

WHAT IS CHILD CARE SUBSIDY?

Child Care Subsidy is a rebate paid to eligible families to reduce the cost of childcare. It has replaced the Child Care Benefit (CCB) and Child Care Rebate (CCR) with a single means-tested subsidy.

HOW IS IT DIFFERENT TO CHILD CARE BENEFIT & CHILD CARE REBATE?

There are three factors that will determine a family's level of Child Care Subsidy. These are:

- Combined Family Income.

Combined Family Income	Subsidy per cent of the actual fee charged (up to relevant percentage of the hourly rate cap)
Up to \$66,958 [^]	85 per cent
More than \$66,958 [^] to below \$171,958 [^]	Decreases to 50 per cent*
\$171,958 [^] to below \$251,248 [^]	50 per cent
\$251,248 [^] to below \$341,248 [^]	Decreases to 20 per cent*
\$341,248 [^] to below \$351,248 [^]	20 per cent
\$351,248 [^] or more	0 per cent

- Activity Test – the activity level of both parents.

Step	Hours of activity (per fortnight)	Maximum number of hours of subsidy (per fortnight)
1	8 hours to 16 hours	36 hours
2	More than 16 hours to 48 hours	72 hours
3	More than 48 hours	100 hours

- Service Type – type of child care service.

Service type	Maximum hourly rate cap
Centre Based Long Day Care	\$11.77 [^]
Family Day Care	\$10.90 [^]
Outside School Hours Care	\$10.29 [^]
In Home Care	\$25.48 [^] (per family)

HOW DOES IT AFFECT LINDFIELD ACTIVITY CENTRE PAYMENTS?

The Child Care Subsidy is now paid directly to Lindfield Activity Centre (LAC) and is passed onto families as a fee reduction in their term invoices. This means that families will make a co-contribution to their child care fees and pay LAC the difference between the fee charged and the subsidy amount.

Families can no longer complete lump sum claims at the end of the financial year, they need to claim the subsidy as they go.

WHAT DO FAMILIES NEED TO DO?

Families now need to ensure that they are updating and confirming family information and enrolment changes through their 'mygov' account.

Complying Written Agreements

Lindfield Activity Centre has now generated a Complying Written Agreement that formalizes the care agreement individual families have entered into. **Every family is required to read and sign their individual agreement**, which will be filed and stored at the centre for future audits.

Enrolment Notices

Lindfield Activity Centre has now submitted an enrolment notice to 'mygov' for each individual child. This informs Centrelink on each family's current and casual bookings. **Every time a booking changes** (adding or cancelling bookings) we have to notify Centrelink and **families have to agree to these changes online via their 'mygov' account. If families do not agree to these changes then Subsidy payments will be withheld.**