

Transition Fact Sheet

Becoming an approved child care service in 2018 – apply before 31 March 2018 if you plan to commence operations before July 2018

All child care services seeking to access Australian Government child care payments are first required to complete an approval process. As set out in the 'Child Care Subsidy Minister's Rules 2017' made public in November 2017, this approval process is changing to prepare for the <u>New Child Care</u> Package, commencing 2 July 2018.

Under the new package, the Child Care Subsidy (CCS) will replace the existing Child Care Benefit (CCB) and Child Care Rebate (CCR). All existing, eligible CCB approved services* will be deemed to be CCS approved from 2 July 2018. Approved services do not need to apply for CCS – but must complete an online transition form that will be available in April 2018.

During a transition period from 1 April to 1 July 2018, the Department will focus efforts on transitioning CCB approved services to CCS approved. This process includes the migration of current service and families' data to the new Child Care Subsidy System (CCSS), the provision and recording of new or updated information from providers and implementation of the CCSS. As part of the transition arrangements for the new Child Care Package, the Department will stop accepting applications for CCB approval on 1 April 2018. Exceptional circumstances may apply, such as where a change of ownership necessitates a change in approval. This fact sheet provides information for new child care services wishing to become approved to access child care payments before the transition period commences on 1 April 2018.

Key points:

- Child care services wishing to commence operations in the first half of 2018 should <u>apply for</u> <u>CCB approval</u> as soon as possible and by no later than 31 March 2018.
- Services which receive CCB approval by 31 March 2018:
 - o will be eligible to attract CCB and CCR until 1 July 2018; and
 - will be eligible to attract CCS from 2 July 2018 but must complete an online transition form that will be available in April 2018.

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- Services which lodge an application on or before 31 March 2018 but do not receive CCB approval until after 31 March:
 - will be eligible to attract CCB and CCR from the date their CCB approval becomes effective until 1 July 2018; and
 - will need to complete a new application for CCS approval in order to attract CCS from 2 July 2018 – this application form will be available from April 2018.
- As part of the transition arrangements for the new Child Care Package, **the Department will stop accepting applications for CCB approval on 1 April 2018**, except in exceptional circumstances (such as where a change of ownership necessitates a change in approval).
- From April 2018, new child care services seeking approval under family assistance law will be able to apply for CCS approval (effective from 2 July 2018) by completing an application form.

Frequently Asked Questions

I am an existing CCB service. Do I need to apply for CCS approval?

No. All eligible CCB approved services that were granted and maintain CCB approval prior to 1 April 2018 will transition as CCS approved services, without the requirement for a CCS application. These services must, however, complete an online CCS transition form that will become available in April 2018.

I am an existing CCB operator and I want to open a new service soon. What do I do?

If your new service is going to commence operations in the first half of 2018, you should <u>apply for</u> <u>CCB approval</u> as soon as possible and by no later than 31 March 2018. After this date the Department will not accept new applications for CCB approval, except in exceptional circumstances.

I want to become an approved service. What do I need to do?

If you want to commence operations in the first half of 2018, you should <u>apply for CCB approval</u> as soon as possible and by no later than 31 March 2018.

If you want to commence operations on or after 2 July 2018, you should apply for CCS approval. From April 2018 you will be able to apply online for CCS approval (with effect from as early as 2 July 2018).

What happens if I receive CCB approval between the transition period of 1 April and 1 July 2018?

Services that are granted CCB approval between 1 April and 1 July 2018 will not have their CCB approval automatically transition to a CCS approval, even if they have their CCB approval backdated to before 1 April 2018. Their CCB approval will cease on 1 July 2018 and in order to continue to attract payments on behalf of their families, they must separately apply for, and be granted, CCS approval. Please note, CCS approval cannot be granted any earlier than the date of application or 2 July 2018 (whichever is the later).

What type of exceptional circumstances will be considered in regard to submitting a CCB application on or after 1 April 2018?

Generally, the exceptional circumstances the department will consider during the period 1 April to 1 July 2018 relate to instances where a new approval is required in response to a change of ownership, so as to ensure continuity of care and fee reduction payments for a services' families.

If you consider there is an exceptional circumstance and you were unable to submit your CCB application before 1 April 2018, contact the CCB Assessment Team in your state or territory by calling the department on 1300 363 079 and asking to speak to the CCB Assessment Team.

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Background

The legislation governing Australian Government child care payments specifies transitional rules for **new** services seeking approval to administer child care fee assistance. These rules set out when new services will be approved for CCB and transition to the CCS without having to complete a separate CCS application (that is, services granted CCB approval prior to 1 April 2018) and when new services will have to apply separately for CCB approval and then again for CCS approval (services which receive CCB approval between 1 April and 1 July 2018 fall within this category).

For more information

Further answers to frequently asked questions about approvals during the transition period can be found <u>in the FAQ Sheet – Becoming an approved provider 2018 transition arrangements</u>. If you need more information about these transitional arrangements or any part of the transition process, you can contact the CCMS Helpdesk on 1300 667 276 Monday to Friday 9.00am to 5.30pm (AEDT).

More <u>information about applying for CCB approval</u> can be found on the Department of Education and Training website.

* Services attracting CCB and CCR for their families are referred to as a CCB approved service.