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The quiet consolidation of Scottish social care

Scotland has closed a quarter of its adult care homes since 2011 and lost almost none of its beds. What disappeared was the small home — and the areas now ageing fastest are the ones with the least capacity left.

Arlene Bunton, Director · August 2026

The headline number is not the story

Between March 2011 and March 2025, Scotland lost 328 adult care homes. That figure gets quoted often, and it sounds like a sector in retreat. Set against it a second figure that is quoted far less: over the same period, registered places fell by 2,881.

Divide one by the other and the net closures average fewer than nine registered places each. Scotland has not been losing capacity at anything like the rate it has been losing services. It has been losing a particular kind of service.

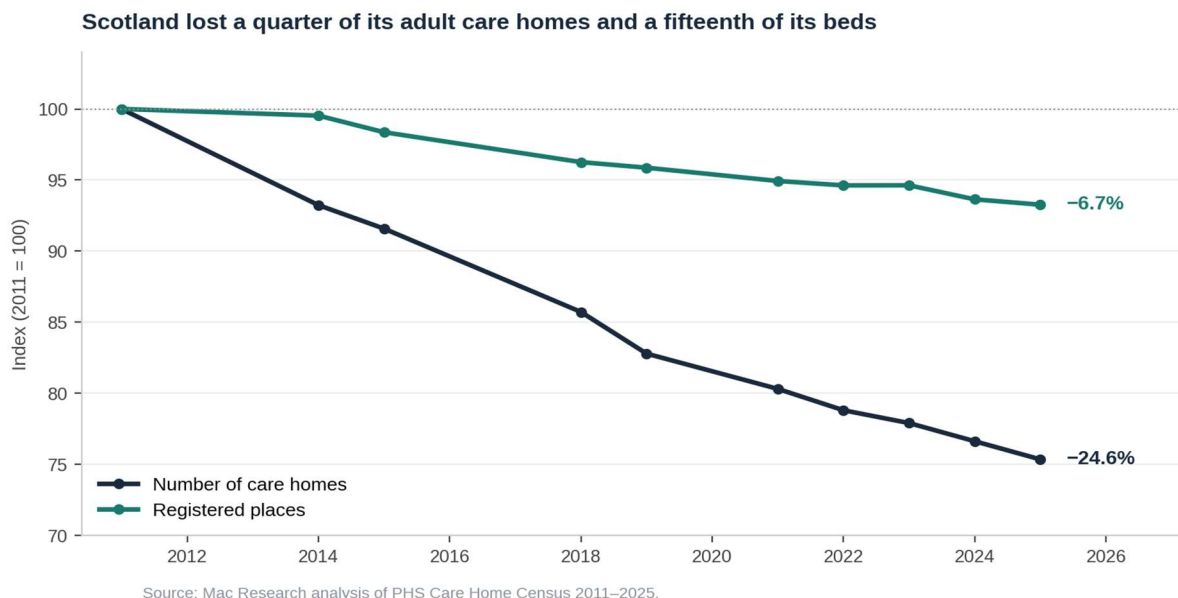


Figure 1. Care homes and registered places, indexed to 2011. Mac Research analysis of PHS Care Home Census data.

What closed was the small home

In 2011 the average Scottish adult care home was registered for 32 places. By 2025 it was registered for 40 — a 24% increase in average size across fourteen years, achieved without anyone deciding it should happen.

This is what consolidation looks like when it happens through the market rather than through planning. Fixed costs do not scale down. A twenty-bed home carries broadly the same regulatory, managerial, training and governance burden as a sixty-bed home, spread across a third of the revenue. When margins compress, the small service fails first — regardless of how good it is, how embedded in its community, or how difficult it will be to replace.

The sector did not choose which homes to close. Cost structure chose for it.

The consequences are distributional rather than aggregate. Small homes are disproportionately rural, disproportionately island, and disproportionately the places where a resident can remain in the community they came from. Replacing eight small homes with three large ones leaves the bed count almost intact and changes the geography of care entirely.

The market cleared by closing, not by filling

If Scotland had a straightforward bed shortage, occupancy would have climbed as capacity fell. It has not. Occupancy has sat between 85% and 87% in every year of the series. Residents fell from 37,500 to 34,289 over the same period that the population aged 65 and over grew.

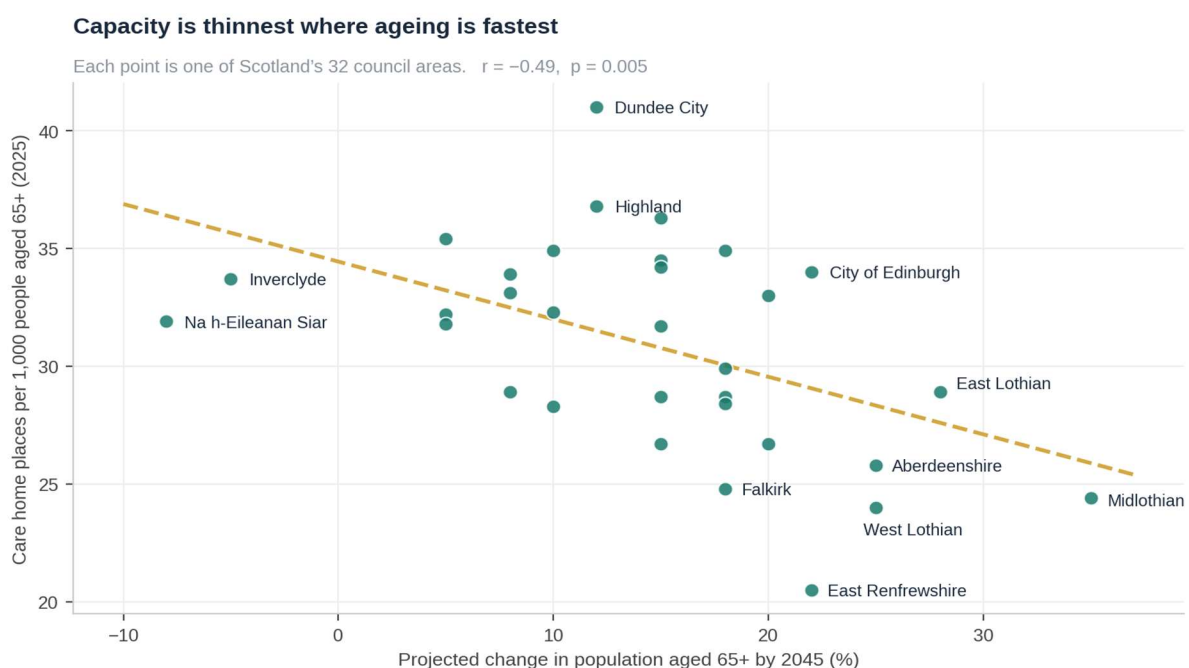
That combination tells a specific story. Demand for residential beds genuinely did soften, as care at home absorbed people who would once have been admitted. The care at home workforce grew from roughly 62,000 to 77,000 between 2015 and 2024, and 97,585 people received local authority funded care at home in 2023/24 across 40.9 million hours.

So the rebalancing that policy has called for since the integration agenda began has, to a degree, actually happened. The difficulty is that it happened by attrition. No commissioner sat down and decided which twenty-bed home in which village should be the one to go. The estate that remains is the estate that could absorb the losses — not the estate anyone would design.

The geography is wrong

This is where the data stops describing the past and starts constraining the future. Across Scotland's 32 council areas there is a moderate, statistically significant negative relationship between how much care home capacity an area has today and how fast its older population is projected to grow ($r = -0.49$, $p = 0.005$).

In plain terms: the places with the fewest beds per head of older population are, on average, the places whose older population is growing fastest. Every ten percentage points of projected growth is associated with roughly 2.4 fewer places per 1,000 people aged 65 and over.



Source: Mac Research analysis of PHS Care Home Census 2025 and NRS population projections.

Figure 2. Care home places per 1,000 people aged 65+ against projected growth in the 65+ population to 2045, by council area. Mac Research analysis of PHS and NRS data.

The pattern is not mysterious. It is the Edinburgh commuter belt, plus the suburban authorities around Glasgow. Midlothian, East Lothian, West Lothian, East Renfrewshire and East Dunbartonshire are where the population is ageing quickest and where the residential estate is thinnest — partly because these are relatively young areas whose demand has not yet arrived, and partly because land values there have never favoured care home development.

Holding today's capacity constant, the following are the most exposed areas in Scotland:

Council area	Places per 1,000 aged 65+ (2025)	Projected 65+ growth to 2045	Ratio in 2045 if capacity unchanged
Midlothian	24.4	+35%	18.1
East Renfrewshire	20.5	+22%	16.8
West Lothian	24.0	+25%	19.2
Aberdeenshire	25.8	+25%	20.6
Falkirk	24.8	+18%	21.0
East Dunbartonshire	26.7	+20%	22.3
East Lothian	28.9	+28%	22.6
Scotland	36.6	+21%	~30

For context, the national ratio in 2025 is 36.6 places per 1,000 people aged 65 and over. On the dataset's own national projection, that falls to roughly 30 by 2045 if not a single additional place is registered. Restoring the current ratio would require somewhere between 8,000 and 10,000 additional registered places — the equivalent of 210 to 260 care homes at today's average size.

That is not a forecast of what will be needed. Care at home may continue to absorb demand, and the ratio may be the wrong measure of adequacy. But it does establish the scale of what care at home is being asked to absorb.

Quality sits where acuity sits

One further figure deserves more attention than it gets. Across the register, 86.9% of Scottish care services are graded good or better. Care at home services sit above 85%. Adult day care sits above 90%. Care homes for older people sit at 68%.

The lowest quality profile in the system belongs to the part of the system carrying the highest acuity. Sixty-three per cent of care home residents for older people are living with dementia — 19,288 people in 2025, a number that has risen every year since 2021 even as the resident population fell. Around 64% require nursing care.

Nearly a third of the homes caring for Scotland's most complex residents are not yet delivering good care.

This matters for the capacity argument. Building 10,000 places in Midlothian and West Lothian solves nothing if the new provision replicates a 68% quality profile. The gap is not purely a volume problem; it is a volume problem sitting on top of a capability problem, and the second is harder and slower to fix than the first.

What follows

- **For providers.** The growth market and the existing estate are in different places. Any provider considering development should be looking at the low-ratio, high-growth belt rather than at areas where the current bed count looks comfortable. Equally, providers operating small services need a viability plan that does not rest on the hope that rates will rise to meet their cost base — fourteen years of evidence say otherwise.
- **For commissioners.** Market facilitation duties are difficult to reconcile with a decade of unmanaged attrition. If small and rural provision is wanted, it has to be commissioned and priced as a distinct thing, because at a standard rate it will continue to fail first. The question worth asking locally is not how many beds exist but how many exist per head of projected older population.
- **For the regulator and policy.** The Care Reform (Scotland) Act 2025 introduces statutory carer breaks into a system where respite admissions remain far below pre-pandemic levels and adult day care has declined by 9%. Creating a right to a break without the provision to deliver it converts an unmet need into an unmet entitlement.

The honest summary is that Scotland has been running a significant structural reform of its care estate without describing it as one. Consolidation has delivered some real efficiencies. It has also concentrated capacity in the wrong places, removed the smallest and most locally embedded services first, and left the highest-acuity part of the sector with the weakest quality profile. Those are three different problems, and only the first of them can be solved with money.

METHOD AND CAVEATS

This analysis draws on the Care Inspectorate Datastore, the PHS Care Home Census 2015–2025, PHS Care at Home statistics 2023/24, SSSC workforce data 2024, and NRS population projections. Several figures in the underlying dataset are stated as approximations and should be treated as indicative.

Three limitations are worth naming. First, the correlation between capacity and projected growth is an association across 32 areas, not evidence of causation, and it is moderate rather than strong. Second, the council-level growth projections in the source data sum to a lower national increase than the stated national figure of +21%, so the national and local numbers here are calculated on their own respective bases and are not strictly additive. Third, the 2045 ratios assume capacity remains exactly at 2025 levels, which is a device for showing exposure rather than a prediction.

Care at home statistics cover local authority funded packages only and exclude self-funders, which understates total provision. The Care Home Census has been paused for 2025/26 for data modernisation, so 31 March 2025 is currently the latest available position.

Mac Research and Consultancy Limited is a specialist health and social care consultancy working across Scotland and England on regulatory compliance, quality assurance and service development. We would welcome challenge to this analysis, particularly from commissioners and providers whose local picture differs from the national data.

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