

[REDACTED]

22 July 2026

By email: childcare@cma.gov.uk

Competition and Markets Authority

Early Years Education and Childcare Services Market Study

Re: Response to the Statement of Scope (1 July 2026) — the treatment of flexible in-home childcare

Dear Sir or Madam,

[REDACTED] welcomes the CMA's decision to undertake a market study into early years education and childcare in England. We share the CMA's ambition for a sector that delivers accessible, affordable and high-quality childcare for every family, and we would be glad to support the study with our evidence and data.

We are writing in response to Question 1 of the Statement of Scope. While we support the study wholeheartedly in principle, we respectfully but firmly disagree with the proposal to exclude nannies and other in-home childcare from its scope. As currently drawn, we believe this exclusion risks undermining the very objectives the study sets out to achieve, and we ask the CMA to reconsider it.

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The exclusion rests on circular reasoning. The Statement of Scope excludes "nannies and other informal childcare for which funded hours cannot be used" (paragraph 6; see also paragraph 14, footnote 22, and footnote 3 of the Market Study Notice). In other words, in-home childcare is placed out of scope because it does not currently qualify for government subsidy. But whether it *should* qualify — whether the current rules on funding eligibility are well designed — is one of the most important questions the study could ask. To exclude in-home care on the grounds that it is not currently funded is to pre-decide that question by definition, and to close off what may be the single largest opportunity to improve access for families. With respect, the reason given for the exclusion is in fact the strongest reason for inclusion.

This matters for the study's own aims. The CMA has said it will examine access for families "requiring non-typical hours" and those with SEND needs, and "cold spots" in provision (paragraph 27); whether provision "caters to different working patterns" and whether government funding is "strategically targeted at gaps in provision" (paragraph 30); and whether regulatory frameworks create disproportionate barriers to new business models and expansion (Questions 10b and 11). Flexible in-home childcare sits at the heart of every one of these questions. It is the part of the market that directly serves shift workers, single parents, families on Universal Credit, and children with SEND — precisely the vulnerable groups the study rightly wishes to protect (Question 6). A study of access and affordability that excludes the fastest-growing and most flexible source of supply cannot give a complete picture of how well the sector meets families' needs.

The access gap is well evidenced. Up to 1.3 million families are eligible for Tax-Free Childcare, yet fewer than one in four use it, and actual spend has been less than half of what was forecast. This is not a demand problem; it is an access problem — and it falls hardest on the families who most need flexible care. Yet these families cannot put their existing entitlements towards in-home care, because eligibility depends on the individual carer joining the voluntary part of the Ofsted Childcare Register: a route only around 7,000 nannies in England have taken, which takes up to twelve weeks and costs roughly £500. A framework designed before digital childcare platforms existed has become the binding constraint on supply.

"Informal" is not the right description. We would gently encourage the CMA to distinguish between genuinely informal arrangements (family and friends) and organised, platform- or agency-mediated in-home childcare. The latter is vetted, insured, digitally tracked and monitored against defined safeguarding standards — in our case a sixteen-point trust and safety system overseen by a full-time Designated Safeguarding Officer and supporting protocols. Grouping modern childcare platforms together with

unregulated informal care, and excluding the whole category by reference to registration status alone, risks overlooking a scalable and well-safeguarded source of supply. A proven model already exists: in Scotland, the Care Inspectorate registers childcare agencies as whole organisations, enabling families to access subsidies through the agency without requiring every individual carer to register separately.

Our requests. In responding to Question 1, we respectfully ask the CMA to:

1. bring platform- and agency-mediated flexible in-home childcare within the scope of the study — at minimum as a source of supply relevant to access, affordability, barriers to entry and vulnerable consumers — even if genuinely informal care remains out of scope; and
2. specifically examine whether restricting government childcare funding to individually Ofsted-registered carers is a disproportionate regulatory barrier that limits supply and choice — consistent with the study's stated interest in the design and distribution of government funding (paragraph 32) and in regulatory barriers to new business models (Questions 10b and 11).

Enabling platforms and agencies to facilitate subsidy access could bring immediate, safeguarded supply to families at no cost to the Treasury, because it simply lets families use entitlements they already hold. We would warmly welcome the opportunity to share our data and experience with the study team, whether through the Call for Views, a sector roundtable, or a direct meeting.

Thank you for considering these points. We are grateful for the CMA's work on an issue that matters so much to families, and we stand ready to help.

Sincerely,

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