

Understanding the Child Care Subsidy



The childcare subsidy can be challenging to understand. During your access to care, let us guide you every step of the way.



Little Learners
Early Education

Funded by the Federal government and administered through Centrelink; the Child Care Subsidy (CCS) program helps make childcare affordable to parents or carers returning to work or study by reducing their out-of-pocket care expenses.

We Are Here To Make Things Easy

Our purpose is to ensure our families have all the information at their fingertips. We know how confusing all this can be for parents, especially when enrolling a child for the first time, however we are here to guide you through every step.

Our experienced team will help you to minimise your costs and maximise your full entitlements whilst reducing the stress and confusion that can come from navigating the different online Government agencies of myGov, Centrelink and the CCS.

Below we have listed the steps you will need to complete, to claim the CCS well in advance of your desired start date for childcare or kindergarten, as the process may take some time. Remember, our team is always available to assist so feel free to contact us at any time to chat. We look forward to welcoming you to Little Learners.

Family Care Support

Whether this is your first or last child going into care, our team of childcare experts are here to support you. When walking through a tour of the centre we will ensure you have all the necessary information to lock in your subsidy and any out-of-pocket payments should you need.



MEET THE TEAM



**Call Us
Anytime to
Discuss on
03 9436 9111**

Let us break down some jargon words for you:

Subsidy means your child's day in the centre is payable by a daily fee charged by the centre and the government may cover some of this fee (subsidy), depending on your individual circumstances.

CCS acronym for 'Child Care Subsidy'

CRN first step, you and your child must both have a **Customer Reference Number (CRN) from Centrelink.**

A CRN is given to every person who uses Centrelink services. Without these numbers, all childcare centres or kindergartens will charge you a full daily fee. If you are, or have ever been, a Centrelink customer you will have a CRN.

Our team has broken down the 4 easy steps to applying for the Childcare Subsidy.



HOW TO OBTAIN A CRN

To obtain a CRN go to your Centrelink service centre or apply online at myGov. [CLICK HERE](#) for setting up online accounts and gaining a CRN number.


When should you start the CCS Process?

- 1 Your baby is born - yay!
- 2 Decide on when your child might join an early education and care centre.
- 3 Apply for CCS via your myGov Account, which is linked to Centrelink

We recommend that you do this as soon as you know when you might send your little one into care. Don't wait until you have found a centre as this entire process can take between four and six weeks. Plus if it's not set up when you begin care, you may be paying the full fees until it's all completed!

- 4 Find an early education centre that suits your family best
Call the Little Learners team on 03 9436 9111 and set up a tour
- 5 Once your spot is confirmed.
- 6 Go to your MyGov account and confirm your childcare enrolment.
- 7 See you on your first day!





How does CCS Work?

The Child Care Subsidy (CCS) is a payment that reduces the cost of your childcare/ kindergarten fees. **Without the CCS all childcare centres and kindergarten will charge you a full daily fee.**

Firstly, the CCS program is means-tested. This implies that families with lower incomes will receive greater support payments than families with higher incomes.

Am I eligible for the Childcare subsidy?

To be eligible:

- ✓ You or your partner care for a child, aged 13 or younger who is not attending secondary school (exemptions apply for children with disabilities)
- ✓ You or your partner care for a child at least 2 nights per fortnight, or have 14% care responsibility
- ✓ You or your partner are responsible for paying the childcare fees
- ✓ The child meets residency and **immunisation requirements** - if receiving Family Tax B – Part A or childcare fee assistance
- ✓ You use an approved childcare service – like Little Learners!

We are here to assist you with the subsidy assessment that is based on these factors:

- Your combined family's income.
- Your activities and the [Hours of Activity](#) you and your partner do

You will receive a percentage subsidy on the daily rate of childcare/kindergarten (fees subsidised up to 85%) plus a total number of hours for which you will be subsidised (up to 100 hours per fortnight.)

To meet the activities test, parents can be involved in a variety of paid or unpaid work.

These include:



Paid work
(including
leave)



Self-employment
(including
starting a new
business)



Voluntary
work



Training for
employment
upskilling



Tertiary study or
apprenticeships



Job
seeking



Paid parental
leave

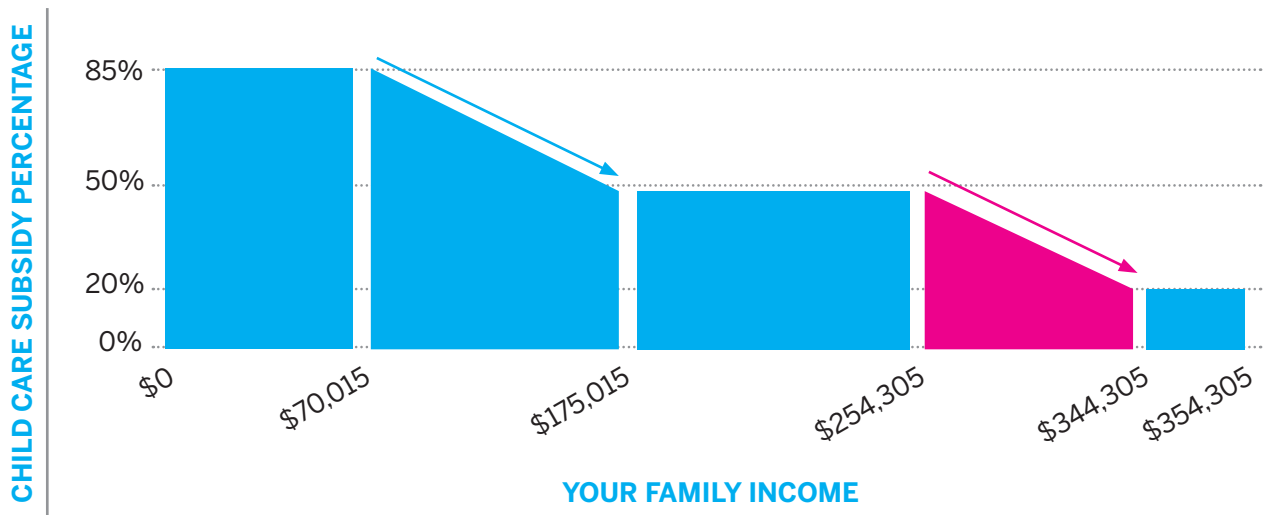
Learn more about
recognised activities [CLICK HERE](#)



How Much of My Child Care Fees Will the Subsidy Cover?

It's great to know what your childcare centre charges for a day, but what you really need to know – for family finance purposes – is what you'll need to pay out of pocket

The Department of Education has set out a table of the percentage the Child Care Subsidy will contribute towards based on the family's combined income.



Between \$70,016 and \$175,015 plus \$254,306 and \$344,305 the CCS percentage goes down by 1% for every \$3,000 of income your family earns

Calculation

To try calculating your out-of-pocket fee, [CLICK HERE](#) for the handy childcare subsidy calculator estimator. Simply enter your details and it will bring up an estimate for you!



WE CAN HELP...



Little Learners can help you work through this process to best optimise your subsidy. Please make an appointment to discuss with us.

Call 03 9436 9111 | Email: enquiries@littlearners.com.au

Child Care Subsidy Activities Test

The maximum entitled hours of subsidised care available is 100 hours per fortnight. The parent with the lowest hours of work or approved activity will determine how much subsidised care the family is entitled to.

| Step | Hours of Activity per Fortnight | Max NO. of Hours of Subsidy per Child per Fortnight |
|------|---------------------------------|--|
| 1 | Less than 8 hours | 0 hours if you earn above \$69,390 24 hours if you earn \$69,390 or below |
| 2 | More than 8 – 16 hours | 36 hours |
| 3 | More than 16-48 hours | 72 hours |
| 4 | More than 48 hours | 100 hours |

BONUS TIP

Make sure you download the Centrelink app, which can be very helpful, especially if your work situation is changing and you need to update your hours.



Supporting You

We understand that when it comes to early childhood education and care there isn't a one-size-fits-all option.

That's why we give families the freedom to choose which hours best suit their needs. At Little Learners, we help you to minimise your costs and maximise your entitlements thereby providing greater access to quality early childhood education and care for your family.



Little Learners
Early Education

Worried that you can't afford care?

Here are some of your options:

Additional Child Care Subsidy (ACCS)

ACCS provides support to families experiencing a significantly reduced ability to pay childcare fees, such as if a parent has lost income due to being unable to attend work.

This support can be applied for via Centrelink and MyGov.

To download the easy application guide [CLICK HERE](#)

You can also [CLICK HERE](#) to access an ACCS calculator.

Preschool Exemption Program

Parents who are exempt from the Child Care Subsidy activity test will be entitled to 36 hours of subsidised care per fortnight to support their preschool-aged child to attend a Kindergarten program at a Centre Based Day Care service.

When does the preschool exemption apply?

A family is entitled to the preschool exemption if:

- they are eligible for Child Care Subsidy
- they do not meet and are not otherwise exempt from the activity test, meaning their usual entitlement is less than 36 hours of subsidised care per fortnight (0 or 24 hours based on the family's income)
- they have a preschool aged child and
- that child attends an early educational program at a Centre Based Day Care service.

A preschool aged child is a child in the year before their first year of primary school e.g if a child is starting school in the February of next year.

[CLICK HERE](#) for more information via the Federal Government FAQ page.

**3 & 4
Year Old
Kindergarten
Program**





Documents Centrelink May Require

As you work through your claim in myGov, Services Australia may ask you to upload certain documents or information into your myGov account. These will come up as 'required' in your claim. If this happens and you don't upload information directly, they will put your claim on hold as they wait for these documents.

You need to provide them within 14 days of our request, or your claim may be rejected.

Here are some of the documents they may request. This is to give you an idea of to prepare ahead of time.

Financial information – Bank account details, your tax file number, and details on income and assets including real estate assets and superannuation

Study – Including planned and previous course details, fee receipts and academic transcripts

Work – Such as income tax returns, PAYG certificates, payslips, or Taxation Notices of Assessment (NOA) if self employed

Living arrangements – Housing, rental property or real estate details, proof of assets ownerships documents, rates notices

Relationships – Parent or guardian details, including work and income details; partner details, including citizenship, study, work and income details; or separation details.

Residence details if you've lived outside Australia – Including visa information

Children – Birth certificates, adoption or surrogacy agreements

Medical – Health Care card claims, medical reports, Centrelink medical certificates and doctor-issued medical certificates.



Child Care Subsidy Changes with Siblings

Families with more than one child aged 5 or under in care can get a higher Child Care Subsidy. The higher subsidy is for their second child and/or younger child.

To get the higher subsidy, a family must:

- earn less than \$354,305
- have more than one child aged 5 or under in childcare.

The high subsidy for the second and/or young child can get a 30% higher subsidy, up to a maximum of 95%.

How to receive the childcare subsidy?

- STEP 1** Visit [myGov](#) website and either **Sign in** or **Create an Account**
- STEP 2** **Link myGov and Centrelink together**
- STEP 3** **Select 'Payment and Claims' from the menu, then 'Claims', then 'Make a Claim'.**
- STEP 4** **Under 'Families', select 'Get Started'.**
- STEP 5** **Answer all the questions.**
Each screen has information to help you complete the claim, this includes how to submit your supporting documents such as payslips, birth certificate and medical records
- STEP 6** **Submit your claim.**
- STEP 7** **Confirm your Early Learning Centre within the MyGov app.**
- STEP 8** **Between 2 - 5 weeks, once you have submitted your claim, you will receive a letter into your MyGov inbox that your claim has been approved. Inform your daycare centre that you have received approval.**

What happens when your child is sick?

Normal fees apply to any sick days your child may have or if you do not bring your children to the service. This policy is necessary to ensure the financial viability of the centre. Please bring a medical certificate for any illness-related child absence, as we can use these to claim for extensions on your behalf if you exceed the maximum absences of 42 days per child per financial year. Additional absences beyond 42 days for specified reasons may be approved. Attendance during your child's last two weeks of enrolment is required, otherwise Centrelink could ask you to pay back your CCS.

For your information, a public holiday is counted as an absence at our centre. You can review your child's absence record using your Centrelink online account through myGov by selecting View Child Care Details and Payments or by using the Express Plus Centrelink mobile app. You can read more about absences from childcare on the Department of Education and Training website.

IMPORTANT

To receive your CCS continually you must lodge your tax return yearly

***IMPORTANT NOTE ABOUT CONTINUING TO REPORT YOUR INCOME:**

When you get Child Care Subsidy (CCS) you must confirm your family's income after the end of each financial year. You do this by lodging your tax return. There are time limits for how long you have to do this. Failing to report your income could result in having to repay your CCS.

For more information [CLICK HERE](#)



Like to
Commence
Care?

If you are a new family looking to find out more about how to enrol and make your subsidy work for you, either contact our centre on (03) 9436 9111 or Book a Tour to see the centre and ask questions.

BOOK A TOUR



Little Learners
Early Education

www.littlelearners.com.au

For more Information:



Services
Australia

[CLICK HERE](#) to check out the Services Australia website for further information on the Child Care Subsidy.



centrelink

If you need to contact Centrelink, you can reach them on the Families line, 136 150 between 8am-8pm Monday to Friday.