nursing home costs in Northern Ireland explained

SC CONNOLLY & CO
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Client briefing · October 2026 · who pays, the Trust assessment, the family home and planning ahead

Figures for 2026/27

Who pays, how the Trust assesses you, what happens to the family home, and what care is likely to cost in practice.

Most families only discover how care fees work in Northern Ireland when a parent is already in hospital and a discharge is being planned. Decisions are then made quickly and under pressure. This briefing sets out the rules as they stand for 2026/27 so that you can plan calmly and in good time. The figures are those currently published by the Department of Health and the Department for Communities, and they change each April.

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1 How the Trust assesses you: the CRAG rules

In Northern Ireland, nursing and residential care is arranged through your local Health and Social Care Trust (for Newry, Mourne and Warrenpoint, the Southern Trust). Unlike hospital treatment, care home accommodation is not free. The Trust carries out a financial assessment under the Health and Personal Social Services (Assessment of Resources) Regulations (Northern Ireland) 1993, applying the Department of Health's Charging for Residential Accommodation Guide, known as CRAG.

The assessment looks at two things: your capital (savings, investments, property and other assets) and your income (pensions and most benefits). Only the resident is assessed. A husband, wife or partner who remains at home cannot be required to disclose or contribute their own savings, although joint accounts are normally treated as owned in equal shares.

One element is paid regardless of means. If you are assessed as needing nursing care in a nursing home, the Trust pays £100 a week towards the nursing element of the fee, even if you are otherwise paying for yourself.

What the Trust will ask for

Recent bank, building society and credit union statements, pension and benefit details, investments, the deeds or folio for any property, and any enduring power of attorney. Gather these early, as gaps delay the assessment.

2 The capital limits

The capital limits in Northern Ireland have been frozen since 2010 and remain as follows for 2026/27:

Your capital	What happens
Over £23,250 (upper limit)	You pay the full fee yourself
£14,250 to £23,250	You pay from income plus £1 a week for every £250 (or part of £250) above £14,250, known as tariff income
Under £14,250 (lower limit)	Capital is ignored and you pay from income only

By way of example, a resident with £19,250 has £5,000 above the lower limit. That produces tariff income of £20 a week, which is added to their assessed income.

Frozen for sixteen years

Because the limits have not risen since 2010, while fees and house prices have, more families now pay in full, and for longer, than when the rules were set.

Residential or nursing care?

A residential home provides personal care. A nursing home also has registered nurses on duty around the clock. The Trust's assessment decides which is needed, and only nursing care attracts the £100 weekly contribution.

Above the upper limit, your home, and the exemptions that protect it

3 Above the upper limit

If your capital is above £23,250 you are a self-funder. You pay the home's full weekly fee, less the £100 nursing contribution if you need nursing care, until your capital falls to the upper limit. The Trust will still assess your care needs and can help find a suitable place, and it is worth asking for that assessment even if you expect to pay.

- Self-funders usually contract directly with the home, so read the contract carefully, especially on fee increases, notice periods and what happens when money runs low.
- Tell the Trust well before your capital approaches £23,250, as reassessment takes time and fees are not usually backdated.
- When the Trust takes over funding, it will pay up to its regional rate. If the home charges more, a "third party top-up" from family may be needed to stay there.

4 Your home: when it counts and when it does not

For most people the family home is the largest asset, and the rules on it cause the greatest anxiety.

- Temporary care: if your stay is temporary and you intend to return home, the home is ignored.
- The first 12 weeks: when care becomes permanent, the value of your home is ignored for the first 12 weeks, giving time to plan.
- After 12 weeks: the home counts as capital at its market value, less 10% for the costs of sale and less any mortgage secured on it.
- Jointly owned homes: only your share counts, and its value can be significantly reduced if a co-owner still lives there and the property could not readily be sold.

Nobody can be forced to sell their home during their lifetime to pay care fees. Where the home counts but has not been sold, the Trust can register a charge over it for the fees owed, to be repaid when it is eventually sold or from the estate.

Renting it out

Some families let the home and use the rent towards the fees. This keeps the property in the family, but the rent counts as income, the property still counts as capital, and there are landlord duties and tax to consider. Take advice before signing a tenancy.

5 The exemptions for a spouse or older relative

The value of the home is ignored entirely, for as long as the situation continues, if it is still occupied by:

- your husband, wife or civil partner, or a partner you lived with as a couple, unless you are estranged or divorced;
- a relative or member of your family who is aged 60 or over;
- a relative or member of your family of any age who is incapacitated;
- a child of yours under 18 whom you support.

The Trust also has a discretion to ignore the home in other cases, for example where a carer who gave up their own home to look after you continues to live there. Ask for this to be considered in writing, and explain the full circumstances.

Check how the home is owned

Whether the house is held jointly, in one name, or partly in trust can change the outcome markedly. Ask us to check the title before any assessment and before anyone decides what to do with the property.

If the home is sold

Once the house is sold, the proceeds count as capital in the ordinary way, and you remain a self-funder until your capital falls to £23,250. Proceeds held in a joint account with a child, or paid into a child's name, are still treated as yours. Keep the money in the resident's own name, and record how it is spent.

If a parent lives in the Republic

Care in the Republic is funded under the Fair Deal (Nursing Homes Support Scheme), which works quite differently. The resident pays 80% of assessable income and 7.5% a year of assets above the asset disregard. Contributions based on the principal home are capped at three years. Property in Northern Ireland is counted. Families on both sides of the border should take advice in each jurisdiction.

Respite, when one parent goes into care, giving assets away, and benefits

6 Respite care

Short stays, to give a family carer a break or after a hospital discharge, are treated as temporary. The home is ignored, and the Trust may assess the charge more simply or apply a reduced charge for short periods. Respite is often the first contact a family has with the care system, and it is a good moment to ask the Trust about longer-term options and to put legal arrangements in place.

7 When one parent goes into care and the other does not

This is the most common situation we advise on, and the rules offer real protection to the spouse who stays at home.

- Only the resident's own capital and income are assessed. The spouse at home is not required to contribute from their own savings.
- The home is ignored while the spouse lives there.
- Joint savings are split equally. It can make sense to separate joint accounts so each spouse's share is clear.
- If the resident has an occupational or private pension, half of it can be disregarded if it is passed to the spouse at home.
- Pension Credit for the spouse at home may need to be recalculated as a single person.

Both spouses should review their wills. If the spouse at home dies first and leaves everything outright to the spouse in care, that inheritance will usually be used to pay fees. A will that leaves assets in a suitable trust instead can protect them for the family.

8 Giving assets away: the intention test

Many families ask whether a parent can simply give the house or savings to the children. The Trust can treat you as still owning anything you have given away, or spent unusually, if a significant reason for doing so was to avoid care fees. This is called notional capital.

- There is no fixed time limit. Unlike the seven-year rule for inheritance tax, a gift made many years ago can still be challenged if care was foreseeable at the time.
- The Trust looks at timing and purpose: your health when the gift was made, whether care was in contemplation, and any other reason for the transfer.
- Gifts made well in advance, for genuine reasons and while in good health, are much harder to challenge.
- Transferring a home can also have capital gains tax, inheritance tax and security consequences, and leaves the parent dependent on the child's goodwill.

> Our advice
>
> Never transfer a parent's home or savings in a hurry because care is approaching. It rarely works and can cause real harm. Planning done early, and properly documented, is a different matter.

9 Social security benefits in care

- State Pension and private pensions continue and are counted as income.
- Attendance Allowance, or the care component of DLA or PIP, stops after 28 days in care if the Trust is helping to pay. Self-funders keep it, and it should be claimed.
- Pension Credit may become payable, or increase, once the resident is assessed in care.
- The resident keeps a weekly personal expenses allowance for clothes, toiletries and outings. It was £34.10 a week from April 2025 and is normally uprated each April.

Tell the Department for Communities about any move into care, as overpayments are recovered.

> Continuing healthcare
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> Where a person's primary need is for healthcare rather than social care, the Trust should fund the whole placement, whatever their means. The threshold is high, but if a parent has complex, intense or unpredictable health needs, ask for a continuing healthcare assessment before signing anything.

What the intention test does not catch

- Paying genuine debts, bills and household costs.
- Buying things you need, such as a new boiler, home adaptations or a mobility vehicle.
- Modest gifts consistent with a long pattern of giving, such as birthday and Christmas presents.
- Transfers made for real reasons long before care was in view, such as a farm handed on as part of succession.

> Protective will trusts
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> A will can leave the family home, or a share of it, on trust rather than outright. For example, the surviving spouse can live there for life, with the property then passing to the children. Assets held in such a trust do not belong to the surviving spouse, so they are not usually counted if that spouse later needs care. This is one of the most effective, and least controversial, planning steps available.

How likely is care, a worked example, and what you can do now

10 How likely is care, and for how long?

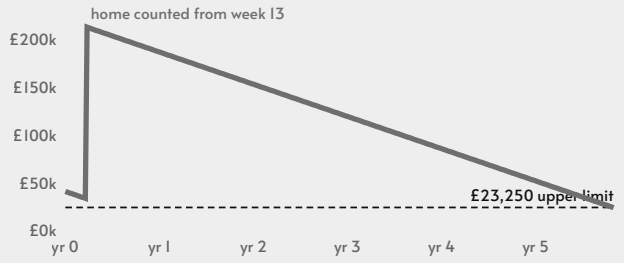
Most older people never need permanent residential or nursing care, and many who do stay for a relatively short period at the end of life. A significant minority, particularly those living with dementia, need care for several years, and it is those cases that use up a family's savings and home.

You cannot know in advance which group a parent will fall into. That is why the sensible approach is to put the legal framework in place early, understand the rules, and avoid irreversible steps taken in a hurry.

Key figures, 2026/27

Upper capital limit £23,250. Lower capital limit £14,250. Tariff income £1 a week per £250. Nursing contribution £100 a week. Home ignored for the first 12 weeks of permanent care.

Mary's capital over time



11 Worked example: a Warrenpoint nursing home

Mary is widowed and lives alone in Warrenpoint. She owns her home, worth £180,000 after the 10% deduction, has £40,000 in savings and £250 a week from pensions. She moves permanently into a nursing home charging £1,000 a week. These figures are illustrative.

Period	What happens
Weeks 1 to 12	Home ignored, but her savings alone exceed £23,250, so the Trust does not yet pay. Mary pays £900 a week (the fee less the £100 nursing contribution), £650 of it from savings
From week 13	Home now counts, so capital is about £212,000. Mary continues as a self-funder
After about 5¾ years	Capital falls to £23,250. The Trust begins to contribute, and Mary pays her income plus tariff income, keeping her personal allowance

If Mary's son, aged 62, had lived with her in the house, the home would have been ignored entirely and the Trust would have started to contribute once her savings fell to £23,250, after about 26 weeks.

Had Mary's savings been only £15,000, the Trust would have paid for the first 12 weeks, with Mary contributing her income plus £3 a week tariff income. From week 13 the house would count, and the Trust would usually continue paying and register a charge over it for the fees.

Mary does not have to sell the house. The family can let it, pay the fees from other funds, or agree that the Trust registers a charge for the fees owed, to be repaid from her estate.

12 What you can do now

- Make enduring powers of attorney while everyone has capacity. Without one, the family may need a controller appointed by the court before they can deal with money or sell a house.
- Review both spouses' wills so that a surviving spouse who later needs care does not inherit everything outright.
- Check how the home is owned, and whether joint ownership is still right for your family.
- Keep records of any gifts and the reasons for them, and do not transfer assets without advice.
- Ask the Trust for a care needs assessment and, where appropriate, a continuing healthcare assessment.
- Claim the benefits you are entitled to, and tell the Trust before capital falls to the upper limit.
- Talk as a family about wishes for care, the home and money while a parent can take part, and record the decisions.
- Look at care at home first. Support at home is assessed under different rules, and the home is never counted.
- Contact us at the hospital discharge stage. We can check the Trust's assessment, the home's contract and any proposed charge before you sign.

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The law is rarely one size fits all. While the same legal principles apply, every case turns on its own facts. This guide is reviewed and updated as the law and tax rules change. This briefing is general information based on the rules and figures in force in October 2026. It is not advice on your circumstances. Please take advice before acting.

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