

## [News story: CMA will clear fostering services merger after sales](#)

The National Fostering Agency Group (NFA) and Acorn Care and Education Group (Acorn) are 2 of the largest national providers of independent fostering placement services to local authorities across Scotland, England and Wales, helping them match vulnerable children with foster carers.

In January 2017, the Competition and Markets Authority (CMA) [stated that the deal would face an in-depth investigation](#) unless NFA could address concerns over a reduction in competition in 3 areas in the UK in which the companies overlap within the framework agreements put in place by groups of local authorities – Wales, Norfolk and Luton (including the wider Central Bedfordshire/Bedford area).

The CMA had found that less competition would make it more difficult for the local authorities involved to ensure value for money in framework tenders.

To avoid being referred for an in-depth phase 2 investigation, NFA proposed selling Acorn businesses in Wales, Norfolk and Luton (including the wider Central Bedfordshire/Bedford area) to another provider, BSN Social Care. This would include transferring all relevant carers and associated staff to enable BSN Social Care to replicate the competitive constraint provided by Acorn prior to its purchase by NFA.

After consulting on these undertakings, the CMA is satisfied that the sales will protect competition in the affected areas and the ability of the local authorities concerned to obtain good value when tendering for fostering services.

All information on this merger can be found on the [case page](#).