



Homecare Association



A Minimum Price for Homecare

in Northern Ireland
April 2025 to March 2026

Produced by
Homecare Association

December 2024

Executive summary

The Homecare Association's new calculation for the Minimum Price for Homecare in Northern Ireland is **£32.84 per hour**.

We base this minimum on careworkers being paid the Real Living Wage (as required according to public procurement rules that have been in effect since June 2022), which has risen to [£12.60 an hour across the United Kingdom](#).

The Minimum Price for Homecare has gained wide recognition within the health and social care sectors in all four UK administrations.

Our Minimum Price for Northern Ireland is the amount required to ensure careworkers receive the Real Living Wage (excluding any enhancements for weekend or bank holiday working); their travel time; mileage; and various wage-related on-costs. The rate also includes the minimum contribution towards the costs of running a care business to meet quality and other legal requirements.

We do not suggest that the Minimum Price recognises the value of homecare services to society by providing a fair reward for the essential workforce. This would be a '*fair price*'. Instead, we have calculated a '*minimum price*'. Commissioners should not treat this as a national acceptable price capable of achieving a stable workforce.

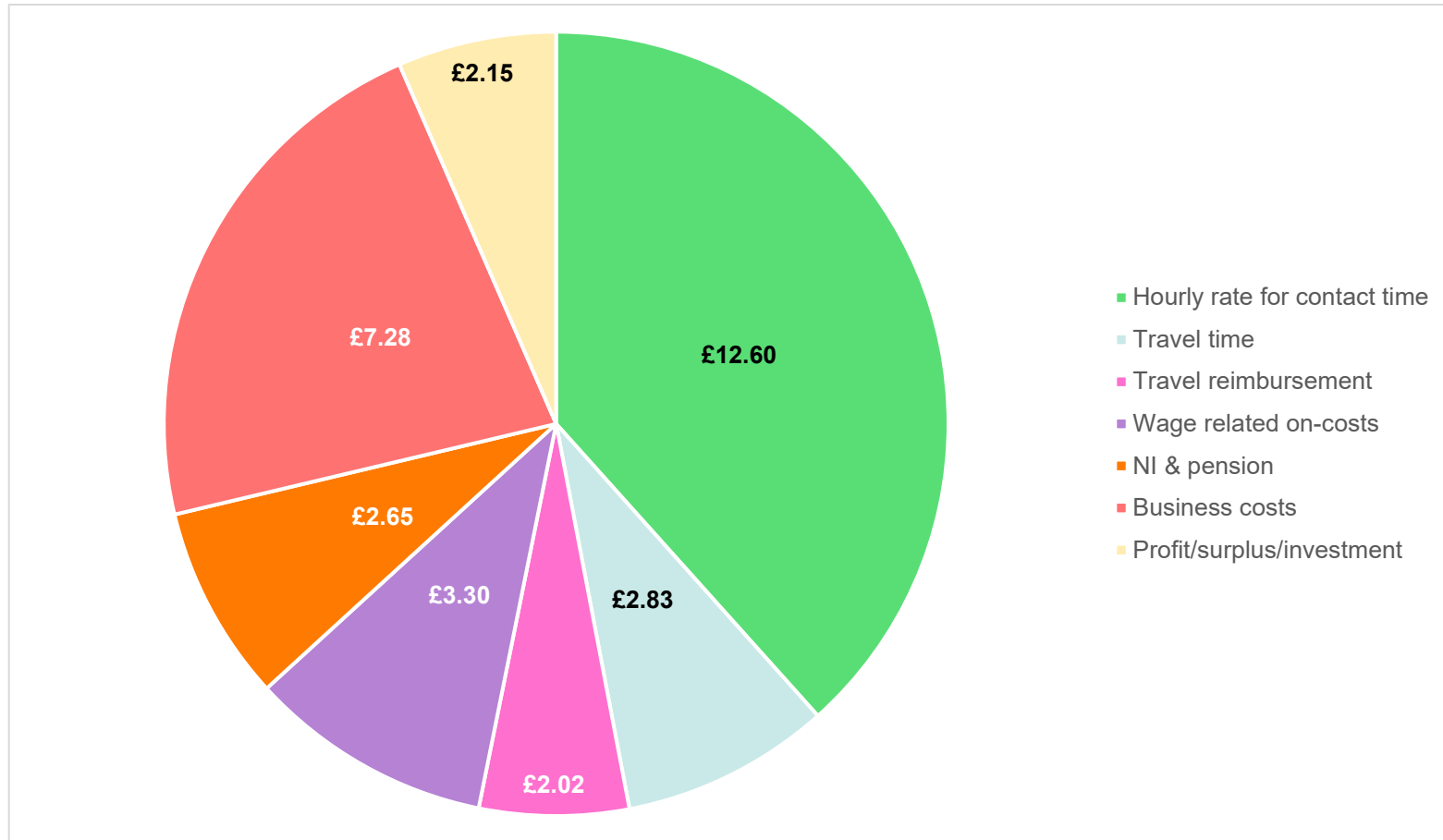
Staffing costs are the most significant driver of the cost of delivery of homecare, representing at least 70% of the total. Sometimes, they can represent 90% of the total. Increases in wage rates do not just impact on the rate for careworkers' contact time. They also result in rises to associated cost elements; these include employers' National Insurance, statutory pension contributions and holiday pay. There is also a knock-on impact on salary differentials and wage rates for roles above the lowest paid.

The Homecare Association continues to challenge central government on the overall funding of social care. It is, however, councils, the NHS, and Health and Social Care Trusts (in Northern Ireland) that determine the prices they pay for services at a local level.

We show the results of our analysis in the chart and table which follow.

NB. In this report, we have used exact figures when adding or subtracting numbers. As a result, there may be occasional rounding differences in the text and tables.

Minimum Price for Homecare 2025-26 at the Real Living Wage (Northern Ireland)



Minimum Price for Homecare in Northern Ireland at the Real Living Wage (announced in October 2024)				Costs per hour		
Careworker costs	Gross pay	Hourly rate for contact time	Real Living Wage	£12.60	£15.43	£23.41
		Travel time	Average travel time of 8.09 minutes per visit	£2.83		
	Mileage	Travel reimbursement	Average travel distance of 2.70 miles per visit	£2.02	£2.02	
	Other wage related on-costs	Training time	Based on 2,701 training hours per year	£0.44	£3.30	
		Sick/Maternity & paternity pay	5.32% of contact & travel hours	£0.82		
		Notice & suspension pay	0.14% of contact & travel hours	£0.02		
	NI & pension	Holiday pay	12.07% of contact, travel & other non-contact related hours	£2.02	£2.65	
		Employers' National Insurance	15% liability above the threshold of £5,000 per employee	£2.09		
	Pension contribution	Minimum pension contribution of 3%	£0.56			
Gross margin	Business costs	Management & supervisors	Estimated fixed cost	£2.75	£7.28	£9.43
		Back-office staff	Estimated fixed cost	£0.93		
		Staff recruitment	Estimated fixed cost	£0.40		
		Training costs	Estimated fixed cost	£0.52		
		Regulatory fees	Estimated fixed cost	£0.03		
		Rent, rates & utilities	Estimated fixed cost	£0.52		
		IT & telephony	Estimated fixed cost	£0.51		
		PPE & consumables	Estimated fixed cost	£0.36		
		Finance, legal & professional	Estimated fixed cost	£0.36		
		Insurance	Estimated fixed cost	£0.20		
	Other business overheads	Estimated fixed cost	£0.70			
Profit	Profit/surplus/investment	7% of careworker costs & business costs	£2.15	£2.15		
Total price based on the Real Living Wage (announced in October 2024)				£32.84	£32.84	£32.84

Method

The method for calculating a Minimum Price for Northern Ireland broadly follows that for England. We, therefore, refer you to the England report for full details.

Our model now closely follows the approach taken by ARCC Consulting, who co-developed the [Homecare Cost of Care Toolkit](#) used in the past [Fair Cost of Care \(FCoC\) exercises](#) undertaken by local authorities in England. We assume a provider delivers 1,500 hours of care in a person's home (i.e. contact time) each week, and employs 75 careworkers.

However, there are some differences and aspects to note for Northern Ireland.

Careworker costs

Hourly rate for contact time

Unlike in England, the Minimum Price in Northern Ireland assumes payment of the Real Living Wage to careworkers.

Training time

This determines the cost when a careworker attends training (as opposed to delivering care). We include other training-related costs, such as payment of trainers, in the 'business costs' section.

We can break careworker training down into three key items: induction, qualifications and Post Registration Training and Learning (PRTL).

The Northern Ireland Social Care Council (NISCC) has developed an [Induction Programme](#) for new careworkers. We estimate the annual number of training hours for this item per careworker, based on the assumption of six hours per training day.

[Regarding qualifications](#), we focus our attention on the Level 2 Diploma in Health & Social Care (Adults) (Northern Ireland) (total qualification time of 460 hours) and the Level 3 Diploma in Health & Social Care (Adults) (Northern Ireland) (total qualification time of 580 hours). We do not consider higher qualifications, following a similar qualifications pathway for England. However, in our model, we note that the Level 2 and 3 qualifications are not mandatory (both only desirable for careworkers). We use [Skills for Care data for England](#) on the proportion of those holding similar qualifications (respective figures for Northern Ireland are not available).

NB. As part of the [Care in Practice framework](#), NISCC has introduced the [Level 2 Certificate in Safe and Effective Practice](#) as a new entry-level qualification for careworkers. However, as this is not yet mandatory, we do not include the qualification in our modelling for the Minimum Price 2025-26.

Social care workers must complete [at least 90 hours of PRTL](#) during each registration period of five years.

Based on a provider with 75 careworkers, we estimate the number completing each training item per year. This uses [Skills for Care data](#) on both the starter rate of careworkers in the CQC, non-residential independent sector in England and the proportion recruited from within adult social care (equivalent data for Northern Ireland are not available).

When multiplying the number of training hours by the number of applicable careworkers for each training item and summing, **we estimate an annual total of 2,701 training hours (or 36 hours per careworker).**

Finally, we use the annual training hours to compute a cost of training per year at the Real Living Wage.

NB. In Northern Ireland, the Department of Health has previously offered funding through the [Training Support Programme](#) to help cover the cost of developing the workforce. However, the scheme had a limited budget and private organisations have not been eligible to apply (open only to small, community and voluntary sector providers). Therefore, we do not include this in our model.

Holiday pay

The annual (and so hourly) cost of holiday pay relies on all contact and travel hours, as well as hours accrued from other wage-related on-costs. Figures will vary between different nations in our model, since the number of training hours per year differs in each administration.

Break time

There are separate [Working Time Regulations for Northern Ireland](#). However, the stipulation for a rest break is equivalent to the Working Time Regulations 1998 (see England report).

Our model focuses on working time only and, as such, we assume that [rest breaks are unpaid](#).

Employers' National Insurance and pension contribution

We calculate these elements according to all working hours (contact, travel and all non-contact related hours), which diverge by nation.

Business costs

Regulatory fees

Regulatory fees comprise annual fees for the business (assuming a provider has previously registered) and the careworker (in Wales, Scotland and Northern Ireland only, where individual careworkers must join a professional register).

According to the Regulation and Quality Improvement Authority (RQIA), there [is no registration fee or annual fee applicable](#) for a domiciliary care agency in Northern Ireland.

However, there is an [application, annual and renewal fee for careworkers of £30](#) as part of their NISCC registration. **Based on a provider with 75 careworkers delivering 1,500 contact hours per week, this equates to £0.03 per hour.**

Profit/surplus/investment

As for England, we use a profit share of 7%, but the hourly cost will diverge by nation, as the calculation is a percentage of all careworker and business costs.

Caution and disclaimer

Our Minimum Prices for Homecare in each administration are indicative rates. Providers should not use them as an alternative to the accurate pricing of individual tender bids. Likewise, commissioners should not use them to set maximum prices in contracts. The Homecare Association accepts no responsibility for actions taken or refrained from solely by reference to the contents of this briefing, or that in the reports for the other UK nations.

We do, however, encourage homecare providers to share our briefings with the Directors of Adult Social Services (or their equivalents) in homecare commissioning bodies across the United Kingdom.

Shaping homecare together

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