



Insights

Specialist Care

Market Observations

The wider M&A landscape and its impact on recruitment within Specialist Care



“The recent wave of acquisitions in the specialist care sector is driving significant change, from enhancing accessibility and operational efficiency to reshaping the competitive landscape. As these dynamics continue to evolve, organisations must adapt their strategies to thrive in this rapidly changing environment.”

Introduction

UK specialist care M&A activity across 2025–2026 has remained notably resilient, activity predominantly driven by trade buyers, accounting for over 75% of transactions, alongside continued private equity consolidation across care homes, pharmaceutical services, and healthtech.

Several clear trends are emerging. There is sustained investor appetite for specialist care services, particularly those offering differentiated or scalable models of care. The care sector continues to attract high-value acquisitions, while the UK private

market is also seeing increasing interest from international investors.

Against this backdrop, the specialist care sector is undergoing a notable transformation. M&A activity is not only reshaping ownership structures, but also influencing how services are delivered and how organisations approach growth. While overall deal volume remains selective, there is clear momentum behind targeted investments, particularly in areas that prioritise accessibility, scalability, and community-based care models.

Adam Brenton, Director of Specialist Care Services at Compass Associates, explores how the Specialist care market is shifting away from traditional inpatient models towards supported living and residential care, alongside growing investment in EAP and ADHD services, with accessibility and remote diagnosis acting as key drivers of change.

A key trend is the concentration of investment into services such as Employee Assistance Programmes (EAP), ADHD assessment and treatment, and children’s services. Transactions such as Optima Health’s acquisition of PanWellbeing, alongside Keys Group’s acquisition of 360, highlight a growing appetite for platforms that can deliver high-volume, accessible care.

What underpins much of this activity is a shift in how care is accessed and delivered. Increasing demand for counselling, CBT, and remote diagnostic services is driving a move away from traditional, site-based provision. The ability to deliver care quickly, remotely, and at scale is proving highly attractive to both investors and commissioners.



How is this affecting the Specialist Care job market?

Firstly, we are noticing that hiring demand is becoming more specialised and decentralised. Organisations backed by investment are seeking clinicians and leaders who can operate within digitally enabled, community-focused models, rather than traditional inpatient environments. This is particularly evident in the growth of remote-first services, where flexibility and adaptability are key hiring criteria.

Secondly, we are seeing an increasing emphasis on leadership and integration capability. As businesses scale through acquisition, the need for experienced operators who can integrate services, standardise quality, and deliver synergies becomes critical. This is creating demand for senior talent with both clinical credibility and commercial acumen.

At the same time, the decline in demand for acute inpatient services driven by NHS and ICB pressures has led to a redistribution of talent. Large providers are experiencing reduced utilisation across hospital settings, while demand continues to rise across supported living and residential care. This is shifting our client’s recruitment needs away from traditional hospital-based roles and

into more complex, community-based environments, including one-bedded, high-acuity services.

The driving force behind M&A activity is accessibility, with focus on counselling, CBT, ADHD, and remote diagnosis capabilities. Remote diagnosis and treatment options are having a significant impact on inpatient markets, as these services can be delivered from home, making them an easy alternative to acute place of work settings

Demand from counselling providers is firmly centred around qualified counsellors, while ADHD providers are specifically seeking experienced ADHD practitioners. The Psych UK project has also highlighted ongoing discussions around employment models, with providers carefully assessing what structures best support both delivery and scalability.

In children’s services, the demand for registered managers remains a significant challenge, with a clear national shortage continuing to drive salaries upward. In some cases, registered managers are now commanding higher salaries than regional managers, creating a notable shift in traditional compensation structures.

Alongside this, continued expansion within adult residential services is driving further demand, not only for registered managers, but also for more robust regional support teams to effectively oversee growing portfolios of services.”

So what advice are we giving to clients hiring within this sector?

While the sector remains fragmented, large institutional investors are increasingly pursuing buy-and-build strategies to create integrated care platforms. For our clients, this means improved access to capital and infrastructure, but also rising expectations around performance, governance, and reporting.

As investment accelerates, so too does demand for experienced leadership. Larger, more complex organisations need individuals who can operate at scale, who are adept at balancing commercial performance with quality outcomes. We are already seeing increased demand for regional and executive-level hires, greater emphasis on data-driven decision making, and a growing preference for commercially astute leaders with multi-site experience. To reach these candidates, businesses need a compelling and differentiated talent proposition.

The most effective hiring managers articulate a clear and honest narrative about what makes their organisation a genuinely good place to work. This should cover culture, career development, quality of care standards, and the stability of the business.

In a market where candidates are increasingly driven by values alignment and reputational considerations, the ability to demonstrate strong leadership, a well-resourced environment, and a credible vision for the future will carry far more weight than a marginally higher salary package. Organisations that invest time in defining and communicating this story will consistently outperform those that rely on compensation alone.



Give thought to AI adoption and hire accordingly

While the care sector has not traditionally been at the forefront of technological adoption, there is a clear shift underway. I'm seeing a growing expectation that technology-focused leadership will become standard across the industry.

This is already beginning to take shape, with a steady increase in digital and transformation-focused roles coming across our desk. As organisations look to modernise service delivery and improve accessibility, the demand for leaders who can bridge care and technology is only set to accelerate.

Individuals with expertise in AI, data modelling, and digital transformation are increasingly viewed as breakthrough hires for the sector - capable of modernising systems, improving efficiency, and enhancing care delivery.

I believe that providers not yet having these conversations risk falling behind in both the care they can offer and the type of talent they can attract and retain.

Prioritise attraction and retention

"One of the key challenges our clients face is high attrition, often driven by a lack of infrastructure, insufficient systems, or limited support. Today's workforce expects more in terms of development, engagement, and operational efficiency and where this is lacking, retention inevitably suffers. The priority should be a dual focus: strengthening retention strategies while continuing to invest in new talent. By doing so, organisations can build a more stable, capable, and future-ready workforce."

Slow processes, poor communication, and a lack of transparency are among the most common reasons strong candidates disengage and the cost of losing a high-quality hire at the final stage is significant in a competitive market. Hiring managers who treat candidates as they would clients (with responsiveness, clarity, and genuine engagement) send a powerful signal

about the broader culture. Equally, involving senior leaders early in the process, offering meaningful insight into the role's impact, and providing a realistic picture of both the opportunity and the challenges ahead builds the kind of trust that converts interest into commitment.

Investment in training, career development, and candidate experience should be central to recruitment strategy. A well-structured induction process is essential to reducing frontline turnover and without stability in frontline teams, consistently high-quality care is very difficult to sustain.

Take a structured approach to workplace planning

Finally, many of our clients are setting ambitious growth plans but underestimating the time and complexity involved in delivering them. Sustainable change requires careful planning, realistic timelines, and clear processes from the outset. We would recommend starting a hiring process at least 3 months before a required start date. For specialised and senior-level appointments, candidates with immediate availability will rarely meet the full requirements of the role. As such, a structured approach underpinned by a clear understanding of recruitment processes and timelines is essential to achieving successful outcomes.

A common challenge we observe is the underestimation of how long hiring can take. For senior leadership roles, the sourcing phase alone

typically requires a minimum of two weeks, followed by a thorough interview process of around three weeks. This results in an initial timeline of approximately five weeks, although more complex searches can extend to eight weeks or beyond. In addition, notice periods must be factored in, often ranging from three to four months - particularly where candidates are aligned to bonus cycles or year-end transitions. In total, it is not uncommon for the full recruitment lifecycle, from initial briefing to start date, to span up to six months.

Taking a proactive, well-informed approach to hiring timelines enables organisations to secure the right talent, rather than having to make compromises under time pressure.


My team works closely with organisations across the care sector to provide tailored advice on workforce planning, market intelligence, and talent acquisition to ensure our clients are well positioned to attract, retain, and develop the leadership they need.

If you are reviewing your hiring plans or would welcome a strategic conversation about your future workforce, we would be delighted to support you.



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 Connect

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