

Kids Planet goes for growth thanks to £10m BGF investment

Nursery group Kids Planet received £10m funding from BGF to roll-out its day care centres. Here BGF investor Ben Barker and Kids Planet chief executive Clare Roberts speak to the MEN's Shelina Begum about their partnership.

Kids Planet CEO, Clare Roberts says...

I started Kids Planet nearly 10 years ago when I was looking for a nursery for my first child. Childcare is so important, especially if you're a working mum or returning to work.

I found that nurseries either opened too late or closed too early and didn't offer the flexibility I was looking for.

I decided to take redundancy as an area manager from a pharmaceutical company and launch Kids Planet in 2008 with my dad John Hoban.

He'd previously run and sold a successful nursery chain and his experience has been invaluable.

We initially acquired two sites in Widnes and Warrington.

My daughter was only nine months old and, during our first year of operation, I based myself at one of the nurseries and learnt the business.

For me, it was important to understand everything and this included going back to university to get my early years professional qualifications.

Trying to grow the business meant that I was working long hours but I thrive off being really busy. I also had the support of my husband, my family, my sister Lucy Kaczmarek, who later joined the business as early years director. It truly is a family-run business.

Today, we have 18 nurseries and by the end of the year we will have 23. We currently have two sites that are at planning stage and one we're just about to complete on.

By the year ending March 2019, we should be up to 26 nurseries minimum. There are many opportunities in this sector and room to grow.

All our nurseries have been rated 'outstanding' by Ofsted and that's a huge achievement.

But outstanding doesn't mean that we've done everything we need to do. It's a consistently reflective process and we're always looking at how we can improve.

After every inspection, we look at how it went, analyse every detail and look at what we can do even better. It's always about reinvesting.

As we grew, I knew it would be important to look at where we wanted to be heading, and get the right funding in place.

I'd been thinking about it for a year, and we looked at a number of funding options. As it's our business, we didn't want someone coming in and making decisions for us.

It was important that we could make our own decisions so that quality wasn't compromised.

Barclays had suggested for a while that BGF would be a good partner and soon after I met with them, the process after that was pretty quick.

Coincidentally, Ben Barker lives nearby to our nursery in Lymm and another investor on the BGF team had their children attending our nursery – so they had first-hand experience of the quality of care we provide.

We received £10m in August 2016. It meant we were able to accelerate the growth of our business. We've gone from 14 nurseries to 18, with more planned in the next year.

Turnover is £13m and growing year on year. We have 640 staff, 1,800 registered places and over 3,000 children.

The funding has enabled us to get to this point and it's great to have Ben on board as we share the same vision. He's been very



BGF investor Ben Barker and Kids Planet chief executive Clare Roberts

supportive of our plans and lets us just get on with it.

When you're a family business it's important to maintain that ethos, and with BGF on board we have been able to do that.

BGF Investor, Ben Barker says...

Kids Planet is a strong growing business with a proven track record.

Clare's father John has successfully run and exited a business previously and Clare has successfully built up Kids Planet in a relatively short period of time to a sizeable company.

That level of success was something we were very positive about.

There's a lot of underlying fundamentals that are important in the childcare sector that make it attractive for investment.

The team here are focused on quality, which is key to its reputation and this differentiator has led the business to receive a number of industry awards and receive 'outstanding' Ofsted accreditation.

Clare and her team have a clear growth strategy and this is where BGF has been able to step in and help the business achieve its fullest potential. As an investor, we're not involved in the day-to-day running of the business, but we see ourselves as partners.

My role is to encourage the team to think about the different opportunities for growth and the steps that can be taken to deliver them.

It was important for Clare and the team to still be able to make decisions and keep control over the destiny of this business, and the way we work helps them to do that.

Our job is to support the business, not to hinder it, and that's what attracted Kids Planet to BGF in the first instance.

We have the same goals and intention, but what this partnership does is bring a different skillset to the table.

One of the things we have done is to introduce a non-executive director to the board. Mark McMenemy, who has experience in site roll-outs spanning Mothercare, Monsoon and Clarks, was appointed following an introduction made by BGF.

This business focuses on its high standards, and sometimes when a business grows so quickly, those standards can be difficult to maintain.

But Clare and the team have been able to keep up those standards by investing in the infrastructure of the business. This has included investing in the right people, with a new finance director, HR manager, and regional managers recruited over the last 12 months.

Clare and her dad, along with the rest of the team, are also willing to challenge each other and are open to debate, which is healthy for the business as it's important to hear what everyone has to say.

Kids Planet is growing year on year and growth opportunities are prioritised. It's an exciting time for the business and you can see how the investment has already made a difference.

BGF is the most active and influential investor in growing companies across the UK. BGF provides long-term capital for a minority stake, from earlier stage investments to established, private and AIM-listed companies.