sligo.
- **South:** Cork, Kerry.
- **South-East:** Carlow, Kilkenny, Tipperary (South), Waterford, Wexford.
- **West:** Galway, Mayo, Roscommon.

Analysis by Size of Nursing Home Facility

In addition to a regional analysis, and where appropriate, information captured in the survey is analysed by reference to the bed capacity of nursing homes. The following are the four size categories which have been used for the purposes of the survey:

- Less than 25 beds.
- 25 to 39 beds.
- 40 to 59 beds.
- 60 beds or more.



Key Sector Indicators

Key nursing home indicators in Ireland are driven significantly by population growth, particularly the increasing population aged 65 and older, which directly influences the occupancy for these facilities, demand, weekly rates, and other operational costs.

Key Sector Indicators

Figure 15 shows the movement of key sector indicators. Average occupancy increased from 89.8% in our 2020/2021 survey to 92.3% in our 2023/2024 survey. Average weekly rates are showing a steady upward trend averaging €1,178 for the 11 months to November 2024 (a CAGR of c. 3.6% over 20 years).

Figures 15 & 16 outline how the number of private and voluntary beds and nursing homes in the country have changed between 2004 to 2024. As of September 2024, there were 437 nursing homes offering a total of 27,160 beds. While the number of Homes has reduced since our last survey, the total number of beds has increased primarily due to the closure of smaller Homes, and opening of larger Homes.

In 2023, staff costs averaged 59.1% of turnover, a decrease from 60.9% in our 2020/2021 survey

	INHO Survey 2004	INHO Survey 2005	INHO Survey 2006	NHI Survey 2007	NHI Survey 2009/2010	NHI Survey 2014/2015	NHI Survey 2019/2020	NHI Survey 2020/2021	NHI Survey 2023/2024
Occupancy (%)	86.8%	86.1%	89.4%	91.2%	86.4%	90.6%	91.0%	89.8%	92.3%
Weekly rates* (€)	€578	€640	€694	€778	€850	€896	€1,012	€1,113	€1,178**
Number of private amd voluntary beds	16,461	17,722	17,909	18,883	20,590	22,342	26,221	26,561	27,160
Number of homes	427	431	433	435	447	437	453	453	437
Population ≥ 65 per private amd voluntary bed	27	25	24	25	23	24	28	29	31
Staff costs as a % of turnover	56.0%	57.0%	60.0%	60.0%	62.0%	61.0%	60.0%	60.9%	59.1%
% of respondents planning to create additional beds within a year	21.0%	24.0%	29.0%	22.0%	20.0%	42.0%	29.0%	22.4%	7.0%

Figure 15

Notes: *This is representative of the national average FD rate across all room types and all regions. Large variances exist amongst the various HSE regions. These prices have been negotiated through the NTPF. **This represents an average of the average FD rates from January 2024 to November 2024 for private and voluntary nursing homes.

report. It is important to note that these figures exclude agency costs, which are detailed separately on page 37, with further detail on staffing costs outlined in the ensuing pages.

Only 7% of the respondents indicated that they are planning extensions over the coming years, compared to 2020/2021 survey amounting to 22.4% - this reduction aligns with the findings from Building Info (discussed on page 21) and further points to the viability issues with regards to new builds in the sector.

Figure 16

Number of Nursing Homes & Beds



Profile of Facilities

The survey includes questions pertaining to five categories of bedroom accommodation in nursing homes: *single en-suite, single, double en-suite, double, and multiple occupancy*. Notably, the *single en-suite* and *single* room types are identified as the most common category.

Bedroom Type

As can be seen in *Figure 17*, single en-suite rooms were again found to be the most common form of bedroom type available for residents in respondents' nursing homes representing 69.3% of the total bed stock. A further 13.9% was comprised of single rooms without an en-suite. In total, 83.2% of rooms surveyed comprised of single en-suite or single rooms in comparison with 82.5% at the time of the last survey.

Room Type:	Single en-suite	Single	Double en-suite	Double	Multiple*
2023 % of Total Beds	69.3%	13.9%	9.4%	5.3%	2.1%
2021 % of Total Beds	66.3%	16.2%	9.9%	5.5%	2.0%
2020 % of Total Beds	68.0%	9.0%	16.0%	6.0%	1.0%

Figure 17 Notes: *Multiple refers to rooms accommodating three or more residents.

Double en-suite rooms accounted for 9.4% of room types available, with a further 5.3% comprising of double rooms without en-suite. In total, accommodation in double rooms accounted for c. 14.7% of total rooms available indicating a 0.7pp decrease since 2021.

Multiple occupancy rooms accounted for the remainder of room types available. Although the survey data indicates that multiple occupancy rooms increased very marginally to 2.1% of overall bedroom supply, this is likely due to sampling variation as BDO understand multi occupancy rooms are reducing generally within the sector.



Profile of Residents

The survey includes questions relating to the funding profile and age profile of residents. The results showed that the majority of residents fall within the age range of 76-90, while the proportion of residents on the FD Scheme has reduced.

Funding Profile of Residents

Currently, nursing home care for long term residents is funded in one of four principal ways:

- Nursing Home Support Scheme (FD Scheme).
- Private funding.
- Contract – refers to residents publicly funded by the HSE.
- Transitional Care Funding – temporary funding for residents who are in transition from a hospital to a nursing home while awaiting FD approval.

Figure 18 outlines the distribution of residents by funding classification in the respondents' Homes.

Classification:	Fair Deal	Private	Other*
% Residents 2023	69.2%	12.4%	18.4%
% Residents 2021	86.8%	10.7%	2.5%
% Residents 2020	82.0%	16.0%	2.0%

Figure 18 Notes: *Contract and transitional residents have been captured within 'Other' in Fig. 18

Although the figures illustrate that the majority of residential care continues to be funded by the FD Scheme (69.2%), this figure has seen a 17.6pp decrease since 2021. This has been due to a marked increase of 15.9pp in the 'Other' category. Whilst granular details were not available for all replies, we believe that a number of these comprise contract beds, transitional care, rehabilitation and complex care, which in some instances are commissioned separately by different arms of the State.



Privately funded residents have increased marginally by 1.7pp since our 2020/2021 survey but overall remain a small percentage of funding type.

Our analysis shows the dominance of the State in the funding of nursing home care via the FD Scheme and through other commissioned services.

Age Profile of Residents

	≤65	66-75	76-85	86-90	91-95	96-100	>100
% Residents 2023	5.6%	12.8%	37.4%	24.3%	14.4%	5.1%	0.4%
% Residents 2021	8.3%	10.7%	30.1%	30.4%	14.6%	4.9%	0.9%
% Residents 2020	4.0%	11.0%	31.0%	28.0%	18.0%	7.0%	1.0%

Figure 19

An age profile of residents accommodated in respondents' nursing homes is set out in Figure 19 above. It can be seen from the results that c. 82% of all residents were found to be aged over 76.

The majority of respondents' residents fall within the age brackets of 76-85 and 86-90, accounting for 37.4% and 24.3% of the population, respectively.

Dependency Levels

Residents' dependency levels are categorised into four levels: Low, Medium, High, and Maximum (Max). Survey results show an increase in the percentage of residents classified as requiring High and Maximum levels of care.

Dependency Percentage

60.9% of all residents accommodated in respondents' Homes were in the high or maximum dependency categories, an increase of 6.0pp from our last survey. In comparison to our previous survey, we note that the number of persons classified as maximum dependency have increased to 34.9% from 29.3% previously. The increase in dependency levels may be arising due to the increased focus on the provision of care in the community which is enabling older people to remain in their own home for longer. This is likely delaying admissions into nursing homes until care needs become more complex.

Further, we note within responding Homes that;

- 54.1% of residents presented with Alzheimer's Disease or Dementia;
- 8.9% of residents presented with a brain or intellectual disability;
- 57.0% of Homes retained allied health professional staff such as physiotherapists/speech and language therapists and occupational therapists to cater for the needs of their residents.

Long-stay residents

Long-stay residents accounted for 71.8% of all residents in respondents' nursing homes. The ALOS per resident was reported to be 2.48 years. This has decreased from 3.65 years (-32.0%) since our last survey.

Care Hours per Resident per Day (CHPRPD)

Survey respondents were found, on average, to provide 3.74 care hours per day to each resident accommodated in their respective nursing homes. This represents a 3.6% increase since our last survey where we reported 3.61 CHPRPD. Notably, care hours vary by Home due to individual care assessments and dependency mix, influencing average care hours.

Category:	Low	Medium	High	Max
% Residents 2023	13.94%	25.16%	26.05%	34.85%
			60.9%	
% Residents 2021	17.4%	27.7%	25.6%	29.3%
			54.9%	

Figure 20

Type of Assessment Tool	% of Homes
Barthel Index and its variations	57.3%
Barthel & MMSE	34.7%
Dependency Rating Scale Revised	6.7%
RuG IV	1.3%

Figure 21

Note: The Barthel Index is the most used dependency assessment tool.

CHPRPD Assessment Tool	% of Homes
Barthel/Modified Barthel Index	37.7%
TMS, EPIC CARE/Power BI	37.7%
KPI and dependency level	2.9%
Skillmix	2.9%

Figure 22

Notes: The above table outlines the most common CHPRPD assessment tools cited by respondents.

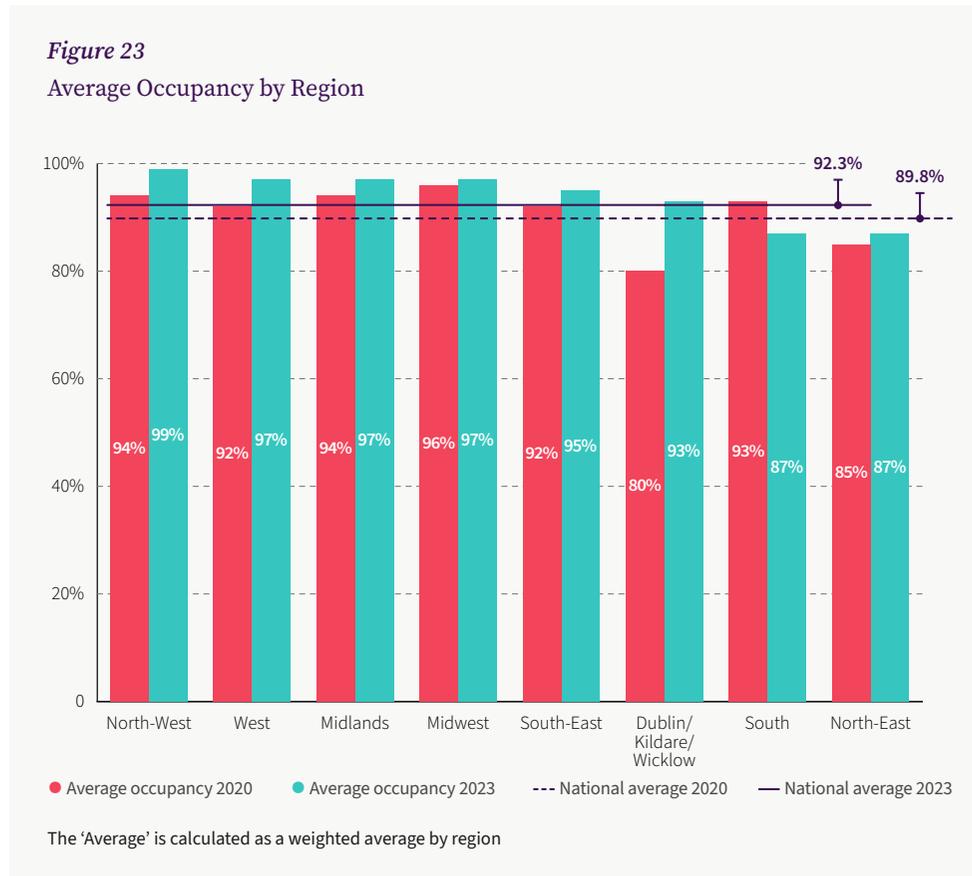


Occupancy Levels

Figure 23 opposite illustrates the annual average percentage occupancy levels reported by survey respondents in each NHI Region.

Survey results show the North-West region reported the highest average occupancy levels, while overall we see an increase in the total average occupancy for the whole country.

Figure 23
Average Occupancy by Region



Occupancy by Region

The average occupancy rate in nursing homes nationwide was 92.3% in 2023, covering Homes of various sizes across the country. This rate marks a 2.5pp increase since the 2020/2021 survey, a rise primarily due to the recovery in occupancy levels following COVID-19.

The North-West region recorded the highest average occupancy in 2023 with an average of c. 98.5%; however, noting the sample representation in this area was relatively small. Correspondingly, the North-East region recorded the lowest average at c. 86.8%. The average occupancy in the Dublin/Kildare/Wicklow region showed the most significant increase (+13.8pp) compared to 2020.

Overall, the average occupancy in the respondents' nursing homes for the year 2023 increased in all regions except the South (-6.1pp), noting that this decline may be due to differences in the representation of Homes in this region across the survey periods.

Financial Performance

The table presented in *Figure 24* opposite summarises the average annual turnover per bed, based on (1) reported turnover by Homes and (2) estimated turnover based on FD rates alone.

Turnover per Bed per annum by Region

The average annual FD turnover per bed based on the average FD rate in 2023 is €58,017 in comparison with €54,954 as of May 2022. This marks a €3.1k/5.6% increase over the review period. This year we also show the average annual turnover per occupied bed reported by respondents for 2023 at €66,135, being €8.1k/14.0% above the FD turnover per bed for 2023. This reflects other forms of income reported by Homes including, Private and Other categories of funding along with charges for services expressly excluded under the FD Scheme.

This summary table demonstrates a disparity in turnover per bed across regions in both scenarios presented whilst noting many of the costs incurred by nursing homes are consistent for many cost categories regardless of geographic location. This makes it difficult for Homes in regions with lower FD rates to make required returns and compete for staff, particularly given the current staffing shortages across the country.

NHI Region	2023			2022-21	
	Average Turnover Per Bed ⁽¹⁾	Average Weekly FDR in 2023	Average FD Turnover Per Bed ⁽²⁾	Average Weekly FDR in 2022 ⁽³⁾	Average FD Turnover Per Bed ⁽⁴⁾
Dublin/Kildare/Wicklow	€71,515	€1,238	€64,556	€1,197	€62,240
South	€63,450	€1,083	€56,463	€1,031	€53,613
North-East	€62,250	€1,108	€57,753	€1,054	€54,819
South-East	€57,530	€1,044	€54,459	€987	€51,327
Midwest	€56,260	€1,032	€53,797	€969	€50,393
West	€56,018	€1,035	€53,943	€970	€50,432
Midlands	N/A	€1,044	€54,452	€983	€51,114
North-West	N/A	€1,053	€54,902	€987	€51,322
Average	€66,135	€1,113	€58,017	€1,057	€54,954

Figure 24

Notes:

- (1) This relates to the annual turnover per occupied bed comprising of all operational incomes excluding grants reported by respondents for 2023.
- (2) This relates to the annual turnover per bed calculated based on the average FD rates in 2023.
- (3) This relates to the average weekly FD rates as of May 2022.
- (4) This relates to the annual turnover per bed calculated based on the average FD rate as of May 2022.

*Please be advised that the results outlined above do not include representative data for the Midlands and North-West regions regarding (1), as the necessary information was not received in response to this specific question. Consequently, the national average derived from the survey, regarding (1) does not fully capture a countrywide representative sample.

We note that the unavailability and thereby the exclusion of these regions, where nursing homes comparatively receive lower rates may result in a lower national average of annual turnover per occupied bed per (1).



Financial Performance

The tables presented illustrate the average turnover per occupied bed segmented based on the size of the Homes, followed by a summary of other rates charged to different resident categories and charges for services not covered by FD.

Turnover per Occupied Bed per annum by Home Size:

The survey results outlined in *Figure 25* summarises the average annual total turnover per occupied bed as reported by respondents. The highest average annual total turnover per bed is observed in Homes with 40-59 number of beds, amounting to €67,766, followed closely by Homes with ≥60 number of beds, at €65,765. It is likely that larger nursing homes offer additional facilities and services which increases their turnover per bed.

Private Rates and Charges for non-FD Services (also referred to as an ASC):

Based on the survey results, the average weekly private rates for 2023 amongst the respondents was €1,285 per bed which is higher than the country average FD rate of €1,113 for 2023.

As outlined in *Figure 26*, it was also observed that the average rate for contract beds was €1,302.

Amongst the respondents it was observed that 89.3% of the Homes charge for services expressly excluded under FD with the average charge reported at €53 per resident per week.

Figure 27 outlines the weekly rate charged to privately funded residents by NHI region and shows a disparity similar to that observed amongst the FD funded residents.

Home Size:	<25	25-39	40-59	≥60
Average Turnover per occupied bed (2023)	€64,542	€63,002	€67,766	€65,765

Figure 25 Note: The average turnover per bed (2023) is based on the total operational turnover for each nursing home (similar to note (1) on the previous page).

	Private	Contract	Charge for services not covered by FD (ASC)
Average rate per resident per week (2023)	€1,285	€1,302	€53

Figure 26

Region	Average Weekly Private rate per resident 2023	Average Weekly FDR per resident 2023
Dublin/Kildare/Wicklow	€1,416	€1,238
North-East	€1,250	€1,108
South	€1,244	€1,083
South-East	€1,217	€1,044
North-West	€1,116	€1,053
Midlands	€1,105	€1,044
Midwest	€1,096	€1,032
West	€1,090	€1,035
Average	€1,285	€1,113

Figure 27 Note: The 'Average' is calculated as a weighted average by region.

Staffing Costs

Staff costs are the single largest category of cost incurred in the provision of nursing home care.

The analysis of staff costs as a percentage of turnover, derived from the survey, has been analysed by region and by size of nursing home facilities.

Staff Cost Percentage of Turnover

Average staff costs (excluding agency costs) accounted for **59.1%** of reported turnover in 2023 in respondents' Homes. This has decreased from 60.9% in our previous survey. This decrease is partially offset by the increase in agency costs per occupied bed which increased from €1,038 to €1,543 over the review

period. *Figure 28* shows staff cost as a percentage of turnover by NHI region. The Midwest region exhibited the highest staff cost as a percentage of turnover at 72% in contrast with Dublin/Kildare/Wicklow, which averaged 57%. It is important to note that the Midwest and West regions represent a relatively smaller number of responses, and therefore the samples may not fully represent the population of these regions. Equally however, the prevailing FD rates in these regions are lower than other regions and thus is likely an additional contributing factor to the reported higher staff cost percentage reported.

Staff Costs by Home Size

As detailed in *Figure 29*, and aligning to prior survey findings, efficiencies garnered in respect of staff costs are experienced in larger Homes, both in absolute terms and as a percentage of turnover. We observe a notable decrease in the cost as a percentage of turnover in the 25-39 bed cohort however this is explained due to the fact that the majority of samples received in this range came from the Dublin/

Staff Costs by Home Size	<25	25-39	40-59	≥60
Average Staff Cost per Occupied Bed 2023	€42,940	€47,329	€40,021	€38,314
Staff Cost as % Turnover 2023	66.5%	58.4%	60.0%	58.6%
Average Staff Cost per Occupied Bed 2020	€59,715	€38,764	€30,868	€34,494
Staff Cost as % Turnover 2020	64.8%	68.6%	58.4%	60.1%

Figure 29

Other Staffing Costs	2023	2020
Agency cost per occupied bed	€1,543	€1,038
Agency cost as % of turnover	2.6%	1.7%
Recruitment cost per registered bed	€681	N/A

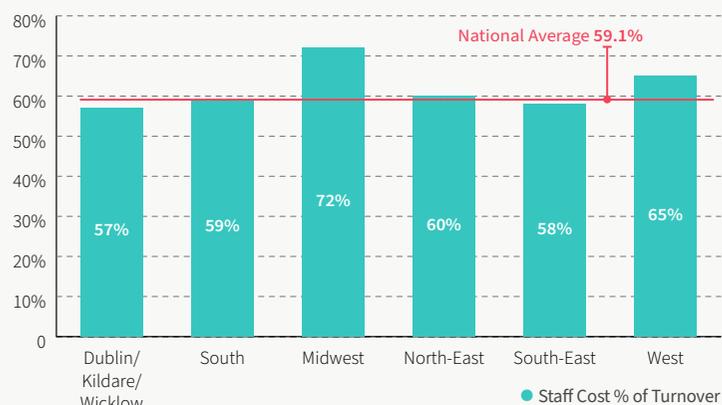
Figure 30

Kildare/Wicklow region which, per our report typically yields higher FD/Other rates and therefore would be expected to have staff costs representing a lower percentage of turnover. We further note differences in the <25 bed category however this may be due to sampling. Equally due to the size of these smaller Homes, a variation of

a number of staff may significantly impact these figures.

As shown in *Figure 30*, agency costs per occupied bed have experienced a significant increase to €1,543 in 2023. This year we also highlight the reported recruitment cost per registered bed as shown above.

Figure 28
Staff Cost % of Turnover



Average Salary Levels & Hourly Rates

Survey data reveals that nursing home staffing costs have significantly increased and will continue to rise due to state mandated costs discussed on the next page.

Director of Nursing and Clinical Nurse Manager

In 2023, the average gross salaries reported by survey respondents for Directors of Nursing (DON), Assistant DON, and Clinical Nurse Manager (CNM) were c. €91k, c. €69.2k and c. €63.7k respectively. This represents a 20.2%, 28.5% and 26.4% increase in average salaries respectively since our last survey (see *Figure 31*).

Average Salary	DON	ADON	CNM	General Manager
2023	€91,013	€69,237	€63,746	€88,109
2020	€75,698	€53,876	€50,424	N/A
% increase	20.2%	28.5%	26.4%	N/A

Figure 31

Care Staff

A schedule of hourly rates by NHI Region is shown in *Figure 32* below. The average hourly rate (excluding PRSI and levies) for Registered General Nurse (RGN) and Health Care Assistant (HCA) in 2023 was €20.76 and €13.20, respectively. Average pay rates for RGNs are largely in line with the previous survey, with the average rate increasing by 1.8%. On the other hand, the average rate for HCAs has seen a more significant increase of 12.8% since 2021, likely due to more significant upward pressure on minimum wage levels which would impact this staffing cohort more so.

Regionally, there has been a fluctuation in average pay rates with some regions being lower than 2021, noting that these variances are likely due to sampling; however, on balance, rates are consistent.

NHI Region	RGN Hourly Rate		HCA Hourly Rate	
	2023	2021	2023	2021
Dublin/Kildare/Wicklow	€21.08	€21.30	€13.45	€12.41
Midlands	€20.66	€20.00	€12.39	€11.30
Midwest	€20.80	€20.00	€13.09	€11.40
North-East	€20.55	€19.70	€12.80	€11.60
North-West	€20.41	€21.10	€12.94	€11.20
South	€19.89	€19.40	€13.14	€11.60
South-East	€20.84	€20.70	€13.11	€11.70
West	€20.96	€19.50	€13.42	€11.30
Average	€20.76	€20.40	€13.20	€11.70

Figure 32 Note: The 'Average' is calculated as a weighted average by region.

Average Salary Levels & Hourly Rates

Support Staff – Hourly Rates

A schedule of hourly rates for various support roles within respondents' Homes is outlined opposite in *Figure 33*. All rates are presented exclusive of PRSI and levies. All rates have seen a substantial increase since 2021 reflecting the increased cost pressures facing operators.

Figure 33

Average Hourly Rate 2023



Activities Staff

€14.84

+n/a since 2021



Domestic Assistant

€13.00

+14.0% since 2021



Chef & Kitchen Assistant

**€18.15
& €13.23**

+17.9% & +19.2% since 2021



Maintenance Staff

€17.72

+19.0% since 2021



Administrator

€17.36

+8.5% since 2021



Receptionist

€14.47

+12.2% since 2021

Staff Premiums

Figure 34 outlines the premiums received for staff for night shift and Saturday and Sunday work. The majority of respondents outlined that staff received a premium for working on a Sunday with an average premium of 26%.

Shift	Average % Premium per hour
Night	6%
Saturday	13%
Sunday	26%

Figure 34

Other Staffing Matters

The information opposite surmises staff turnover rates by nursing home size and NHI region. Survey data reveals that nursing homes are experiencing issues regarding staff recruitment and retention.

Staff Turnover

Our analysis shows that Homes with a bed count of 60+ had the highest staff turnover rate of 37.3%, while Homes with a bed count of 25-39 had the lowest rate at 27.5% as outlined in *Figure 35* opposite.

The Midwest region exhibits the highest average staff turnover percentage of 38.8%, while the West region has the lowest rate of 30.6% as outlined in *Figure 36* opposite.

Nearly half (48%) of nursing home respondents reported that staff recruitment and retention is a significant challenge, with high turnover rates seen nationwide. Key factors include competition from other sectors offering higher wages (e.g., retail and homecare),

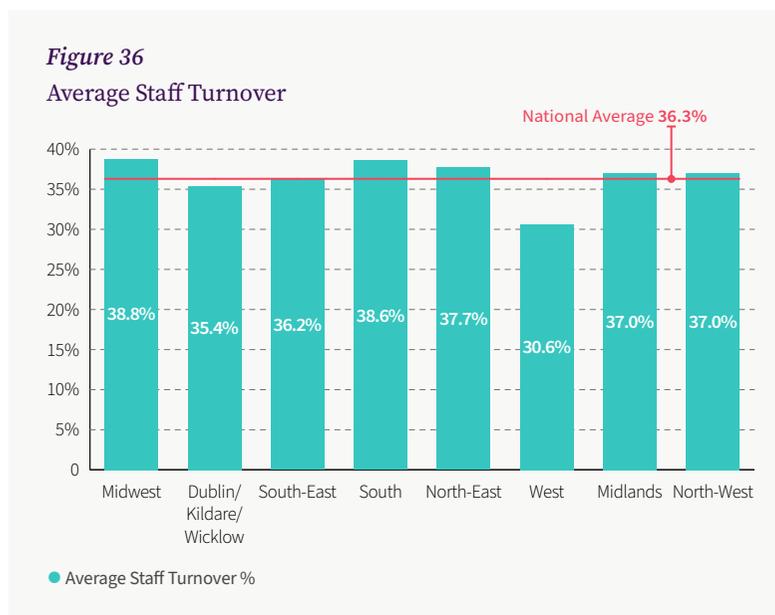
geographic challenges like transport issues for regional facilities and competition from the state care provider (HSE), which offers better pay and benefits than private operators can afford.

A recent DoH report (SWAG report) highlights the need to move to a living wage for healthcare staff, now introduced in the homecare authorisation scheme. Consequently, operators are experiencing significant financial pressures due to a move by the Government from the minimum wage to a living wage by 2026, along with obligations under statutory pay and auto-enrollment schemes (details in *Figure 37*).

Additionally, for non-EEA staff hired via work permits, the minimum annual salary will increase to €30,000¹ (€14.79 per hour for a 39-hour week) starting January 2025, up from the current €27,000 (€13.31 per hour). Approximately 43% of nursing home staff are non-EEA nationals affected by this change. The average cost of recruiting each overseas staff member is reported by respondents at €5,667.

Home Size:	<25	25-39	40-59	≥60
Average Staff Turnover (2023)	36.0%	27.5%	34.9%	37.3%

Figure 35



Notes: (1) Dáil Éireann Debate, Monday 9 September 2024, House of the Oireachtas. (2) Statement by Minister Chambers on Budget 2025, Gov.ie. (3) Recommendations for the national minimum wage, Low Pay Commission 2024. (4) Auto-enrolment retirement savings system for employees, 30 August 2024, Department of Social Protection.



Move to Living Wage

Minimum wage rose from €11.30 in 2023 to €12.70 in 2024 and will increase to €13.50² in 2025 (a 6.3% increase). The Low Pay Commission forecast a Living Wage of €14.95 in 2026.³

Sick Pay Scheme



Has increased to 5 days in 2024 with consultation ongoing regarding further increases.



Auto-Enrolment

A new retirement saving scheme set to be introduced in 2025. Employer contributions to start at 1.5% and increase to 6% over 10 years.⁴

Figure 37

Other Staffing Matters continued

Figure 38

Most Cited Challenges Faced by Nursing Homes



Staff Recruitment and Retention



Inflation and Cost Pressures



Insufficient NTPF FDR



Regulation

The information below surmises the training cost incurred by nursing homes.

Staff Training

Survey results indicate that nursing homes with more than 60 beds experience relatively high training costs due to the greater levels of resident dependency, however, Homes with less than 25 beds incur the highest training cost per bed due to their smaller scale.

Figure 39 shows the training cost per occupied bed. Overall, the training cost per bed averaged €321 at 0.5% of revenue, which is consistent with our last survey report.

	Home Size:			
	<25	25-39	40-59	≥60
Training Cost per Occupied Bed 2023	€587	€153	€262	€345
Training cost as % Turnover 2023	0.8%	0.2%	0.4%	0.7%
Training Cost per Occupied Bed 2020	€248	€170	€249	€221
Training cost as % Turnover 2020	0.4%	0.4%	0.5%	0.6%

Figure 39



Other Costs | Food, Medical and Other

The tables presented illustrate the survey results, detailing the average medical and food cost per occupied bed based on the size of the Home.

Medical Costs

As summarised in *Figure 40*, medical costs within respondents' Homes were consistent across all Home sizes. Overall, the medical costs averaged c. 1% of turnover in 2023. There was no comparison data from the previous survey.

Food Costs

As shown in *Figure 41*, Homes with 60 or more beds demonstrate an ability to achieve greater economies of scale through bulk purchasing of food and provisions resulting in the lowest food cost per bed of €2,296.

Volatility in food costs compared to the last survey is noted. One could expect increases in each category, the volatility is potentially due to numerous reasons, such as the impact of a different sampling mix compared to the last survey, some Homes now outsourcing their food/catering costs and perhaps also as a result of higher occupancy levels in Homes leading to more buying power for supplies.

On average, food expenses constituted approximately 3.7% of total turnover.

Other Overheads

Figure 42 highlights a number of other overheads which were not analysed in our 2020/2021 survey. Light and heat was, on average, the largest of these other costs in 2023 which is consistent with trends BDO has seen in the sector.

	Home Size:			
	<25	25-39	40-59	≥60
Medical Cost per Occupied Bed 2023	€588	€572	€688	€573
Medical Cost as % Turnover 2023	1.1%	0.7%	1.3%	0.9%

Figure 40

	Home Size:			
	<25	25-39	40-59	≥60
Food Cost as % Turnover 2023	3.2%	3.4%	4.0%	3.5%
Food Cost per Occupied Bed 2023	€3,736	€2,384	€2,487	€2,296
Food Cost per Occupied Bed 2020	€3,443	€2,924	€2,339	€2,319

Figure 41

	Cleaning & Waste	Light & Heat	Insurance	Water Charges	Local Authority Rates
Average Cost per Occupied Bed 2023	€1,703	€2,161	€870	€216	€922
As % Turnover 2023	3.2%	3.3%	1.3%	0.3%	1.5%

Figure 42

Other Costs | Repairs, Maintenance and Capital Expenditure

The tables presented illustrate the survey results, detailing the average repairs & maintenance cost per occupied bed based on the size of the Home (outlined in Figure 43). Information was also obtained on the capital expenditure cost requirements of Homes as outlined in Figures 44 & 45.

Repairs and Maintenance Costs (R&M)

Overall, we have observed an increase in R&M cost per occupied bed across all Homes with the exception being those Homes with less than 25 beds (likely due to sample variations).

The average R&M cost per occupied bed across all Homes in 2023 was €1,179, averaging c. 2.2% of turnover noting that larger Homes continue to witness a lower R&M cost per bed most likely due to economies of scale.

The general rise in R&M costs is evidence of the efforts of Homes across the country to ensure compliance with heightened HIQA regulations in recent years.

Capital Expenditure

The overall capital expenditure cost per registered bed observed across all respondents averaged €2.1k. Most of the capital expenditures in nursing homes are primarily focused on meeting regulatory standards relating to the physical environment. Discretionary capital expenditure is more limited, most likely being a consequence of the inability of some operators to reinvest noting 51% of the respondents advised they did not make a profit in 2023.

	Home Size:			
	<25	25-39	40-59	≥60
Average of R&M per Occupied Bed 2023	€1,066	€1,615	€1,351	€1,061
R&M as % Turnover 2023	2.3%	2.7%	2.6%	2.0%
Average of R&M per Occupied Bed 2020	€2,641	€1,223	€1,179	€874
R&M as % Turnover 2020	2.8%	2.5%	2.6%	1.8%

Figure 43

Capital Expenditure and Related Information	2023
% of Homes that availed of the RSI*	41.0%
Average cost % covered by the RSI*	60.2%
Average total Capital Expenditure cost per registered bed (€)	2,118

Figure 44 Note: *RSI is the Resident Safety Improvement Scheme announced by The Minister for Mental Health and Older People Mary Butler T.D., in relation to costs incurred by nursing homes during the Period January 1, 2020, to November 15th 2024, to address areas of compliance to meet their obligations under Regulations 27 and 28 which require renovation of their nursing home.

Most common categories of Capital Expenditure to enhance physical environment requirements:



68%

Of respondents require fire safety and compliance related improvements.



17%

Of respondents require refurbishments, renovation and miscellaneous upgrades to meet regulatory standards.



15%

Of respondents require improvements to clinical hand wash sinks to meet regulatory standards

Figure 45

Summary Conclusion

Survey Results

We hope the survey results prove valuable to both nursing home operators and the sector's strategic stakeholders and policy makers alike.

Again, BDO in Ireland would like to express our thanks to **Nursing Homes Ireland** for commissioning this report and to **Bank of Ireland** for their support with the publication of same.

We would also like to specifically extend our thanks and appreciation to the **100 respondents** to this survey.





Contact

Brian McEnery
Managing Partner
BDO Ireland

Tel +353 1 470 0460
Mobile +353 87 205 3708
Email bmcenery@bdo.ie

Stephen O'Flaherty
Partner and Head of Healthcare
BDO Ireland

Tel +353 61 41 44 55
Mobile +353 87 056 8156
Email soflaherty@bdo.ie

BDO
Block 3, Miesian Plaza,
50–58 Baggot Street Lower,
Dublin 2,
D02 Y754

Tel 01 470 0000
Fax 01 437 0654
Email info@bdo.ie

bdo.ie

Nursing Homes Ireland
2051 Castle Drive
Citywest
Dublin 24
D24 K299

Tel 01 469 9800
Fax 01 479 6447
Email info@nhi.ie

nhi.ie

This publication has been carefully prepared, but it has been written in general terms and should be seen as containing broad statements only. This publication should not be used or relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained in this publication without obtaining specific professional advice. Please contact BDO to discuss these matters in the context of your particular circumstances. BDO, its partners, employees and agents do not accept or assume any responsibility or duty of care in respect of any use of or reliance on this publication, and will deny any liability for any loss arising from any action taken or not taken or decision made by anyone in reliance on this publication or any part of it. Any use of this publication or reliance on it for any purpose or in any context is therefore at your own risk, without any right of recourse against BDO or any of its partners, employees or agents.

BDO is authorised by the Institute of Chartered Accountants in Ireland to carry on investment business. BDO, a partnership established under Irish Law, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.

Copyright © November 2024 BDO Ireland. All rights reserved. Published in Ireland.

