



15 December 2022

Tēnā koe [REDACTED]

Thank you for your email of 5 October 2022 to the Ministry of Education requesting the following information:

a list of the amount of Government subsidies given to daycare operators/companies.

I would like this organised for the top 20 subsidy amounts given to individual companies, including the amount and the name of the operator.

When I say daycare companies, where there's one umbrella owner, I mean all subsidies for that operator - eg. Best Start as a whole, all of Evolve Education, Provincial - Busy Bees and Kindercare (who I believe are the biggest four players in NZ childcare.) Can you also state how many centres each company runs/forms part of that total subsidy amount, and children if this is known.

I would like this for 2021 and so far this year, and if it's possible to get 2019 and 2020 as well.

In response to your initial request, we provided a response on 24 November 2022 which gave a breakdown of 2019, 2020 and 2021 subsidies provided to service providers. In your follow up conversation of 8 December 2022, you requested the additional information:

a list of service providers with 'Evolve' in their name which received ECE Operational Funding payments in 2022.

a list of service providers with 'Lollipops' in their name which received ECE Operational Funding payments in 2022.

a list of service providers with 'PORSE' in their name which received ECE Operational Funding payments in 2022.

a list of service providers with 'Rainbow Corner' in their name which received ECE Operational Funding payments in 2022.

In response to the remainder of your request, we have provided the attached **Appendix A**, which includes a breakdown of 2022 subsidies provided to service providers, including 'Evolve', 'Lollipops', 'PORSE' and 'Rainbow Corner'. For the purpose of this request, we have interpreted 'subsidy' to mean the ECE operational funding paid to licensed early learning services. The tables attached include the following payments: ECE Subsidy, 20 Hours ECE, Equity Funding, Targeted Funding for Disadvantage, Annual Top-up for Isolated Services (ATIS) funding and payments made to early learning services as part of the response to COVID-19.

The 2022 information represents the amount of funding paid to a service provider for funding rounds that occurred in March 2022 and July 2022, as well as 1 November 2022 and 21 November 2022 payments. Additional payments are due for the November 2022 funding round, so this information is not directly comparable to previous years. Missing payment dates include 1 December 2022, 4 January 2023 and 1 February 2023.

We are unable to state how many children are covered in the subsidy amounts paid. This is because ECE Operational Funding is claimed by the service for all children attending, and the individual claim generated by a child cannot be easily separated out. I am therefore refusing this part of your request under section 18(g) of the Act, as the information requested is not held, and we have no grounds for believing that it is either held by, or more closely related to the functions of, another department or organisation subject to the Act.

Please note, the Ministry now proactively publishes official information responses on our website. As such, we may publish this response on our website after five working days. Your name and contact details will be removed.

You have the right to ask an Ombudsman to review my decision on your request, in accordance with section 28 of the Act. You can do this by writing to Office of the Ombudsman, PO Box 10152, Wellington 6143 or to info@ombudsman.parliament.nz.

Thank you again for your email. If you have further questions, please feel free to contact our media team in the first instance at media.team@education.govt.nz.

Nāku noa, nā



Karen Walfisch
Associate Deputy Secretary
Te Mahau | Te Pae Aronui (Operations and Integration)

APPENDIX A

Top 20 Service Providers by ECE Operational Funding – 2022* (to November 2022)		
Service Provider Name	Amount (GST inclusive)	Number of Services
Best Start Educare Limited	\$240,629,896.10	269
Te Kōhanga Reo National Trust	\$131,284,812.73	435
Lollipops Educare Centres Limited	\$79,493,767.21	113
He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated	\$63,931,778.29	104
Auckland Kindergarten Association	\$57,502,689.95	110
Kindercare Learning Centres Ltd	\$53,041,330.09	48
PEG 1 Limited	\$33,896,078.19	35
Canterbury Westland Free Kindergarten Association Inc	\$28,951,531.26	67
Central North Island Kindergarten Trust	\$27,515,584.42	50
PEG 3 Limited	\$23,707,286.63	22
PEG 2 Limited	\$20,018,227.23	23
New Shoots Children's Centre Limited	\$19,220,432.91	15
Waikato Kindergarten Association	\$18,045,705.98	29
Ruahine Kindergarten Association	\$16,793,571.77	25
Northland Kindergarten Association	\$16,302,696.31	25
Te Whānau Tupu Ngātahi o Aotearoa - Playcentre Aotearoa	\$15,936,051.15	396
Tauranga Regional Kindergarten Association	\$15,717,230.85	27
Barnardos New Zealand Incorporated	\$15,221,781.60	37
Nelson District Free Kindergarten Association	\$15,202,158.76	22
Taranaki Free Kindergarten Association Incorporated	\$15,151,620.67	24

Evolve

No service providers with 'Evolve' in their name were found to have received ECE Operational Funding payments in 2022.

Services operated under *Evolve Group 1 Ltd*, *Evolve Group 2 Ltd*, *Evolve Group 3 Ltd*, *Evolve Group 4 Ltd* and *Evolve Group 5 Ltd* changed service provider to *Lollipops Educare Centres Limited* in August 2021. Our system identifies these service providers as separate legal entities. We are unable to confirm the relationship shared between these service providers and *Lollipops Educare Centres Limited*.

Lollipops

The following service provider with 'Lollipops' in their name was found to have received ECE Operational Funding payments in 2022.

ECE Operational Funding – 2022* (to November 2022)		
Service Provider Name	Amount (GST inclusive)	Number of Services
Lollipops Educare Botany Junction Ltd	\$960,603.19	1

Our system identifies this service provider as a separate legal entity. We are unable to confirm the relationship shared between these service providers *Lollipops Educare Centres Limited*.

PORSE

The following table summarises the ECE Operational payment made to PORSE In-Home Childcare (NZ) during 2022.

ECE Operational Funding – 2022* (to November 2022)		
Service Provider Name	Amount (GST inclusive)	Number of Services
PORSE In-Home Childcare (NZ)	\$8,036,226.08	45

Rainbow Corner

The following service providers with '*Rainbow Corner*' in their name received ECE Operational Funding payments in 2022.

ECE Operational Funding – 2022* (to November 2022)		
Service Provider Name	Amount (GST inclusive)	Number of Services
The Rainbow Corner Early Learning Centre Private Limited	\$1,561,080.47	3
The Rainbow Corner East Tamaki Holdings Limited	\$952,124.95	2
The Rainbow Corner Educational Trust Bethlehem Limited	\$135,148.99	1
The Rainbow Corner Educational Trust Blenheim Limited	\$351,916.37	1
The Rainbow Corner Educational Trust Christchurch Limited	\$19,549.00	1
The Rainbow Corner Educational Trust Gulf Harbour Limited	\$505,530.40	1
The Rainbow Corner Educational Trust Hamilton Limited	\$659,525.54	1
The Rainbow Corner Educational Trust Hastings Limited	\$243,019.53	1
The Rainbow Corner Educational Trust Invercargill Ltd	\$570,596.29	1
The Rainbow Corner Educational Trust Limited	\$416,414.04	1
The Rainbow Corner Educational Trust Manurewa Limited	\$564,714.53	1
The Rainbow Corner Educational Trust Onehunga Limited	\$401,629.47	1
The Rainbow Corner Educational Trust Queenstown Limited	\$695,406.30	1
The Rainbow Corner Educational Trust Red Beach	\$25,220.25	1
The Rainbow Corner Educational Trust Te Rapa Limited	\$9,973.65	1
The Rainbow Corner Homebased Early Learning Service Private Limited	\$348,124.84	1
The Rainbow Corner Montessori Limited	\$435,612.53	1

Our system identifies these service providers as separate legal entities. We are unable to confirm the relationship shared between these service providers.

Note:

Payment Amount

* This represents the amount of funding paid to a service provider for funding rounds that occurred in March 2022 and July 2022, as well as 1 November 2022 and 21 November 2022 payments. Additional payments are due for the November 2022 funding round, so this information is not directly comparable to previous years. Missing payment dates include 1 December 2022, 4 January 2023 and 1 February 2023.

Funding captured in this amount includes the ECE Subsidy, 20 Hours ECE, Equity Funding, Targeted Funding for Disadvantage, Annual Top-up for Isolated Services (ATIS) funding and payments made to early learning services as part of the response to COVID-19.

Count of Services

This represents the number of services under a service provider who had funding processed for at least one funding round during that calendar year.

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