



Market Report

A Snapshot of your Marketing Sector

Adult and Domiciliary Care

This pack has been designed to provide information on setting up a business in the **Adult and Domiciliary Care** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **November 2024**.

What do I need to know about the Adult and Domiciliary Care market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Revenue in the Domiciliary Care industry is anticipated to climb at a compound annual rate of **5.4%** over the five years **through 2024-25 to £7.2 billion**, including a forecast jump of 3% in 2024-25, and a forecast of **£8.6 billion** for the industry through **2029-30**. Requests for care have gone up, supported by an ageing population and the rising prevalence of disabilities among the adult population. (IBISWorld, *Domiciliary Care in the UK*, September 2024).
- ◆ Residential nursing care revenue is anticipated to remain stable at a compound annual rate of 0% to **£9.3 billion over the five years through 2024-25**, including revenue growth of 3% in 2024-25. Weak government funding and inflationary wage cost pressures have constrained profitability. Over the five years through **2029-30**, residential and nursing care revenue is estimated to grow at a compound annual **rate of 4.1% to £11.4 billion**. Robust demand from an ageing population will continue to accelerate industry growth. (IBISWorld, *Residential Nursing Care in the UK*, October 2024).
- ◆ The **UK population** is getting older – **19% are now aged 65 and over**, claims Age UK, with this figure set to shoot up to 22% within the next 10 years. At the same time, the number of people living with disabilities has crept upwards. These factors combine to boost the need for social care services. The Health Foundation has estimated that **£8.3 billion will be needed by 2032-33 to keep up with growing demand due to the ageing and growing UK population**. (IBISWorld, *Social Services for the Elderly & People with Disabilities in the UK*, September 2024).
- ◆ Mintel estimates the value of **adult social care in the UK to grow by 9.9% between 2022/23 and 2026/27**, with total spend in the market forecast to be worth **£55.1 billion** (excluding the value of informal care). Informal care continues to account for the majority of the total domiciliary care market, at an estimated 74% in 2021/22. Since 2017/18, the **value of informal care has risen by 8%**, reaching **£71.5 billion** in 2021/22. (Mintel, *Adult Social Care, UK*, August 2022).
- ◆ The national organisation for this industry is [Scottish Care](#). Other industry bodies include [The Care Inspectorate](#), the [Scottish Social Services Council](#), the [Coalition of Care and Support Providers](#) and [Care Information Scotland](#).



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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel – Adult Social Care UK (2022).** The value of the private sector market, which typically involves low-intensity care provided by sole traders or small local organisations, has benefited from increasingly stringent local authority eligibility criteria. This has forced some consumers to source care from the private sector when local authority provision is unavailable, including providing company for the elderly. The share of the market accounted for by local authorities has remained between 15% and 18% over the last five years.
- ◆ **IBISWorld – Domiciliary Care in the UK (September 2024).** Monitoring and communication systems have transformed the quality of care - alarms and sensors allow care providers to track patients' vitals, constantly assessing conditions and treating illnesses better. Sensors can alert care staff of emergencies in patients' rooms, such as falls, or emergency response bracelets automatically contact emergency services for frail patients at home. Assistive technologies such as smart home devices and wearable sensors like Fitbits and Apple watches can allow patients to perform day-to-day activities and monitor their health more frequently, giving patients independence and reducing the work of care staff.
- ◆ **IBISWorld – Residential Nursing Care in the UK (October 2024).** New adult social care reforms which had been delayed until October 2025 have now been scrapped by the new Labour government in July 2024. Private residential nursing care homes can be run by private companies, voluntary or charity organisations or even local councils. An ageing population and a shortage of public-sector provision have expanded private-sector provider's revenue. As the public and private sectors increasingly seek affordable nursing care options, voluntary care providers are gaining market share.
- ◆ **IBISWorld – Retirement Homes in the UK (September 2024).** Care homes have raised fees in the three years through 2024-25 to cope with enhanced staffing costs, mounting mortgage payments and large energy costs due to inflation. Nevertheless, demand for retirement homes is expected to climb at a compound annual rate of 1% over the five years through 2029-30 to £10.8 billion.

There are also a number of online resources you may find helpful:

- ◆ **The Care Inspectorate** – offers a number of publications and statistical reports on various sectors within the care industry in Scotland. (www.careinspectorate.com).
- ◆ **The Scottish Government** website has a number of statistical datasets relating to health and social care that you can access ([Health and Social care analysis](#))
- ◆ **Public Health Scotland** – publishes regular releases on a variety of topics which present data from across NHSScotland, including statistics on social & community care. ([Public Health Scotland](#)).

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#), [Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.



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How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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