

**ACQUISITION BY SSCP SPRING TOPCO LIMITED OF
ACORN CARE 1 LIMITED**

**Variation Order made by the
Competition and Markets Authority pursuant to
section 72(4)(b) of the Enterprise Act 2002 (the Act) and consent to certain
actions for the purposes of the Initial Enforcement Order made by the
Competition and Markets Authority (CMA) on 8 September 2016**

Whereas:

- a) the Competition and Markets Authority (**CMA**) made an initial enforcement order pursuant to section 72(2) of the Act in relation to the acquisition by SSCP Spring Topco Limited (**SSCP Spring**) of Acorn Care 1 Limited (**Acorn**) (the **Merger**) on 8 September 2016 (the **Initial Enforcement Order**);
- b) Based on the evidence it received in its assessment of the Merger to date, the CMA considered it appropriate to vary the Initial Enforcement Order on 28 February 2017;
- c) the CMA considers that, based on further evidence it has received in its assessment of the Merger and the offer of Undertakings in Lieu made by the Parties to date, it is appropriate to further vary the Initial Enforcement Order; and
- d) the CMA also wishes to provide its consent to certain related actions for the purposes of the Initial Enforcement Order.

Variation

For the purpose of varying the Initial Enforcement Order the CMA hereby makes the following order pursuant to section 72(4)(b) of the Act, addressed to Stirling Square Capital Partners LLP, Stirling Square Capital Partners Holdings Limited, Stirling Square Capital Partners Second Fund Holdings Limited and Stirling Square Capital Partners Third Fund Holdings Limited (**Stirling Group**) and SSCP Spring (the **Variation Order**).

Subject to the safeguards listed below, the Initial Enforcement Order is varied to amend the definition of the Acorn business as follows:

‘the Acorn business’ means the business of Acorn and its subsidiaries as specified in Annex A. For the avoidance of doubt, it does not include other Acorn businesses involved in the supply of fostering services not specified in Annex A or Acorn businesses involved in the supply of residential care and special needs education services.

Accordingly, with effect from the date of this Variation Order only Acorn’s fostering business as set out in Annex A is subject to the Initial Enforcement Order.

Derogation

Paragraph 5(c), 5(i) and 5(k) of the Initial Order

In light of the variation granted above and for the sole purposes of managing the Stirling Group Business and Acorn Business and ensuring continued compliance with the IEO, the CMA consents to the following changes:

- i. The managerial responsibility of [X] to be restricted to the Acorn business (as defined in this order) and [X] existing responsibility for Acorn’s education business only, until the divestment of the Acorn business has been completed;
- ii. The managerial responsibility of [X] to be restricted to the Acorn business (as defined in this order) and [X] existing responsibility for Acorn’s education business only, until the divestment of the Acorn business has been completed;
- iii. [X], the current [X] of the NFA Group to be appointed [X] of all Stirling Group Fostering businesses not expressly provided in Annex A;
- iv. [X], the current [X] of NFA, to be appointed [X] of the Stirling Group Business;
- v. [X];
- vi. [X], the [X] to have no further role outside the Acorn Business.

Safeguards

The Variation and Consent Order is made subject to the individuals identified in Annex B below signing undertakings (in a form approved in advance by the CMA) to preserve the confidentiality

of information relating to the Acorn business and the Stirling Group business pursuant to paragraph 5(l) of the Initial Enforcement Order.

In particular, these individuals will undertake not to discuss or otherwise share this information with any individual other than those already permitted to receive that information under the Initial Enforcement Order and related derogations and to ensure that any information they hold about each of the Acorn business and the other Stirling Group businesses is retained within each business respectively, including after the completion of the final divestment of that business to an independent purchaser approved by the CMA. These obligations remain notwithstanding any potential integration that occurs between Acorn and NFA.

In addition, the Parties will ensure a single individual will be responsible for safeguarding information flow from the Parties central database and that central services are provided on an as usual basis to the Acorn business, subject to any restrictions resulting from the other safeguards above.

Alba Ziso
Assistant Director, Mergers
11 May 2017

Annex A – Acorn Businesses for the purposes of the Initial Enforcement Order

As at the date of this Variation Order '**the Acorn business**' for the purposes of the Initial Enforcement Order shall be defined as comprising, in its entirety, the staff and assets of the following businesses:

- Pathway Care Limited, with offices at Unit 10 Village Way, Tongwynlais, Cardiff CF15.
- 7NE and Suite 6 First Floor, Crown Building, Ty Myrddin, Dan-y-Banc Road, Carmarthen.
- Swan Fostering Limited, with its office at 29 Bridge Street, Hitchin, Herts, SG5 2DF.
- The Norwich office (only) of Fostering Solutions Limited, Bridge House, Fishergate, Norwich, East Anglia, United Kingdom, NR3 1UF, a part of the Fostering Solutions (Eastern) region for the purposes of Ofsted regulation.

Annex B – Individuals who are to sign confidentiality undertakings

