



Aligning Child Care Subsidy Approval with National Law Approval

Child care providers must hold two approvals to be able to administer the Child Care Subsidy (CCS) payment.

Child care and early learning in Australia is administered under a dual regulatory system:

1. State and territory governments are responsible for regulation of child care services and the administration of the National Quality Framework under the National Law and National Regulations. The main objective of this regulation is to ensure that providers are meeting standards for the safety, health and wellbeing of children and that they improve educational outcomes and development for children.
Providers cannot care for children unless they meet these regulatory standards and have approval under the National Law (unless they are exempt).
2. The Australian Government is responsible for child care fee assistance payments for families under multiple pieces of legislation collectively described as the family assistance law. The objective is to provide families with financial assistance to help cover the cost of child care and to encourage workforce participation by providing flexible access to approved child care. The CCS is paid to providers on behalf of the families using their services. Providers use the CCS payment to reduce the cost that families must pay for child care.

Providers cannot receive CCS payments for families without approval under the family assistance law.

Child care providers and services wishing to provide care and receive CCS payments must undergo an approval process in each of these regulatory systems. If they are granted approval, this is called being granted Provider and Service Approval.

National Law Provider and Service Approval

To be approved under the National Law, providers and services must meet the requirements of the National Quality Framework (NQF). The NQF provides a national approach to regulation, assessment and quality improvement for child care services across Australia. It does this by applying the same child care standards across Australia but with some variations where these are necessary to address particular needs in different state and territories.

National Law approval is granted by the child care regulatory authority in each state and territory.

Further information on the National Law and the NQF and contacts for each of the state and territory regulatory authorities can be found at the [Australian Children's Education and Care Quality Authority \(ACECQA\) website](#).

ACECQA is an independent national authority that assists governments in the implementation of the NQF.

Family Assistance Law Provider and Service Approval

To become approved to administer CCS under the family assistance law, a provider must meet the eligibility requirements of the A New Tax System (Family Assistance) Act 1999 (referred to as the Act). These include the requirement for the provider to undertake fit and proper checks on all relevant personnel and to hold all applicable child care approvals or licences in the relevant state or territory.

Approval under the family assistance law is granted by the Department of Education, Skills and Employment on behalf of the Australian Government.

Further information about [becoming approved under the family assistance law for the purposes of administering CCS](#) can be found on the Department of Education, Skills and Employment website.

Provider Approval is granted to legal entities – not people

Approval is granted to an entity, rather than an individual person, both under the National Law and the family assistance law. An entity is a legal identity, for example, a company, a partnership, an unincorporated body or a sole trader. The name of the entity to which approval has been granted is identified on the approval documentation.

Why does the provider have to be the same on both National Law and CCS approvals?

Section 194C (a) of *A New Tax System (Family Assistance) Act 1999* sets out that:

‘for each child care service in respect of which the provider is seeking approval—
the provider holds any approvals or licences required to operate a child care service under the law of the State or Territory in which the service is situated.’

This means that where a provider and its service/s fall within the scope of the National Law in its state or territory, it must hold National Law approval in order to be eligible for approval under the family assistance law. The evidence that it has met this requirement is the National Law approval documentation showing the entity of the provider to be the same as the entity of the provider applying for, or holding, CCS approval.

An example where this requirement is not met might be where the CCS applicant is a company Joe Bloggs Pty Ltd but the National Law approval shows that the approved provider as Joe & Mary Bloggs. It cannot be determined that the entity Joe Bloggs Pty Ltd is the same as the entity holding National Law approval and therefore the provider may not meet the eligibility requirements for CCS approval.

Which approval should I apply for first?

You can apply for CCS approval under the family assistance law while you are undergoing assessment for National Law approval. The online CCS application will request that you provide provider and service approval numbers that you will receive when you apply for National Law approval. CCS approval cannot be granted **until** your National Law approval has been granted.

Some services do not require approval under National Law.

There are a small number of services that are out of scope of the *Education and Care Services National Law Act 2010* and are therefore excluded from the eligibility requirement to hold National Law approval. Examples of services that may be out of scope of the National Law are some Occasional Care, In Home Care and mobile services.

All services applying for CCS approval must meet the requirement of *Section 194C of A New Tax System (Family Assistance) Act 1999* requiring them to hold any **relevant approvals or licences that are relevant to providing child care** in its state or territory. This means, even where a service is out of scope of National Law, they must still obtain the required state regulatory approval or licence to operate its child care service. The provider identified on all approvals and licences must be the same provider as that identified in the application for CCS approval.

More information

Information about becoming an approved CCS approved provider and service is available on the department's [Applying for Child Care Subsidy \(CCS\) Approval](#) website.

If you need additional information or assistance, you contact the department's CCS Assessment Team by email at CCSAssessments@dese.gov.au