



## **GUIDELINES ON TRANSFER OF LICENCE**

Under the Child Care Centres Act 1988, a child care centre means any premises at which five or more children under the age of seven years are habitually received for the purposes of care and supervision during part of the day or for longer periods. Any organisation or individual who wishes to set up a child care centre is required to obtain a licence from the Early Childhood Development Agency (ECDA). You are encouraged to study the “Guide on How to Set up a Child Care Centre” and the pre-licensing checklist at Annex A available at <http://www.childcarelink.gov.sg> before proceeding with your plan to set up a centre.

### **TRANSFER OF LICENCE FOR EXISTING CHILD CARE CENTRES**

Privately owned centres located in private or commercial premises can be sold to another party like any other business transaction. However, it is the responsibility of buyers and sellers to ensure that there is continuity of care for the young children enrolled in their centres. Both parties should ensure that the quality of care provided is not compromised. A transfer of licence has to be effected when there is a **change of licensee** for a child care centre. ECDA will only effect transfer of licence when the buyer meets the prerequisites to be the centre licensee and the centre meets all licensing requirements. Centres operating at HDB Void Deck are required to notify ECDA first. Once the centre has met all the licensing requirements, the centre is to apply to HDB for an assignment of centre and ECDA will work with HDB on the commencement date of tenancy.

### **ROLE AND RESPONSIBILITIES OF SELLER**

Child care centre licences can be transferred, pending the seller and buyer meeting the requirements of ECDA. If you wish to transfer the licence of the centre to someone else, you need to inform ECDA and the parents at least three months in advance.

Please note that you are still responsible for all matters related to the child care centre until the transfer of licence is effected and a new licence has been issued to the new licensee. The following records/actions should be in order:

- the updated clearances from relevant authorities pertaining to the premises, e.g. tenancy agreement, fire safety certificate and change of use
- notification to ECDA and parents in writing at least **three months** in advance of intention to sell
- settling of deposits and fees for children before the transfer

- settling of salaries and bond issues for staff who decide to leave
- settling of all miscellaneous items, if any (e.g. concert fees, graduation photographs, insurance payments)
- agreement on retention of records – old records have to be kept for at least three years after the transfer of licence. If the records are to be kept by the new licensee, it is important to document such an arrangement and to retain a list of records to be handed over
- handing over of relevant documents to the new licensee, e.g. existing children's information which includes their enrolment forms as well as copies of documents such as birth certificates, immunisation records, etc
- ensuring that the centre is in good physical state, i.e. no major structural problems
- highlighting to the new licensee any new licensing requirements that have to be met, e.g. installation of an external fire staircase, having a fully enclosed sick bay.
- list of staff who will continue with the new licensee and their relevant Early Childhood & Education certificates and medical reports.
- submission to ECDA a list of children who will remain in the centre under the new management and their receipts of the previous month's payment before transfer of centre. Batch transfer of these children will be made by the Early Childhood Officer in the CCLS.
- submission to ECDA the withdrawal forms of children and their receipts of last payment for every child who will not continue with centre under new management before transfer of centre. You will also need to withdraw these children from CCLS before the transfer is effected.
- submission to ECDA the audited statement of account(s) of the centre within three months after the transfer of centre

## **ROLE AND RESPONSIBILITIES OF BUYER**

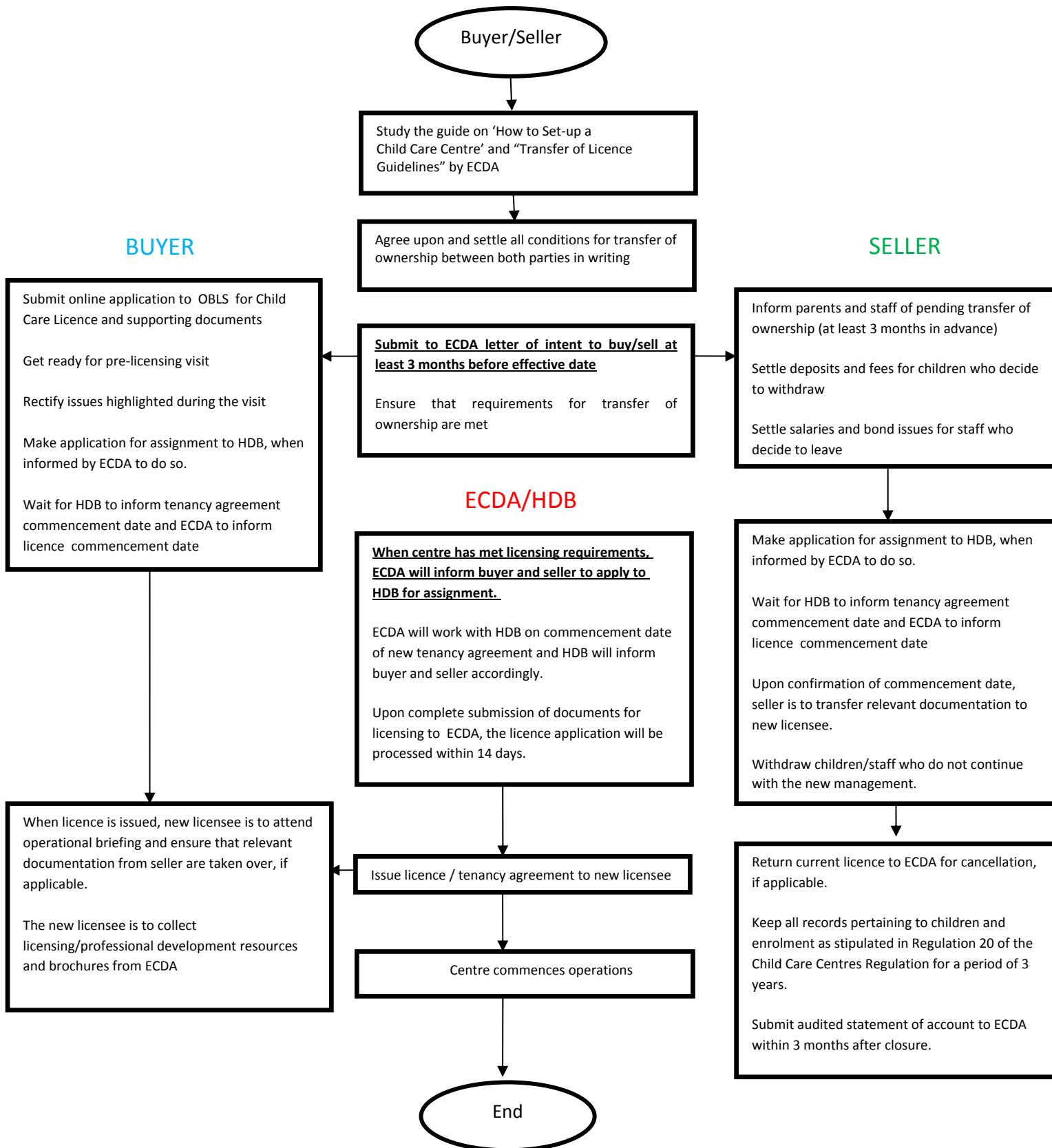
As the prospective owner of the child care centre, you are encouraged to read the “Guide on How to Set up a Child Care Centre” .You should make the necessary legal arrangements with the seller regarding the buying over of the centre and be aware of the licensing conditions of the current licence and any rectification that has to be made. A fresh application for a child care centre licence would have to be submitted to ECDA through Online Business Licensing Service (OBLs) at <https://licences.business.gov.sg/> at least two months before the expected date of operation for processing. In addition, you would have to come to an agreement with the existing staff as to whether they wish to continue their employment with you. Please also ensure that the following records /actions are in order:

- new tenancy agreement under the new management
- the updated clearances from relevant authorities pertaining to the premises, e.g. tenancy agreement, fire safety certificate and change of use
- notification in writing to ECDA on the intention to take over the centre 3 months prior to the expected date of operation
- instant printout from the Accounting and Corporate Regulatory Authority (ACRA) showing all necessary information on the centre and licensees
- agreement on retention of records (either to be retained by the existing licensee or transferred to the new licensee)
- registration of the current children as new enrolments and
- new employment contracts to be signed with the staff who are retained
- any other licensing requirements as stipulated in the Child Care Centres Act and Regulations
- Parents’ acknowledgement of receipt of the new parents’ handbook and the new centre’s terms and conditions
- Enrolment form to be filled up by parents of existing children if new centre has a new enrolment form. However, if centre is only using ECDA Registration Form, there is no need for parents to fill up the form again.

For more information pertaining to the setting up of child care centres, please call the Early Childhood Development Agency at 6735 9213 or visit our website:

<http://www.childcarelink.gov.sg>.

# PROCEDURES FOR TRANSFER OF LICENCE (HDB TENDERED VOID DECK PREMISES) FOR BUYER AND SELLER



## **Frequently Asked Questions (FAQs)**

**Qn 1.** Is it necessary for me to obtain the clearances again since the previous tenant has already obtained the necessary clearances?

Ans: It depends on whether there are structural changes made to the premises which require plan submission to the relevant authorities . For example, an external staircase may be required for a transferred centre which was set up before 1988. Any change done to the premises which requires a building plan submission / fire safety submission would have to be approved by the Building and Construction Authority (BCA) and Fire Safety and Shelter Department (FSSD) accordingly. BCA and FSSD would have to issue another Temporary Occupation Permit (TOP)/Certificate of Statutory Completion (CSC) and Fire Safety Certificate (FSC) respectively to the new licensee and these clearances would have to be submitted to ECDA. The new licensee would have to engage a Qualified person (QP) to process these clearances.

**Qn 2.** If there are no structural changes to the premises, is it necessary for me to submit any documents to ECDA?

Ans: If there are no structural changes, you would need to submit a QP's letter stating that there is no need for building plan submission based on the last floor plan approved by BCA and FSSD. Although you do not need to re-obtain clearances from the relevant authorities if the clearances are still valid, you would still need to submit certified true copies of the original clearances to ECDA.

**Qn 3.** Is it necessary for me to follow the previous menu and programme offered by the previous management?

Ans: No. You may wish to change the menu and/or programme to suit your centre's philosophy of care. The new menu and programme will have to be submitted at the time of application for the child care centre licence. You may refer to the Health Promotion Board (HPB) website at [www.hpb.gov.sg](http://www.hpb.gov.sg) for guidelines on healthy eating.

**Qn 4.** Do I need to register my business with the Accounting and Corporate Regulatory Authority (ACRA) (former Registry of Companies and Businesses) and/or just effect a change in licensees?

Ans: For a transfer of licence, you are required to register your business with the ACRA and to apply for a new child care centre licence. If there is only an inclusion/deletion of partner/directors, your centre does not need to undergo a transfer of licence.

**Qn 5.** Is a transfer of licence possible for child care centres located in HDB void decks? If so, what are the procedures?

Ans: Under the current tenancy agreement for ECDA tendered sites: *'HDB void-deck child care centre tenants are not allowed to transfer, assign, lease, mortgage or part with legal or physical possession of the premises or any part thereof in whatsoever manner without the prior consent of the HDB and/ or ECDA.'* Any application for assignment or transfer of licence should be made in writing to HDB and ECDA, 51 Cuppage Road #08-01 S229469 with your proposed change in business operation and present Business Registration Certificate from ACRA. Transfer of licence for HDB tendered sites are considered on a case-by-case basis.

**Qn 6.** How can I know when I can start operation of the centre after the transfer of licence?

Ans: You can start operation only after a valid child care centre licence and tenancy agreement are issued to your centre. Child Care licences are issued 14 working days upon complete submission of documents. You will be notified by ECDA.

**Qn 7.** Is there a provisional licence I can obtain if I cannot submit all the clearances in time for the licence to be issued?

Ans: No, you will require a valid child care centre licence before you can commence operation. No provisional licence will be issued.

**Qn 8.** Where can I obtain more information regarding the running of a child care centre?

Ans: You may wish to visit our website at <http://www.childcarelink.gov.sg> for more information or call ECDA Child Care Information Services at 6735 9213.

**Qn 9.** To whom does the last month's child care subsidy before the transfer of licence go to? The current licensee or the new licensee?

Ans: The current licensee will be entitled to the last month's child care subsidy until a new licence is issued to the new licensee. The last month's subsidy payment will be withheld by ECDA until the audited statement of subsidy claims has been received from the current licensee.

**Qn 10.** Can I engage an agent/consultant to assist me in the licence application and setting up of a child care centre?

Ans: The guide on setting up a child care centre provides you with all the relevant information which is sufficient for you to set up a child care centre without engaging an agent or consultant. Should you wish to engage an agent/consultant to assist you in the setting up of a child care centre and its operations, we would like to highlight that as a potential licensee, you are still solely responsible for the operations of the centre and you should be fully aware of what is happening in the centre. All submissions and contracts, e.g. employees' employment letters submitted to ECDA must be issued under the licensee's and not the agent/consultant's name. ECDA will also liaise directly with the current and potential licensees, on all matters pertaining to setting up a centre and its operations.

**Qn 11.** Who should deal with parents' enquiries?

Ans: The current licensee will be responsible for dealing with parents' enquiries and other issues until a new licence is issued to the new licensee. New licensees are encouraged to introduce themselves to the parents/staff. To ensure a smooth transition, all parents should acknowledge or agree to the new parents' handbook and the centre's new rules and regulations. The centre should keep proper documentation on this.

**Qn 12.** What are the records that should be kept and transferred over?

Ans: Keep all records pertaining to children and enrolment as stipulated in Regulation 20 of the Child Care Centres Regulation for a period of 3 years. These records must be made accessible for inspection as and when required by the Agency. In accordance with the requirements of the Companies Act and Income Tax Act, all records pertaining to subsidy claims should be kept for 5 years.

**Qn 13.** If I am considering taking over an old premise, are there any clearances or special requirements to adhere to?

Ans: All child care premises will have to adhere to the current ECDA licensing requirements. For example, child care centres set up before 1988 may presently be required to have an external fire escape staircase, in accordance to FSSD's fire safety requirement in order to obtain a FSC. Please refer to the "Guide on How to Set up a Child Care Centre" for the current requirements.

**Qn 14.** If I am taking over all the existing staff, do they still need to go for pre-employment medical examination and chest x-ray?

Ans: According to the Child Care Centres Regulations, child centre staff are required to undergo a medical examination, including a chest X-ray and be certified fit for work and free from active tuberculosis by a registered medical practitioner. The staff is also required to provide a written declaration to the licensee that ---

- (i) The person has received vaccination against measles, rubella and varicella; or
- (ii) The person has taken a serological test and has since been vaccinated against the diseases for which the serological test shows he has no immunity against.

ECDA will accept records of staff's medical examination and chest X-rays if they can be produced for inspection and were taken within 12 months prior employment

**Note:** Please check with ECDA for any changes to the above requirements. The above FAQ serves only as a guide to present or potential child care centre licensees and may change without prior announcement.