

**Westcoast Child Care Resource Centre**  
2772 East Broadway  
Vancouver, BC V5M 1Y8  
Ph: 604.709.5661 Fax: 604.709.5662  
Toll-free: 1.877.262.0022  
Email: [info@wstcoast.org](mailto:info@wstcoast.org)  
[www.wstcoast.org](http://www.wstcoast.org)



## How to Start a Child Care Facility in BC

### Introduction

This print resource provides an overview of the key steps in planning a child care facility. While steps are presented in order, you may find it useful to work on some steps simultaneously. *All contact information is on the last two pages under **Useful Resources and Contacts**.*

Operating a licensed child care facility, whether private or non-profit, group or family based, is essentially operating a small business. It is also making a commitment to provide early learning opportunities and a safe, nurturing environment for the children in your care. Quality child care is an important aspect of early childhood development.

A quality child care program supports parents' needs for child care whether they are at home or participating in work or study. Parents also choose child care to introduce their children to the benefits of playing, learning and socializing with their peers. A quality child care program strengthens communities by connecting families to community resources and services.



### Step 1. Familiarize yourself with the child care system in BC

The BC Ministry of Children and Family Development (MCFD) website has information on:

- Grants and funding
- Child Care Licensing Regulation
- Child care subsidy for parents
- Child Care Resource and Referral programs
- Provincial Government child care publications
- Child care updates and related links

### Step 2. Conduct a community needs assessment

Before opening a child care facility it is essential that you complete a needs assessment in the community where you intend to provide child care. This step is crucial for many reasons:

- To check for existing child care facilities already operating within the community in order not to duplicate a service already being provided.
- To assess the amount and type of child care needed.
- To be sustainable.

*How to Start a Child Care Facility* (Ministry for Children and Families 1998) indicates ways to research the current demand for child care in your community:

- Ask your local school district for the estimated number of children aged 0 – 12 in your community.
- Find out from the local Child Care Resource and Referral (CCRR) program or the licensing officer in your region what child care facilities already exist in your community and whether they have waiting lists.
- Ask community social service agencies and other community organizations for their opinion about the demand for child care. These may include family places, neighbourhood houses, community centres, or friendship centres.
- Ask parents in the neighbourhood and at local schools if their child care needs are being met.

Other considerations:

- Check Statistics Canada under community profiles for information on population, earnings, education, income, families, and dwellings.
- Create a survey to distribute throughout the neighbourhood where you intend to provide child care. A single sheet of paper with a self addressed stamped envelope will help to ensure your survey is returned. Some questions that you might ask include “ Do you need child care?”, “How old are your children?”, or “What are your current child care arrangements?”

### **Step 3. Identify the type of child care you will offer**

Typically, there are two broad options to consider:

- **Family child care** is offered in the care provider’s own home to a small group of children and can be licensed or license-not-required (LNR). A license is required when care is provided for more than 2 children unrelated to the care provider.
- **Group child care** is offered in a purpose-designed or renovated, existing facility to a larger group of children. This type of care must be licensed and includes group child care ranging from infant to school age, preschools, emergency care and childminding.

### **Step 4. If you are starting up a group child care program, you will need to decide on a non-profit or private structure**

- A **non-profit** child care society is often created by a group of people to fulfill a need within the community. It is governed under the Society Act of BC.

One option is to approach an established non-profit society to explore possible sponsorship, funding or co-location. These non-profit organizations include:

- churches
- schools
- multi-service agencies
- neighbourhood houses
- existing non-profit child care centres
- friendship centres.

Within this structure you may be part of a hub model providing a variety of services to families in one location.

Another option is to create a stand alone non-profit child care society. Within this structure you can collaborate with other stand alone non-profit child care societies to minimize the costs of shared services.

For more information consult the following resources: Society Act of BC, Society Guide for BC, How to Start A Child Care Facility and Westcoast's Board Orientation Package and INFORM Guide, available at Westcoast Child Care Resource Centre.

- A **private** child care business can be operated by a sole proprietor or in partnership with one or more people. The owners are financially and personally responsible for all of the debts and decisions for the organization.

For more information on starting a child care business please refer to the publication Starting a Business in BC and the Government of Canada web page, Starting an Early Childhood Centre.

All child care facilities are regulated under the *Community Care and Assisted Living Act* Child Care Licensing Regulation.

### **Step 5. Contact your local Child Care Resource and Referral (CCRR) program**

Child Care Resource and Referral services are delivered through local non-profit associations and are funded by the Ministry of Children and Family Development. They provide support, training, resources and referral services for child care providers and parents in all communities in the province of BC. Services are provided for informal and license-not-required (LNR) family child care as well as licensed family and group care. Services may include workshops and networking, equipment and library lending, annual child care fee surveys and child care referrals for parents. Some CCRRs have child care facility start up information on their web sites.

### **Step 6. Contact the child care licensing officer in your community**

The licensing officer will be better able to offer information about the licensing requirements as well as her knowledge of child care in your area if you have already done some planning in terms of the type of care you wish to offer, number of children, how to operate the facility and the potential location. Contact your local Health Authority's Community Care Facilities Licensing (CCFL) office to speak to a licensing officer.

The Child Care Licensing Regulation (*Community Care and Assisted Living Act*) will familiarize you with the details of licensing requirements. It can be downloaded from the Ministry of Health Services web site.

### **Step 7. Select a location**

Once you have completed your needs assessment, and decided on a non-profit or private business structure, the next step is to decide on a location for your child care

facility. Some points to consider are:

- looking for an existing space (possible renovation expense)
- can the space be renovated to suit the needs of a child care facility? (contact a licensing officer to view the site)
- approach a multi-service organization or an existing child care facility that may consider co-locating with your proposed child care facility
- zoning regulations within your community
- constructing a new facility (consult Westcoast's Budget Tool Kits and INFORM guide)
- realtor services

## **Step 8. Contact your municipal government**

Each municipality has its own by-laws; these include zoning approval, building permits, occupancy permits and parking restrictions. You must check with your local government office to find out the requirements for your area, especially if you intend to renovate or want to build a new facility.

Your local City Hall web site may be a source of information for child care grants, planning and start up information.

## **Step 9. Prepare a budget and financial plan**

When making a financial plan two types of budgets are needed: a start-up budget and an annual operating budget.

Some points to consider when making a start-up budget:

- capital expenses including renovations of an existing space or creation of a new facility
- meeting with a bank or credit union to negotiate a loan for start up costs
- funds for materials, equipment, furniture, toys and supplies
- phone and hydro installation estimate
- job posting/advertising

Some points to consider when making an annual operating budget:

Revenue:

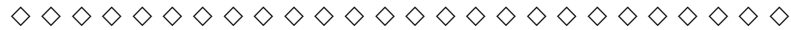
- parent fees (including child care subsidy)
- child care grants and funding

Expenses:

- staff salaries (approximately 75 - 80% of expenses)
- professional development
- food or snacks
- program costs (materials, equipment, furniture)
- janitorial services and supplies
- administrative costs, office supplies
- accountant or book keeper staffing
- facility (rent, mortgage, taxes)
- utilities (Hydro, heat, telephone)

- insurance for property, liability, and contents
- repairs and maintenance
- contingency fund

Project your budget on under-enrolment (1 or 2 spaces) as enrolment of children may take time or may fluctuate. For more information on creating a budget, refer to the Westcoast INFORM Guide, Chapters 9 and 11, available at Westcoast Child Care Resource Centre.



## Useful Resources and Contacts

Building Blocks for Child Care: Start Up Kit  
(national organization for non-profit child care)  
<http://b2c2.org/startupkit/index.php>

Child Care Licensing Regulation (*Community Care and Assisted Living Act*)  
[www.hls.gov.bc.ca/ccf/child\\_care.html](http://www.hls.gov.bc.ca/ccf/child_care.html)  
See also Standards of Practice – Safe Play Space  
[www.hls.gov.bc.ca/ccf/pdf/Safe\\_Play\\_Space.pdf](http://www.hls.gov.bc.ca/ccf/pdf/Safe_Play_Space.pdf)

Child Care Publications and Checklists:  
[www.health.gov.bc.ca/ccf/child/index.html#publications](http://www.health.gov.bc.ca/ccf/child/index.html#publications)

Child Care Resource and Referral programs (find your local CCRR)  
[www.crr.bc.ca](http://www.crr.bc.ca)

Community Care Facilities Licensing (CCFL)  
[www.hls.gov.bc.ca/ccf/index.html](http://www.hls.gov.bc.ca/ccf/index.html)  
(Local CCFL office phone numbers are in the blue pages of your phone book under Health Authorities. You can also call Enquiry BC.)

Corporate Registry  
1-800-663-7867 (in Vancouver 604-775-1042)

Enquiry BC (toll free transfer for callers wishing to obtain provincial government related information)  
1-800-663-7867 (in Vancouver 604-660-2421, in Victoria 387-6121)

Government of Canada web page, Starting an Early Childhood Centre  
[www.cbsc.org/servlet/ContentServer?pagename=CBSC\\_FE%2Fdisplay&lang=en&cid=1099483437463&c=GuideHowto](http://www.cbsc.org/servlet/ContentServer?pagename=CBSC_FE%2Fdisplay&lang=en&cid=1099483437463&c=GuideHowto)

*How to Start a Child-Care Facility* - British Columbia Ministry for Children and Families 1998.  
(out of print, still relevant though some content outdated; available at some libraries, including Westcoast's Library)

Ministry of Children and Family Development (MCFD)  
[www.mcf.gov.bc.ca/childcare](http://www.mcf.gov.bc.ca/childcare)

Child Care Help Line: toll free 1-888-338-6622 (in Victoria 356-6501)

The Ministry of Children and Family Development offers several programs to assist child care providers in providing quality care. In this section you will find information on Child Care Operating Funding and Capital Funding.

[www.mcf.gov.bc.ca/childcare/providers.htm](http://www.mcf.gov.bc.ca/childcare/providers.htm)

MCFD: Child Care Partnerships: Creating Child Care Spaces

[www.mcf.gov.bc.ca/childcare/pdfs/ChildCare\\_Partnerships\\_WEB.pdf](http://www.mcf.gov.bc.ca/childcare/pdfs/ChildCare_Partnerships_WEB.pdf)

MCFD: Opening a Child Care Facility

[www.mcf.gov.bc.ca/childcare/pdfs/open\\_child\\_care\\_july\\_07.pdf](http://www.mcf.gov.bc.ca/childcare/pdfs/open_child_care_july_07.pdf)

Public Library

[www.bcpl.gov.bc.ca/VRD/libraries/](http://www.bcpl.gov.bc.ca/VRD/libraries/)

Quality by Design: Elements of a high quality early learning and child care system.

Child Care Resource and Research Unit, University of Toronto

[www.childcarequality.ca/index.html](http://www.childcarequality.ca/index.html)

Revenue Canada

[www.cra-arc.gc.ca/tax/business/topics/payroll/calculating/menu-e.html](http://www.cra-arc.gc.ca/tax/business/topics/payroll/calculating/menu-e.html)

Society Act of BC

[www.qp.gov.bc.ca/statreg/stat/S/96433\\_01.htm](http://www.qp.gov.bc.ca/statreg/stat/S/96433_01.htm)

Society Guide for BC by *Gerald C Scott 1998, revised by DW Mossop, QC, assisted by Renee Matthews 2006*

Starting a Business in BC

[www.smallbusinessbc.ca/pdf/startingsmallbusinessGuide.pdf](http://www.smallbusinessbc.ca/pdf/startingsmallbusinessGuide.pdf)

Statistics Canada

[www.statcan.ca/start.html](http://www.statcan.ca/start.html)

Union of British Columbia Municipalities

[www.civicnet.bc.ca](http://www.civicnet.bc.ca)

(local government links and information)

Westcoast Child Care Resource Centre

[www.wstcoast.org](http://www.wstcoast.org)

604-709-5661, toll free 1-877-262-0022

(Westcoast Library, Marketplace print resources)

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