



Market Report

A Snapshot of your Marketing Sector

Childcare

This pack has been designed to provide information on setting up a business in the **Childcare** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **May 2026**.

What do I need to know about the Childcare market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ **In 2025, GVA in the Childcare sector was estimated to be £996m, generating 0.6% of Scotland's total economic output.** Between 2015 and 2025, GVA in the sector was estimated to have increased by 4.6% on average each year, compared to equivalent annual growth of 0.9% across Scotland. Looking ahead, GVA in the **Childcare sector is forecast to grow on average by 2.0% each year between 2025 and 2035, which is slightly above Scotland's average (1.7%).** In 2035, the Childcare sector is forecast to remain accountable for 0.6% of Scotland's total economic output. (Skills Development Scotland, [Sectoral Skills Assessment: Childcare](#), October 2025).
- ◆ In the 2024/25 academic year, there were **133,768 pupils attending nursery schools** in the United Kingdom, compared with 135,139 in the previous academic year. (UK Government, Department for Education, [Education and training statistics for the UK](#), November 2025).
- ◆ There were a total of **90,264 child registrations for funded ELC in Scotland in September 2025**, similar to September 2024 when there were 90,321 registrations. The number of three and four year olds registered for funded ELC was 74,653 in 2025, similar to 74,591 in 2024. The estimated uptake rate for three and four year olds was 100% in 2025, an increase from 98% in 2024. (Scottish Government, [Funded Early Learning and Childcare Statistics 2025](#), December 2025).
- ◆ Scotland's population is projected to grow until mid-2047, largely driven by positive net migration, which will offset the anticipated natural decline due to a falling fertility rate. However, whilst the population is growing, it is also ageing. Around one-fifth of Scotland's residents were aged 65 or over in 2024. By 2047, the number of people of pensionable age is expected to increase by 21%. (Skills Development Scotland, [Sectoral Skills Assessment: Childcare](#), October 2025).
- ◆ The United Kingdom **baby personal care market grew by 8.2% in 2025 to reach a value of \$1,499.7million.** In 2030, the United Kingdom baby personal care market is forecast to have a value of \$1,863 million, an increase of 24.2% since 2025. Diapers is the largest segment of the baby personal care market in the United Kingdom, accounting for 67.7% of the market's total value in 2025. (GlobalData Explorer, *United Kingdom – Baby Personal Care*, March 2026). This content is reproduced under license from GlobalData PLC, Copyright 2026.
- ◆ The national organisations for this industry are the [Scottish Childminding Association](#). Other industry bodies include the [National Day Nurseries Association](#), and the [Care Inspectorate](#).

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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Statista – Childcare in the UK (2024).** The cost of childcare in the United Kingdom varies quite significantly depending on the type of care and by the age of the child being looked after. As of 2024, the average weekly cost of 25 hours of nursery care in Great Britain amounted to £157.68 a week for under twos, £151.72 for two-year-olds, and in England around £63.54 a week for three to four-year olds. Full-time care, measured as being 50 hours a week was naturally more expensive, ranging from £302.10 a week for under twos in Great Britain, to £120.93 for three to four-year olds in England. Childcare in Inner London was a lot more expensive than the rest of the country, with a part-time nursey place for under twos having a weekly cost of just over £218 a week, compared with £125 in Scotland.

There are also a number of online resources you may find helpful:

- ◆ **Care Inspectorate** - [Early learning and childcare statistics 2024](#) (Published September 2025). On 31 December 2024 there were 6,454 early learning and childcare services in Scotland with a combined capacity of 198,580 places, which is a decrease of 215 registered services (3.2%) and 470 places (0.2%) compared to 2023. Daycare of children services cover a wide range of different types of care provision, the largest of which is nurseries, followed by school-aged childcare services and playgroups. It is possible that a service may offer several different types of care and learning. For example, a nursery may also provide school-aged childcare provision in the form of a breakfast club, or a children and family centre may also offer a holiday playscheme. Since December 2023, the capacity (total registered places) in children and family centres, creches, school-aged childcare services and playgroups has decreased, while in nurseries it has increased. This reflects the longer-term trend over the past ten years as well, with nursery capacity increasing and other types of provision falling, except school-aged childcare services, which have increased over the past ten years overall.
- ◆ **GOV UK** - [Register as a childminder \(Scotland\)](#). This page provides a guide to applying for a childcare license in Scotland, with information on registration, price, and other aspects you need to know when going through the registration process.
- ◆ **GOV.SCOT** - [Early education and care](#) provides information on Scotland's 1,140 hours of funded childcare.
- ◆ **Children in Scotland** (childreninscotland.org.uk). This is the national agency for voluntary, statutory and professional organisations and individuals working with children and their families. You will find a range of resources for the children's sector including current and past projects, events and industry news.
- ◆ **Early Years Scotland**, [a guide to early years Scotland services](#). This is the leading national third sector organisation for children pre-birth to aged 5.

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#), [Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please contact us on info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these websites, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.



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How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

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