



# Suspension on Request of Child Care Subsidy Approval

Suspension on Request is a term in the family assistance law defining a suspension of approval which has been granted at the request of the provider rather than a suspension imposed as a compliance sanction. The corresponding provision under the Education and Care Services National Law is described as a voluntary suspension. For consistency, the term 'voluntary suspension' has been used throughout this document.

This fact sheet provides an overview of the voluntary suspension process under family assistance law and the implications in relation to Child Care Subsidy (CCS) Provider and Service Approval.

It explains the difference between:

- a voluntary suspension of CCS approval and a suspension of regulatory approval under the Education and Care Services National Law (National Law approval); and
- notifying the department of a temporary closure and seeking a voluntary suspension of CCS approval.

It is important that a CCS approved provider is aware of and able to meet their ongoing responsibilities under family assistance law and other applicable laws.

## Child care services have two separate approvals

Most child care services in Australia hold two separate approvals:

- Approval under the National Law which is regulated by the relevant authority in their State or Territory. This approval is required to operate a service and is focussed on meeting standards for the safety, health and wellbeing of children and improved educational outcomes and development for children.
- Approval under the family assistance law which is administered by the Department of Education, Skills and Employment. This approval is required for a service to administer CCS on behalf of families and is focussed on business viability and suitability to administer CCS.

Providers and services may seek a voluntary suspension of approval for either or both of these approvals, **but these are separate suspensions**. Being suspended under one approval does not mean a service is automatically suspended under the other.

It is important to understand that a condition of CCS approval is that the service is also approved under the National Law. Therefore, if a voluntary suspension of National Law is granted, the service must also separately seek a voluntary suspension of CCS approval.

### **Impact of a voluntary suspension under National Law**

If a child care service is voluntarily suspended under Education and Care Services National Law, it cannot legally operate or provide care to children until after the period of voluntary suspension has ended.

### **Impact of a voluntary suspension under family assistance law**

If a service is granted a voluntary suspension under family assistance law, that service cannot receive CCS payments for families during the period the suspension is in effect.

If the provider has been granted a voluntary suspension under family assistance, none of the services they operate can receive CCS payments for families during the period of voluntary suspension.

Services with a suspended CCS approval have a reduced requirement for the minimum number of operating weeks in the 12 month period in which the suspension occurs.

Services with a suspended CCS approval may still operate and provide care to children if they continue to be approved under the National Law.

## **Difference between a temporary closure and a voluntary suspension of CCS Approval**

### **CCS approved services must notify the department of temporary closure**

Entities holding CCS Provider and Service Approval are required to notify the department using either their software product or the Provider Entry Point when a service closes for any period of time.

This notification establishes a record when a service is open and closed. The department uses this information to ensure that services are meeting their annual minimum operating requirements for their CCS approved service type.

A service which is temporarily closed remains CCS approved for the period of the closure and it must continue to comply with all ongoing requirements of CCS approval including meeting its minimum annual operating requirement regardless of its period of closure.

## Suspension on Request

A provider may choose to request a suspension of its CCS approval if it has also been suspended under National Law (National Law approval is a requirement of CCS approval). It may also seek voluntary suspension of CCS approval if it will not be operational for a substantial period of time and cannot meet its minimum operational requirement for that 12 month period.

A voluntary suspension of CCS approval means that the specified service/s are, for that period, not approved to administer CCS payments.

A provider must apply to the department to have its CCS approval voluntarily suspended. If the suspension is granted, the Provider will receive a *Notice of Suspension on Request*.

## How to apply for a voluntary suspension of CCS Approval

Providers must complete and submit the application form for voluntary suspension under family assistance law to their local state/territory office. A copy of this application form can be accessed from the department's [Applying for CCS Approval website](#).

**Note:** This is different and separate to applying for voluntary suspension of National Law approval from your regulatory authority. For advice on child care requirements within your state or territory, including how to suspend your National Law Provider and Service Approval, please [contact your State or Territory Regulatory Authority](#).

**A notification of temporary closure submitted through a provider's child care software or the Provider Entry Point is not a request for voluntary suspension of CCS approval.**

Please note the following:

1. As the Early Childhood Education and Care Relief Package (the Relief Package) ceased on 12 July 2020, the department will no longer accept emails to the local state/territory office requesting to opt out of the Relief Package as evidence as an application for voluntary suspension.
2. The [Notification of Closure, Sale or Transfer of Ownership Form](#) or equivalent notification in the Child Care Provider Entry Point or registered software, will also not be accepted for the purposes of a voluntary suspension application under family assistance law.
3. If you have applied for and been granted a voluntary suspension of National Law Provider and/or Service Approval, you **must also** apply to the department to have your CCS Approval voluntarily suspended under family assistance law.
4. If, after being granted a voluntary suspension of your CCS Approval, and you decide to [cease providing child care for any or all of your services](#), you should notify the department in writing through the usual processes.

## More information

Information relating to CCS Approval requirements (including voluntary suspension requirements under family assistance law) is available on the department's [Applying for CCS Approval website](#) or from the [Child Care Provider Handbook](#).

If you need additional information or assistance, you can contact the CCS Assessment Team in your state or territory on **1300 363 079** or you can email your query to [CCSApplicationDocuments@dese.gov.au](mailto:CCSApplicationDocuments@dese.gov.au).