



# Bank of Ireland Sectors Team Health Insights 2024 / Outlook 2025

February 2025



**Bank of  
Ireland**

Classification: **Green**

## Summary

Ireland continues to enjoy a robust healthcare system, evidenced by high life expectancy rates and comprehensive access to essential services.<sup>1</sup> Recent data indicates the population has grown to approximately 5.38 million, reflecting an increase of 750,000 over the past decade. Notably, individuals age 65 and older account for over 15% of the population, a rise of 13.8% from 2018.<sup>2</sup> The dual demographic challenges of an ageing population, which heightens demand for health services, and an ageing health workforce, which necessitates replacement of current health staff as they retire, are a significant issue for the sector.<sup>3</sup>

The recent appointment of the new Minister for Health presents an opportunity for a renewed focus on these challenges, particularly as the newly published Programme for Government seeks to advance the realisation of Sláintecare, while addressing capacity, further infrastructure and workforce issues. The programme aims to develop a performance-related, multi-annual funding approach for health services, along with a seven days per week model of care. While such agendas aim to enhance efficiency, quality and access to care, they also add to the overall costs, creating a complex landscape with significant upward pressure on health spending.

In the broader context, in comparison to the turbulence experienced today in many regions of the world, Ireland has remained relatively stable and this is positively reflected in our health sector. This stability, the current policy direction, the change in demographics toward an older population, and increases in general levels of income, have all contributed to higher levels of health spending, with a 70% increase in government spending over the last six years.<sup>4</sup> Despite ongoing challenges, there is optimistic outlook for 2025, with increasing opportunities on the horizon. A significant reliance on the private sector to meet the shortfall in capacity presents strong opportunities for growth and innovation for the sector.

## Key Sector Trends

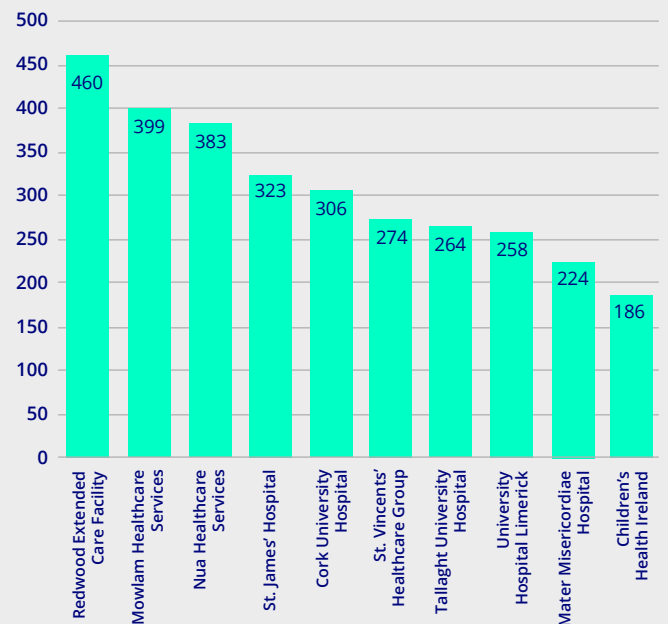
### Workforce

Ongoing workforce challenges persist within the sector, driven by skills shortages, competition for talent and exacerbated by a low unemployment rate of 4.5%.<sup>5</sup> A recent BDO report indicates that the staff turnover rate in nursing homes is approximately 36.3%, significantly higher than other healthcare settings.<sup>6</sup> Demand for healthcare assistants (HCAs) is rising, largely due to the ageing population and increasing healthcare needs. Projections suggest a required annual growth rate of 3.5% to 4% for HCAs over the next 12 years, highlighting the urgent need for effective workforce planning, especially in private nursing home and home care settings, where turnover rates surpass those of HSE facilities.<sup>7</sup> Data from the Central Statistics Office (CSO) shows that the health sector as a whole has a 'churn' (turnover) rate of 10.1%.<sup>8</sup> While this figure reflects a more balanced staff turnover across public and private sectors, it masks the considerable churn rate in the private sector,<sup>9</sup> emphasising the need for effective strategies to attract and retain staff amid wage disparities and employment dynamics between the public and private sectors. Collaboration is ongoing between the Department of Health (DoH), the HSE, and other key stakeholders to advance the recommendations from the Strategic Workforce Advisory Group, including addressing issues related to recruitment, remuneration, working conditions and barriers to employment and training.<sup>10</sup>

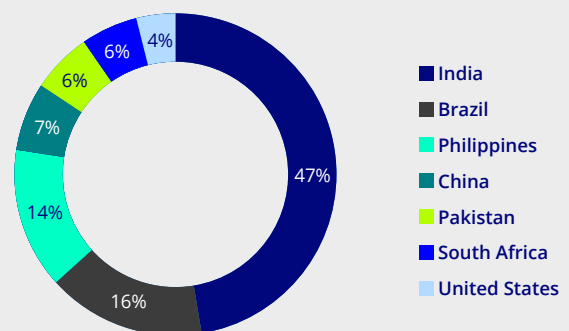
Migrant workers account for a significant share of the health sector workforce. Data from the Department of Enterprise, Trade & Employment (DETE) highlighted the ongoing reliance on inward migration, with 30% of the nearly 40,000 permits issued allocated to the health sector<sup>11</sup> - a trend that has been consistent since 2020.<sup>12</sup> Since 2021, individuals from outside of the European Economic Area (EEA) have been eligible to apply for HCA employment permits, provided they have a job offer with a minimum salary of €30,000 - a 10% increase from 2024. This requirement imposes a considerable cost burden on providers in the private sector.

A review of the permits issued in 2024 indicates that disability services, nursing homes and hospitals received the highest number of permits, underscoring the essential role that migrant workers play in sustaining the sector.<sup>11</sup> Recent data indicates non-EEA staff accounts for 43% of the workforce.<sup>13</sup>

Permits issued to Health Organisations 2024 (Top Ten)<sup>10</sup>



Permits issued per Nationality 2024 (Top Seven)<sup>10</sup>



### The Continuum of Care

The 2025 budget allocation for older persons' services has increased by €349 million, bringing the total budget to €3 billion. This record amount aims to support an integrated approach that offers a comprehensive range of services tailored to meet the specific needs of individuals throughout their life journey.

A key focus of this year's HSE National Service Plan is the integration of home and community support services, which includes a 10% increase in home support hours, particularly for higher intensity packages caring for those with complex needs, with plans to provide over 40 hours of support per week, where appropriate.<sup>14</sup> In addition there is a renewed emphasis on daycare provision, recognising its vital role. The development of daycare services is complemented by initiatives such as the Meals on Wheels programmes.

There is also a commitment to increasing transitional care funding and community beds to facilitate timely hospital discharges for individuals who no longer require acute care.

## Nursing Homes

- The private nursing home sector continues to face challenges but has stabilised with enhanced funding rates, improved occupancy levels and a significant reduction in closures. Last year, seven homes either closed or were deregistered by the Health Information and Quality Authority (HIQA), compared to 11 closures reported in 2022 and 2023. Additionally four new nursing homes opened in Cork, Dublin, Meath and Wicklow, adding a total of 541 beds, with the latest being The Fern Dean Stepside, which has a capacity of 125 bedded home, although it is currently registered with HIQA for 42 beds.
- The 2024 funding framework, administered through the National Treatment Purchase Fund (NTPF), has seen positive developments, including an average YOY increase of 6.6% in the Fair Deal Rate, which has particularly benefitted smaller rural operators.<sup>15</sup> The gap between the highest and lowest NTPF weekly rates appears to be narrowing, with a government commitment to work 'towards an equitable funding model for the nursing home sector'.<sup>15</sup> The current average national rate is €1,213 per resident per week, with the highest in Dublin and the lowest in Donegal, reflecting a differential of €215 per week.<sup>16</sup> The OpCo/PropCo trend continues, exemplified by *emeis* Ireland (formerly Orpea), which recently sold three of its freehold properties to Healthcare Activos, a Spanish real estate investment company. *emeis* Ireland will continue operating the homes located in Portmarnock, Portlaoise and Kilkenny.
- A survey report published by BDO Ireland, commissioned by Nursing Homes Ireland (NHI), presents an evolving landscape based on operators' experiences in 2023, and incorporating some data from 2024.<sup>17</sup> The report highlights future potential capacity issues, noting a significant decline in planning applications and grants of planning over the last two years. This decline is attributed to high construction costs in the context of a business model reliant on income from the Fair Deal Scheme, making it an unviable option. The report also marks a significant increase in staff turnover. Although occupancy levels have risen, it is noted that residents are increasingly dependent, necessitating more care hours per day. Additionally, the average length of stay has significantly decreased, likely reflecting a trend of individuals choosing to remain at home with appropriate support systems in place, such as home care.

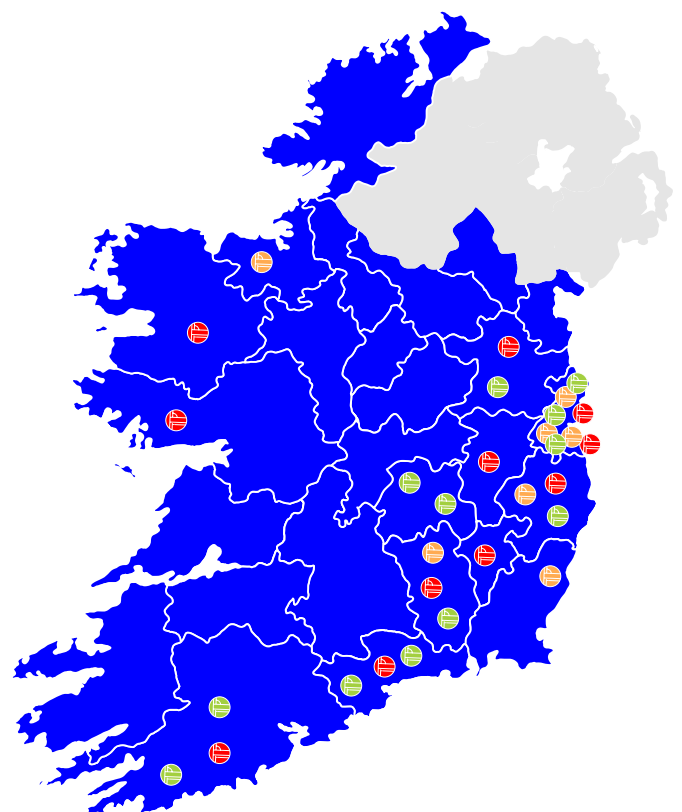
## 2024 Private Nursing Homes Opened, Under Construction & Closed

Openings	Operator	County	Beds
The Fern Dean Stepside	Virtue Integrated Care	Dublin	125*
Sugarloaf Care Centre	Silver Stream Healthcare Group	Wicklow	119
Dunshaughlin Care Home	Grace Healthcare	Meath	96
Curam Care Home Carrigaline	Curam Care Homes	Cork	111
Carnew Nursing Home	Genesis Healthcare	Wicklow	90
<b>Total</b>			<b>541*</b>

\* Currently 42 beds registered









Under Construction	Operator	County	Beds
The Residence Kilkenny	<i>emeis</i> Ireland	Kilkenny	80
The Residence Cavan	<i>emeis</i> Ireland	Cavan	110
The Residence Portmarnock	<i>emeis</i> Ireland	Dublin	151
Coolmine Sligo Nursing Home	Coolmine Caring Services Group	Sligo	105
The Naul	Éire Care (Simply UK)	Dublin	99
Gorey Nursing Home	Mowlam Healthcare	Wexford	96
Bellevie Living Rolestown	Bellevie Living	Dublin	92
<b>Total</b>			<b>733</b>

Closed/Deregistered	Sector	County	Beds
Lucan Lodge	Passage Healthcare	Dublin	74
Sally Park Nursing Home	Passage Healthcare	Dublin	41
Fingal House	Independent	Dublin	17
Aperee Living Callan	Aperee Living Group	Kilkenny	60
Kylemore House Nursing Home	Independent	Wicklow	38
Bushfield Nursing Home	Independent	Galway	45
Ailesbury Nursing Home	Independent	Dublin	45
Heatherfield Nursing Home	Independent	Meath	30
<b>Total</b>			<b>350</b>





These and other highlights from the report included below:

Nursing Home Survey 2023-24 <sup>18</sup>		
	2020 / 2021	2023 / 2024
 Nursing Homes (including Public)	<b>564</b>	<b>547</b>
 Beds (including Public)	<b>31,743</b>	<b>32,239</b>
 Staff Turnover	<b>18.5%</b>	<b>36.3%</b>
 Staff Costs (as percentage of Turnover)	<b>60.9%</b>	<b>59.1%</b>
 Occupancy	<b>89.8%</b>	<b>92.3%</b>
 Dependency Level classified High or Maximum	<b>54.9%</b>	<b>60.9%</b>
 Average Length of Stay	<b>3.65 yrs</b>	<b>2.48 yrs</b>
 Care Hours (per resident per day)	<b>3.61</b>	<b>3.74</b>

### Design Guide for Long Term Residential Care Consultation Report

Feedback from the public consultation on the Design Guide for Long-Term Residential Care Settings for Older People revealed widespread agreement among respondents concerning the need for high-quality facilities to enhance the wellbeing of older individuals.<sup>19</sup> Advocacy groups commended the guidelines for promoting privacy, dignity, and respect, while local authorities acknowledged their potential impact on the future design of residential care settings.

Respondents consistently highlighted the importance of creating home-like environments rather than institutional ones, particularly for individuals with dementia. The focus on integrating care settings into local communities and providing access to outdoor spaces was also well-received. However, significant concerns were raised about the potential and 'prohibitive' costs associated with implementing the design specifications. Respondents highlighted the need for a financial impact assessment and a review of the current funding model. They indicated that, without an increase in funding, developers may be reluctant to acquire sites and initiate the planning process, which could result in a decrease in nursing home developments. Additionally, several submissions raised concerns regarding the proposed HIQA pre-application registration advice process, suggesting that it represents an overreach of the regulator's remit.

### Government Supports for Nursing Homes

The €10 million nursing home Resident Safety Improvement (RSI) Scheme, aimed at enhancing regulatory compliance with infection prevention and fire safety, has provided approximately €9.5 million to approximately 400 nursing homes, with 85% of all applicants receiving the full €25,000 available for eligible works.<sup>20</sup>

While this scheme is now closed the new 2025 Residential Premises Upgrade (RPU) Scheme aims to assist nursing home operators in upgrading their facilities to comply with HIQA standards. With a further government allocation of €10 million in funding, this initiative is open to all nursing homes and may particularly support smaller homes converting multi-occupancy bedrooms into private rooms with ensuite facilities. Such enhancements would help ensure compliance with regulatory requirements and promote safer and more comfortable facilities.

### Navigating the Funding Process

A new nursing home consultancy service, Care Home Consultancy, has been established to assist families in navigating the complexities of choosing a nursing home and understanding the funding process, particularly the Fair Deal Scheme. The fee-based service offers personalised support, including detailed information on available options, and financial planning, and can be tailored towards family needs. The initiative aims to ease the transition into nursing home care at what is a very challenging time.<sup>21</sup>

### Home Care

Work is underway to implement the International Resident Assessment Instrument (interRAI) across home support services and Integrated Care Programme for Older Persons (ICPOP) teams. interRAI is a standardised framework used to assess the needs and preferences of individuals requiring care. Its use will facilitate a more consistent and objective approach to resident assessment and aims to improve care planning and outcomes.

Home & Community Care Ireland (HCCI), the representative body for home care services, has emphasised the growing need for more supported living facilities as an alternative to remaining at home or moving to a nursing home. By providing older individuals with options to live in smaller houses or apartments within shared environments, HCCI believes service delivery becomes more manageable, even in more remote areas.<sup>22</sup>



## Disability

Currently, there are nearly 1,600 HIQA registered designated centres or residential settings for people with disabilities, caring to more than 9,000 individuals. The sector has been regulated by HIQA since 2013, and their recent report indicates that this regulation has driven positive changes following earlier findings of unsafe and institutional practices, as well as unfit premises.<sup>23</sup> A shift towards a human rights-based approach to care is now evident, with service providers successfully transforming outdated cultures and enhancing the quality of life for residents.

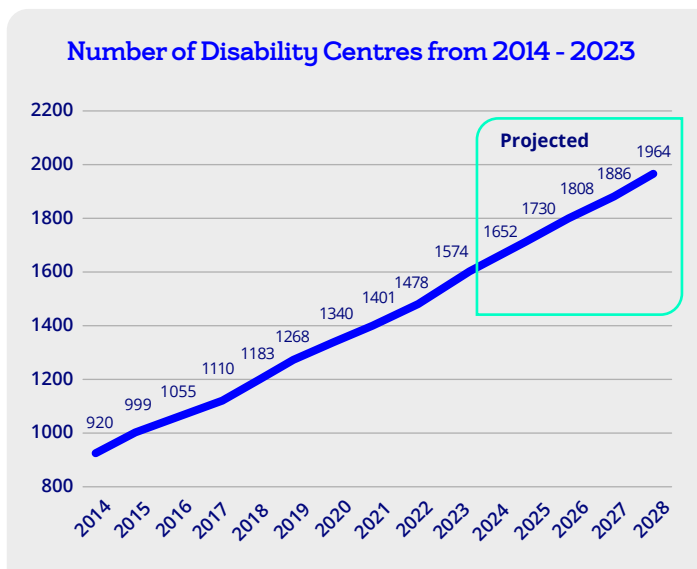


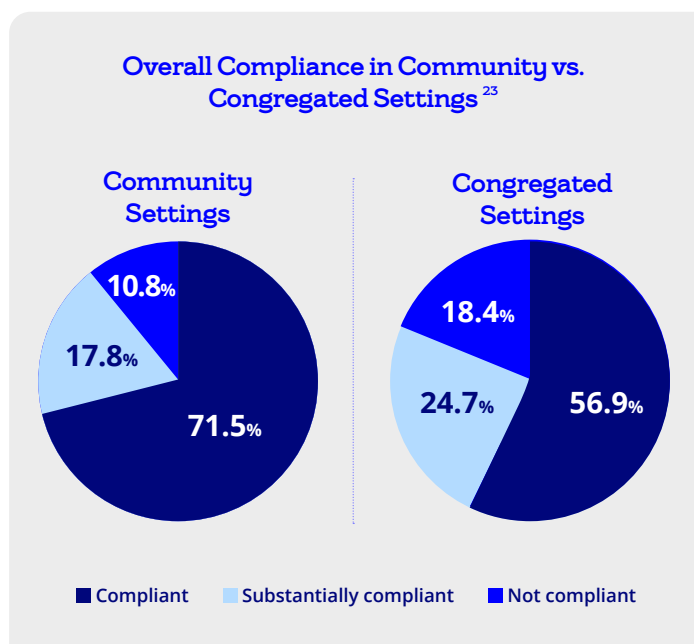
Figure 1 above illustrates the upward trend in the number of registered centres nationally. The graph also includes a projection, based on current growth rates.<sup>23</sup>

Despite these advancements, challenges remain, particularly in recruitment and retention of staff. Sourcing suitable accommodation for new centres is also difficult, compounded by the broader housing crisis. Under the Health Act 2007 (as amended), the disability sector comprises three types of residential services: adults, children, and mixed settings (adults and children combined). The mixed settings are primarily for respite care, with separate provisions for adults and children.

Efforts to ‘decongregate’—the process of moving residents from institutional settings to community-based living—have been slow due to various challenges. Some (non-private) providers face challenges related to the funding available for acquiring new premises and staffing them according to the assessed needs of residents. Additionally, there is a reluctance among some providers to decongregate due to the complex care requirements of certain residents. This gap has allowed the private sector to enter the field, offering additional resources and options.

According to internal research conducted by HIQA, as of the end of 2023, there were 26 for-profit registered providers of disability services—entities that do not have registered charity numbers. While the provision of care services on a for-profit basis is not new in Ireland, as most nursing homes operate under this model, it represents a newer trend in the disability services sector. HIQA’s findings over the past decade noted that providers across all types have delivered both high and low-quality services.<sup>20</sup>

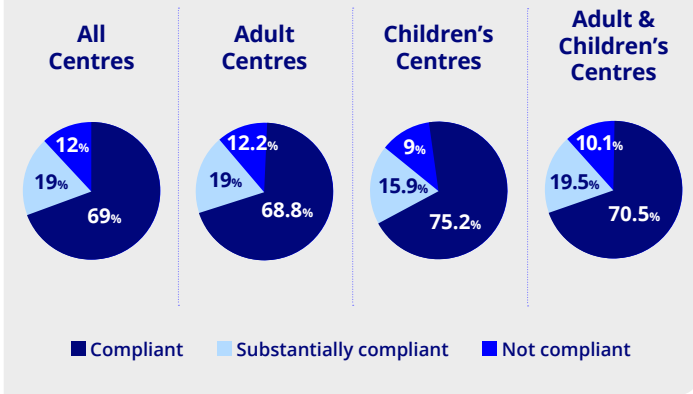
Notably, many residents that have transitioned to smaller, community-based accommodation have benefited from significant improvements in safety and quality of life, as demonstrated by subsequent inspections of these centres. Furthermore, inspections revealed markedly better compliance rates and quality standards in smaller community-based homes compared to congregated settings. In contrast, residents in congregated settings often experience poor outcomes due to environments that resemble institutions rather than true homes.



As the sector moves more towards de-congregation, there has been an expected increase in registered centres with fewer residents, contrasting sharply with the nursing home sector, where facilities are becoming larger. Demand in the sector, whilst primarily driven by the transition of individuals from congregated settings to smaller, community-based accommodations, is also driven by the urgent need for emergency accommodation in crisis situations.

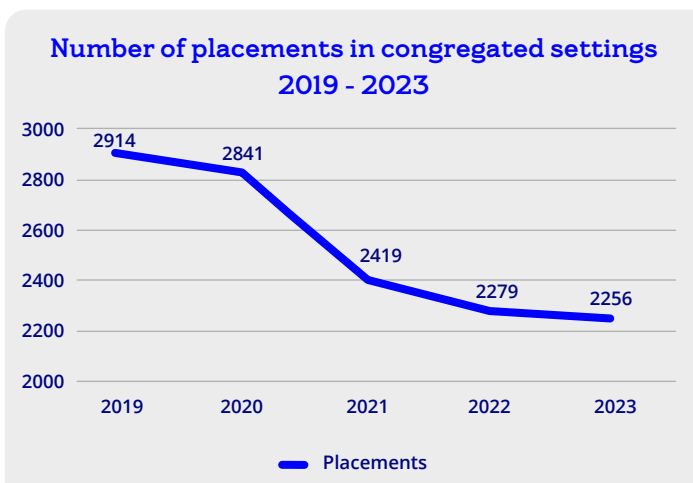
Projections indicate that the number of designated centres will more than double from 2014 to 2028, necessitating collaboration between the DoH, the HSE, and the Department of Children, Disability and Equality to ensure future capacity. As of 2023, there are still 2,256 people living in congregated settings.<sup>23</sup>

### Overall Compliance Data per category <sup>23</sup>



Source: Health Information and Quality Authority, November 2024

### Overview of regulation of designated centres for people with disabilities 2013-2023:



Source: Health Information and Quality Authority, November 2024 <sup>23</sup>



## Dentistry

Publicly funded dental services are available through the Dental Treatment Service Scheme (DTSS), providing treatment primarily for children and medical card holders. The majority of dentists in Ireland however derive their revenue from private patients, with approximately 900 dental practices operating.<sup>24</sup> There are nearly 3,800 dentists registered with the Dental Council of Ireland (DCI), the professional governing body.



Demand for dental services is ever-increasing, driven by higher demand, economic growth and a rising interest in cosmetic dentistry. The sector has seen annual compound growth of 1.4% up to 2024, with this trend expected to continue.<sup>25</sup> The dental sector in Ireland is fragmented and poised for consolidation. Leading corporate groups include Dental Care Ireland with 33 practices, followed by Smile Dental, a BUPA company, with 22 practices. A notable recent entrant, backed by Lonsdale Capital Partners, is Total Dental Ireland (TDI). TDI plans to scale rapidly by centralising specific back-office and administrative functions for non-corporate dentists, thereby streamlining and offering profit-sharing opportunities.

The government has committed to enhancing the accessibility of dental services for all. Several initiatives are being implemented, including the continued rollout of the Smile agus Sláinte programme launched in 2019, with an emphasis on preventative oral healthcare. Plans include hiring more public dentists and expanding access to orthodontic services for children, as well as strengthening the School Dental Programme. The new programme for government includes a commitment to update the Dentists Act 1985<sup>25</sup>, which is widely outdated, to recognise and regulate a broader range of dental specialties, aiming to ensure quality dental care to all.

Both the Irish Dental Association (IDA), the representative body for the sector, and the DCI, emphasise the need for regulation to combat illegal dental practises. Current legislation falls short as it does not mandate ongoing competence for dentists and lacks regulation of dental practices. Effective regulatory frameworks in similar professions demonstrate the need for oversight.



## Outlook 2025

- **Emphasis on Disability Services:** A renewed focus on enhancing supports and services for individuals with disability, aiming to improve accessibility and quality of care across all settings.
- **Continuum of Care:** Continued integration of health and social care services, ensuring seamless transitions for patients/individuals across different care levels from acute to community settings.
- **Expansion of Daycare and Community Services:** Increased investment in daycare and community based services to support ageing populations and individuals with complex needs, enhancing overall community health.
- **Ongoing Consolidation:** The health sector is expected to see further consolidation with mergers and partnerships aimed at improving operational efficiency and service delivery.
- **Staff Recruitment and Retention:** Addressing workforce challenges will be crucial, with strategies focused on attracting and retaining skilled healthcare staff to ensure consistent care delivery.
- **The Role of the Private Sector:** The private sector will play a significant role in addressing demographic challenges, complementing public services, and providing innovative solutions to meet growing healthcare demand.

## Bank of Ireland

In the coming months and years, the healthcare system will need to strengthen collaborative working across partner organisations. Strong leadership will be required to deliver sustainability changes, drive improvement, and encourage innovation. Bank of Ireland understands the challenges faced by private health companies across the sector. We are a strong supporter of innovative change and will continue to work closely with our customers and communities to enable them to thrive in the current headwinds.



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#### Sources:

- <sup>1</sup> *Health at a Glance, Europe 2024. OECD, November 2024*
- <sup>2</sup> *Key Findings Population and Migration Estimates, Central Statistics Office (CSO), April 2024*
- <sup>3</sup> *Health at a Glance, Europe 2024. OECD, November 2024*
- <sup>4</sup> *Health Budget 2025, Department of Health, October 2024*
- <sup>5</sup> *Labour Force Survey Quarter 3 2024, CSO*
- <sup>6</sup> *BDO Ireland, Nursing Homes Ireland Private and Voluntary Nursing Home Survey 2023/2024*
- <sup>7</sup> *Labour market impacts of health care assistant employment permits, DETE and KPMG, May 2024*
- <sup>8</sup> *CSO, Labour Market Churn, Human Health & Social Work Activities, Q3, 2024*
- <sup>9</sup> *Labour Market Churn, CSO, Q3, 2024. JCQ01 - Job Churn*
- <sup>10</sup> *National Service Plan 2025, HSE, 2025*
- <sup>11</sup> *Employment permits statistical tables and company listings 2024, DETE, January 2025*
- <sup>12</sup> *Quarterly Bulletin 04 / December 2024 Central Bank of Ireland*
- <sup>13</sup> *BDO Ireland, Nursing Homes Ireland Private and Voluntary Nursing Home Survey 2023/2024*
- <sup>14</sup> *National Service Plan 2025, HSE, 2025*
- <sup>15</sup> *Programme for Government, January 2025*
- <sup>16</sup> *Irish Nursing Home Sector- Annual Report, 31st December 2024, PKF Brenson Lawlor, January 2025*
- <sup>17</sup> *BDO Ireland, Nursing Homes Ireland Private and Voluntary Nursing Home Survey 2023/2024*
- <sup>18</sup> *BDO Ireland, Nursing Homes Ireland Private and Voluntary Nursing Home Survey 2023/2024*
- <sup>19</sup> *Report on the Public Consultation for the Design Guide for Long-Term Residential Care Settings for Older People, DoH, January 2025*
- <sup>20</sup> *Press Release: '400 nursing homes receive €9.5 million in funding payments under the Nursing Home Resident Safety Improvement Scheme', DoH, December 2024*
- <sup>21</sup> *www.chci.ie.*
- <sup>22</sup> *HCCI, Ireland's housing provision for older people still 'in the Stone Age, October 2024*
- <sup>23</sup> *10 Years of Regulating Designated Centres for People with Disabilities, HIQA, November 2024*
- <sup>24</sup> *Dental Act 1985 (No. 9 of 1985)*
- <sup>25</sup> *Ibis World, Dental Practices in Ireland, Market Research Report, August 2024*

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