

# **Economic and social value of the UK adult social care sector: Northern Ireland**

## Summary report

Independent research by Alma Economics

Prepared for Skills for Care and Development

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## About the authors



Alma Economics combines unparalleled analytical expertise with the ability to communicate complex ideas clearly.

[www.almaeconomics.com](http://www.almaeconomics.com)

## About the commissioning organisation

Skills for Care and Development is an Alliance of seven organisations in the UK and Republic of Ireland, that focuses on regulation and workforce development in social care, social work, and early years. The Alliance consists of Skills for Care; Northern Ireland Social Care Council; Scottish Social Services Council; Social Care Wales; CORU; Early Years Alliance and Social Work England.

[www.skillsforcareanddevelopment.org.uk](http://www.skillsforcareanddevelopment.org.uk)

This report will be published by:



### **Northern Ireland Social Care Council (the Social Care Council)**

is a public body established by the Department of Health (DoH) to support high quality standards of social work and social care. The Social Care Council helps raise standards in the social care workforce in Northern Ireland.

See: [www.niscc.info](http://www.niscc.info)



**Scottish Social Services Council (SSSC)** is the regulator for the social work, social care and children and young people workforce in Scotland. Their work means the people of Scotland can count on social work, social care and children and young people services being provided by a trusted, skilled, confident and valued workforce.

See: [www.sssc.uk.com](http://www.sssc.uk.com).



**Skills for Care** is the strategic workforce development and planning body for adult social care in England. They work with employers, Government and partners to ensure social care has the right people, skills and support required to deliver the highest quality care and support now and in the future.

See: [www.skillsforcare.org.uk](http://www.skillsforcare.org.uk).



**Social Care Wales** is the regulator for the social care workforce in Wales, as well as supporting service improvement in social care.

See: [www.socialcare.wales](http://www.socialcare.wales)



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As of 2021, around 37,000 people worked in the adult social care sector in Northern Ireland ([Dodsworth and Oung, 2023](#)). The Northern Ireland Social Care Council (Social Care Council) is the workforce regulator for social work and social care across both adult and children's services.<sup>1</sup>

The adult social care sector encompasses a diverse range of services tailored to support adults with care and support needs, spanning across public, private, and voluntary sectors. The demand for adult social care is expected to grow in the United Kingdom (UK) overall, as the number of people aged over 85 is projected to grow by 62% by 2037 ([Office for National Statistics, 2024](#)). Similarly, the population of people over 65 years old in Northern Ireland is expected to grow by 33% in the same period ([Office for National Statistics, 2024](#)).

Recognising the importance of the adult social care sector, Skills for Care and Development (herein referred to as "the Alliance") commissioned Alma Economics to analyse the economic and social value of the adult social care sector in the UK and each of the four nations. The findings of this project will be used by the Alliance to inform public policy and improve public understanding, as well as reframe social care as an essential social and economic investment. This report focuses on the adult social care sector in Northern Ireland; the research team has produced separate reports discussing the findings for each of the four nations and the UK overall.

For this research, our team developed two types of models: one focusing on macroeconomic impacts and the other on socioeconomic impacts. Both models consider a wide range of care settings (e.g., residential care homes) and types of service provision (e.g. Health and Social Care Trusts), including informal care, across regulated and non-regulated sectors.

The macroeconomic models estimate the contribution of the adult social care sector to the economy. We estimated the macroeconomic impact by accounting for wages and earnings of employees in the sector, as well as the operating profits of independent care providers (direct impact). **Our estimates suggest that the adult social care sector creates over £730.8 million in Gross Value Added (GVA) and supports 27,400 full-time equivalent (FTE) jobs, with a labour productivity of approximately £26,700 per FTE. When informal care is included, the direct GVA is estimated at nearly £4.3 billion, and the number of FTEs increases to almost 211,400, yielding a labour productivity of £20,300 per FTE.**

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<sup>1</sup> An up-to-date count of the regulated workforce is available on its Public Facing Register ([the Register](#)).



The research also considered the indirect and induced effects of the adult social care sector. The indirect effect arises from increased demand in other sectors that are part of the adult social care sector's supply chain, such as personal protective equipment or home adaptations. Both direct and indirect effects lead to a rise in household income across the economy, driven by increased employment. A portion of this additional income is spent on other goods, which constitutes the induced effect. **The indirect effect, i.e., the value and employment created in other sectors due to adult social care, is estimated to comprise 5,500 FTEs and £181.2 million of GVA. Similarly, the induced impact, resulting from the additional spending of individuals directly or indirectly employed in the sector, is estimated to include 13,700 FTEs and £545 million of GVA.**

**Overall, the adult social care sector in Northern Ireland is estimated to support 46,500 FTEs and generate £1.5 billion in value when considering direct, indirect, and induced impacts, not including informal care.** The estimated GVA of the adult social care sector represents approximately 2.9% of the total GVA in Northern Ireland in 2023, up from 1.4% in 2016 (ICF, 2018; Office for National Statistics, 2024). However, we recommend such direct comparisons be treated with caution, given methodological changes and data quality concerns.

The adult social care sector also creates a wide range of benefits that are not captured in GVA or employment measures, such as the wellbeing of adults receiving care and peace of mind for the general population. To estimate the magnitude of these socioeconomic impacts, we compared the costs and benefits of adult social care to a hypothetical scenario in which the adult social care sector (both formal and informal) ceases to exist. The results of this analysis suggest that the socioeconomic benefits of the adult social care sector in Northern Ireland are £12.1 billion while costing £4.3 billion. This means that for every £1 spent, there are £2.82 in socioeconomic benefits.