

Shenzhen, ChinaRooms 1203-06, 12/F.
Di Wang Commercial Centre
5002 Shennan Road East
Luohu District, Shenzhen
T: +86 755 8268 4480**Shanghai, China**Room 603, 6/F., Tower B
Guangqi Culture Plaza
2899A Xietu Road
Xuhui District, Shanghai
T: +86 21 6439 4114**Beijing, China**Room 303, 3/F.
Interchina Commercial Bldg.
33 Dengshikou Street
Dongcheng District, Beijing
T: +86 10 6210 1890**Taipei, Taiwan**Room 303, 3/F.
142 Section 4
Chung Hsiao East Road
Daan District, Taipei
T: +886 2 2711 1324**Singapore**138 Cecil Street
#13-02 Cecil Court
Singapore 069538
T: +65 6438 0116**New York, USA**202 Canal Street
Suite 303, 3/F.
New York
NY 10013, USA
T: +1 646 850 5888

Guide to Starting an Early Childhood Development Centre in Singapore

Section 2 of the Early Childhood Development Centres Act defines an Early Childhood Development Centre (“ECDC”) as “any premises where any early childhood development service is provided or is to be provided”. An ECDC service refers to “the provision of care or education, or care and education, habitually of 5 or more children who are below 7 years of age, for a fee, reward or profit by a person who is not a relative or guardian of all the children.”

The Early Childhood Development Agency (“ECDA”) serves as the regulatory and developmental authority for all ECDCs in Singapore which provide care and /or education to children below 7 years old. ECDA was established on 1 April 2013 to oversee key aspects of children’s development below 7 years old, across both kindergartens and child care centres. All ECDC are required to obtain a licence from ECDA under the Early Childhood Development Centres Act and Regulations before commencing operations.

Child Care Centre operators play an ever integral part in the child care industry. For those who intend to set up an ECDC, they should do an initial cost estimation to assess the viability of the business and families themselves with the legislative requirements for the application and operation of an ECDC. Once they have decided to proceed forward, they must incorporate the centre by register the business with Accounting and Corporate Regulatory Authority (“ACRA”). Generally, they are strongly recommended to register their business as a private limited company in Singapore as it is comparative simple and brief procedure.

After the business is incorporated, they are required to apply for the relevant licence of ECDC. Centres must not begin operations nor accept monetary payments until the ECDC’s licence is approved. Before applying to ECDA for a licence, they should find a suitable premise that are approved for ECDC purposes by the relevant authorities. The workforce with necessary qualifications should be employed as all the staffs that work at ECDC must be registered and approved by ECDA by the time the centre is licensed and commences operation. Finally, the centre can begin operation when the application for ECDC licence has been approved.

1. Types of ECDC Licences

There are three (3) classes of ECDC licences: A, B and C. Operators may apply for the class(es) of license according to the types of services that wish to provide, but can only apply for and operate one of the following class(es) of licence(s):-

- (a) Class A only;
- (b) Class B only;
- (c) Class C only;
- (d) Class A and B only; or
- (e) Class A and C only.

Refer below for the relevant provisions of the respective class(es) of licence:-

Description of Types of Licences	Class A	Class B	Class C
Periods of Operation	<ul style="list-style-type: none"> • Monday to Friday (7am to 7pm) • Saturday (7am to 2pm) <p>Operates 5½ days a week throughout the year, except on Sundays and public holidays.</p>	<ul style="list-style-type: none"> • Monday to Friday (7am to 7pm) • Saturday (7am to 2pm) <p>Operates 5½ days a week throughout the year, except on Sundays and public Holidays.</p>	<p>Monday to Friday.</p> <p>Operates during school terms, according to Ministry of Education’s academic calendar, with the exception of Centres which follow international curriculum and academic year.</p>
Operational Hours	12 hours or more	12 hours or more	6 hours or less
Age Range of children	2 to 18 months old	18 months to below 7 years old	18 months to below 7 years old
Programme Type(s)	<ul style="list-style-type: none"> • Full day and/or • Half day • May provide flexible options (at least 12 to 24 hours a week, and 3 hours per session) 	<ul style="list-style-type: none"> • Full day • May provide half day and/or flexible options (at least 12 to 24 hours a week, and 3 hours per session) 	Half day (Single, dual, triple sessions)
Space for Gross Motor Development Activities (“GMA”)	Not Applicable	1/6 of Centre’s capacity at 4m ² per child or 40m ² , whichever is more.	1/10 of Centre’s capacity at 4m ² per child or 40m ² , whichever is more.
Non-programme Hours	Not Applicable	Arrival, departure and rest	Not Applicable

Refer below for the relevant provisions of the respective class(es) of licence:-Cont'd

Description of Types of Licences	Class A	Class B	Class C
Programme Hours	Operational hours	Typically 9am to 5pm. a) Centres can determine their programme hours (subject to ECDA's approval). b) Centres need to display the daily programme schedule.	Programme hours are typically the operational hours, unless otherwise stated (subject to the Chief Licensing Officer's approval).

In addition, children must not be in an ECDC for more than 24 hours continuously.

2. Fundamental Procedures and Requirements of Establishing an ECDC

(1) A detailed plan

Before deciding to establish the ECDC, the operators should think through and ensure that they have understood what they are getting into. Review the legislative requirements as per the class(es) of license they are going apply. There are some other important things that need to complete so that the new business remains a profitable and gainful entity. These tasks are:

- (a) Conducting a cost analysis. The operators may require a financial consultant to do an initial assessment and financial analysis including tax implication and costing of the business; and
- (b) Visiting the industry players who have been there done that and to assess the viability of the business.

(2) Incorporate the business

When they have chosen to move ahead, it is essential to first incorporate the business venture. The most appropriate legal structure for this objective is a private limited company in Singapore. This is due to the incorporation of such a company is comparatively simple and fast process, even though specific legal criteria pertain.

(3) Finding suitable premises

Before applying to ECDA for a license, the operators need to choose a suitable premise that are approved by the relevant agencies as follows:-

- (a) Urban Redevelopment Authority (“URA”) for Private Residential / Commercial sites; or
- (b) Housing and Development Board (“HDB”) for Void Deck / Commercial sites; or
- (c) Singapore Land Authority (“SLA”) for State Land / Properties; or
- (d) National Environment Agency (“NEA”) for B1 Industrial Premises / Business Parks; or
- (e) Private landlords.

Besides, the following documents are to be submitted as part of the application. ECDCs must attain the required approvals and comply with the requirements of the relevant governing agencies:-

- (a) HDB/SLA/Private landlords for tenancy agreement of the premises; and
- (b) HDB/SLA/URA/Private landlords for Approved Use (if required); and
- (c) Building and Construction Authority (“BCA”) for Temporary Occupation Permit (“TOP”) / Certificate of Statutory Clearance (“CSC”) of the premises; and
- (d) Singapore Civil Defence Force (“SCDF”) for Temporary Fire Permit (“TFP”) / Fire Safety Certificate (“FSC”); and
- (e) Land Transport Authority (“LTA”) for car park facilities (if required); and
- (f) Public Utilities Board (“PUB”) for sanitary works done (if required).

(4) Employing the workforce

The staff deployment in an ECDC is crucial. An ECDC must employ staff who meet the basic qualifications and are suitable in terms of age, experience, health, knowledge and disposition within a preschool setting. The minimum staffing requirements must be met during the application phase. All centre staff, including programme (who work at the ECDC for the care and education of children) and non-programme staff (who work at the ECDC in operational or administrative roles not directly related to the care and education of children), must be registered and approved by ECDA by the time the centre is licensed and commences operation.

(5) Administration, Record Keeping and Standard Operating Procedures

Having good governance and administration is important for ECDCs. Relevant documentation, record keeping and Standard Operating Procedures (“SOP”) must be maintained and up-to-date. The following documents must be ready during the application phase. All information must be available upon request during the officer’s visit:-

- (a) Parent’s Handbook;
- (b) Particulars of Children, Parents and/or Guardians;
- (c) Record keeping;
- (d) Staff Particulars;
- (e) SOPs for Safety;
- (f) SOPs for Health and Hygiene;
- (g) Guidelines on Child Guidance and Behaviour Management and Child-Safe Policies; and
- (h) Other areas as prescribed in the guidelines of ECDA.

(6) Pre-School Learning Experience

The centre must have a philosophy on which the programme is based, and the interest of the child must be central to the centre’s philosophy. Also, the centre must have a programme plan that supports and facilitate the learning and developmental needs of all children. In addition, centre’s learning environment should also meet the requirements as prescribed in the guidelines of ECDA.

(7) Submit an application for ECDC licenses

Upon completion of the above preparations, an application for a relevant licence can be filed with ECDA, according to the types of services to be provided.

The processing time to process a new licence application is 14 working days upon receiving a complete set of documents which meet the ECDA’s requirements, and the licensee having met all regulatory requirements during the site visit, whichever is the latest.

Kaizen suggests you to consult with professional advisors before the proposals coming into effect. Kaizen Singapore office is able to provide clients with the ECDC licence application and consultancy services, please consult our professional consultant.

If you wish to obtain more information or assistance, please visit our official website at www.kaizencpa.com or contact us through the following means:

T: +852 2341 1444

M: +852 5616 4140, +86 152 1943 4614

WhatsApp/Line/WeChat: +852 5616 4140

Skype: kaizencpa

E: info@kaizencpa.com

