

Do you provide childcare or OSCAR services?

An administrator's guide
to the Childcare and
OSCAR subsidies



Work and Income
Te Hiranga Tangata

A service of the Ministry of Social Development

There are two ways we can help families whose children attend your centre or programme.

Childcare Subsidy

This helps pay for the care of pre-school children aged under 5 years (or under 6 years if the parent gets the Child Disability Allowance for their child).

We can subsidise up to 9 hours of childcare a week for each child, or longer (up to 50 hours a week) if their family is below a certain income limit and the child's main caregiver is:

- working, studying or on an approved training course *or*
- involved in an organised activity that we have asked them to do *or*
- a shift worker who works nights *or*
- seriously ill or disabled *or*
- paid a Child Disability Allowance for any of their children *or*
- caring for a child who is in hospital.

We can't subsidise more than 9 hours a week if the child's other parent can look after them (unless the family is getting the Child Disability Allowance for the child).

If a child is getting *20 Hours ECE*, they can't receive the Childcare Subsidy for the same hours.

Parents will need to advise Work and Income if their child gets *20 Hours ECE* as we will need to adjust their Childcare Subsidy.

Early Childhood Education (*20 Hours ECE*)

Government funds up to 20 hours a week of ECE for children aged 3-4 years attending an Early Childhood Education service.

Parents may choose between receiving *20 Hours ECE*, the Childcare Subsidy, or a combination of both payments. Families cannot receive *20 Hours ECE* and the Childcare Subsidy for the same hours.

If your service decides to take up *20 Hours ECE* and you are receiving the Childcare Subsidy you should contact us straight away. This is so we can make sure you are getting the right amount of the Childcare Subsidy and are not overpaid. If you receive the Childcare Subsidy payments from Work and Income in respect of children who take up *20 Hours ECE* you could end up with a debt you have to pay back.

For more information about *20 Hours ECE* get in touch with the Ministry of Education's Resourcing Contact Centre, telephone **0800 323 323**, or staff in the local Ministry of Education office in your area or visit the Ministry of Education website at **www.minedu.govt.nz**

If you have any questions,
you can call us free on
0800 559 009.

OSCAR Subsidy

The OSCAR Subsidy (Out of School Care and Recreation Subsidy) is for children aged 5-13 years (or up to 18 years if they receive the **Child Disability Allowance**). It helps pay for before and after school care and care during the school holidays. For each child in your programme, we can subsidise:

- up to 20 hours a week for before and after school care *and*
- up to 50 hours a week for school holiday programmes.

Families can get this subsidy when their family income is below a certain limit and the child's main caregiver is:

- working, doing a work-related activity or studying *or*
- seriously ill or disabled *or*
- paid the Child Disability Allowance for any of their children *or*
- caring for a child that's in hospital.

We can't pay an OSCAR Subsidy if the child's other parent can look after them (unless the family is getting the Child Disability Allowance for the child).

For both subsidies

The child must be at your centre, service or programme for at least 3 hours a week. Families with more than one child can get more than one subsidy.

Eligible centres or programmes

For a family to get the **Childcare Subsidy**, your centre or service must be:

- an early childhood centre licensed under the *Education (Early Childhood Centres Regulations 1998)* (this includes fee-charging kindergartens and playcentres) *or*
- a Kohanga Reo chartered by the Te Kohanga Reo National Trust *or*
- a care programme provided under a home-based care scheme arranged by an approved early-childhood care arranger (this includes care in the child's own home).

For a family to get the **OSCAR Subsidy**, your programme must be approved by Child, Youth and Family. To find out about getting your programme approved, contact your local Child, Youth and Family office and ask to talk with the approval assessor.

Your supervisor or administrator must fill in the centre verification section of the form that families complete when they apply for a subsidy. You'll need to confirm:

- that your programme is approved
- your fees
- the number of hours the child will attend each week
- whether or not you charge a fee for absences
- the opening and closing dates for the centre.

Payments

The amount we can subsidise depends on the size of the family and their income. It's based on the number of hours their child attends your centre or programme. We can't pay for more hours than the weekly maximum we have pre-approved for that child.

The subsidy will start from the date a child starts at your centre or programme (or from the date the family applies for the subsidy, if they apply after the child has started).

It usually stops:

- the day after the caregiver's job or course ends *or*
- after 12 weeks if they stop work because they are sick or injured *or*
- when the child reaches the age limit for the subsidy *or*
- when the child leaves your centre or programme.

We may be able to continue with payments when the main caregiver's job ends if they are starting another one within 10 working days. If a family gets the **Childcare Subsidy** and their child turns 5 years but is not starting school straight away, we can continue with payments for up to 28 days after the child's 5th birthday. If the child also gets the **Child Disability Allowance** and attends your centre for 3 hours or more a week, we may be able to pay the subsidy until they turn 6 years.

No of children in family	The family's weekly income before tax	The subsidy (per hour) per child is up to
1	Less than \$1,274.00	\$3.63
	\$1,274.00 to \$1,379.99	\$2.52
	\$1,380.00 to \$1,485.99	\$1.40
	\$1,486.00 or more	no subsidy
2	Less than \$1,465.00	\$3.63
	\$1,465.00 to \$1,580.99	\$2.52
	\$1,581.00 to \$1,697.99	\$1.40
	\$1,698.00 or more	no subsidy
3 or more	Less than \$1,634.00	\$3.63
	\$1,634.00 to \$1,771.99	\$2.52
	\$1,772.00 to \$1,909.99	\$1.40
	\$1,910.00 or more	no subsidy

Rates at 1 April 2009

When a child leaves your centre, service or programme, or your centre closes, you'll need to tell us immediately to confirm that the subsidy should be stopped to avoid overpayments.

You also need to tell us if a child stops attending for 3 consecutive weeks (6 weeks if the absence is due to their medical condition).

How are the subsidies paid?

We pay the subsidy for each child direct to your centre's bank account each week – on a Tuesday, Wednesday or Thursday depending on when the child's caregiver gets paid. You need to deduct the entire subsidy from the fee you charge the family.

We'll pay a lump sum amount into your account each week. This amount is for the previous Monday to Friday. We'll also send you a statement with each child's name, the hours of care, the subsidy renewal date, and the amount we've paid for the child that week. If a child leaves your centre we'll give you the final payment for them the following week.

If we make a payment to cover a subsidy that was overdue from the week before, this will also appear on your statement as an 'arrear' payment.

School holiday programmes

If your centre needs to be paid for a school holiday programme in advance, we can pay a lump sum up to 28 days before the programme begins. You'll need to confirm with us that you need this pre-payment.

Subsidy reviews

Families need to have their subsidy reviewed every year on a form we send them for this. You'll need to confirm your fees and confirm the child's absences for the last year. You'll also need to advise whether you charged a fee for the absences.

If you have any questions,
you can call us free on
0800 559 009.

Absences

If you charge a partial or full fee for a child's absence we can continue payments for up to three consecutive weeks at any one time.

If the child is absent due to his or her medical condition, for example, the child receives the Child Disability Allowance, Group Special Education Funding or has a medical condition certified by a doctor, we can continue payments for up to six consecutive weeks at any one time.

If the child continues to be absent for over 3 weeks (or 6 weeks if the absence is due to their medical condition) the Childcare or OSCAR Subsidy will stop and the caregiver will need to contact Work and Income if the child starts back at your centre.

Holidays and the Childcare Subsidy

We will stop all subsidies when your centre closes for holidays and restart them again when you reopen.

School holidays and the OSCAR Subsidy

For families already getting an OSCAR Subsidy we'll write to them 28 days before the end of the school term to ask about their childcare for the school holidays and the next term. If a family needs childcare for the holidays you'll need to fill in part of their application form. We can pay for more hours of childcare during the holidays.

For school holiday care you'll need to confirm:

- that your programme is approved
- how much you charge
- the hours the child will attend
- when the programme starts and finishes
- if you need a lump sum payment in advance.

For the next term, if the family's arrangements are staying the same, they need to return their declaration to us to confirm this, but you won't have to provide any more details. If their arrangements are changing you'll need to confirm:

- your fees
- the hours the child will come to your programme
- the dates your programme starts and finishes.

If you have any questions,
you can call us free on
0800 559 009.



Tell us about changes

It's important that we are told about changes that may affect the subsidy a family receives.

Please tell us straight away if:

- a child stops attending or moves to another programme or centre
- there is a change in the child's attendance
- a child is absent and you don't charge a fee for the child's absence for non fee hours
- a child is absent for three consecutive weeks, or 6 consecutive weeks if they have a medical condition – and if you charge a full or partial fee for absences, tell us at the end of the 3rd or 6th week
- a child starts or stops receiving *20 Hours ECE*.

Please phone Work and Income on **0800 559 009** and advise the following:

- the early childhood service name
- the child's full name and date of birth
- the caregiver's Social Welfare Number (SWN on the payment schedule).

Our responsibilities and yours

We will provide you with a dedicated Childcare Co-ordinator who will:

- visit you regularly to ensure everything runs smoothly
- resolve any issues you may have
- tell you about policy changes that may affect subsidy payments or entitlements.

To help us help you, you need to:

- respond to our requests as soon as possible
- tell us straight away about any problems that may affect our working relationship
- contact us before you open a new care centre.

If you have any questions,
you can call us free on
0800 559 009.

Overpayment of subsidies

It's our responsibility to recover any money owed to us from an overpayment of a subsidy. If there's an overpayment we will work out who needs to repay it. If your centre is responsible we'll send you a letter with details of the debt. We will arrange repayment of the debt from you.

Important

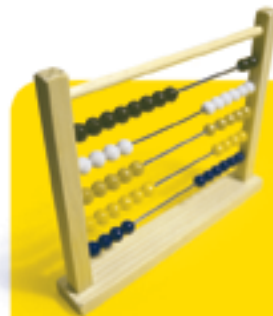
To find out who your Childcare Co-ordinator is or for more information call us free on **0800 559 009**. We're here to take your call from 7am to 6pm Monday to Friday and Saturday 8am to 1pm.

OSCAR Assistance Funding

The Ministry of Social Development provides OSCAR Assistance Funding to assist providers of OSCAR programmes with their day to day operating costs. The funding is contestable and awarded based on the level of need demonstrated for each programme up to a maximum level of \$16,000 per programme per year.

OSCAR Development Grant

Programmes may also apply for a one-off OSCAR Development Grant of up to \$3,000 to assist with initial set up costs including advertising and promotion, or making any changes needed to meet Child, Youth and Family approval requirements.



To find out who your Childcare Co-ordinator is or for more information call us free on **0800 559 009**. We're here to take your call from 7am to 6pm Monday to Friday and Saturday 8am to 1pm.

If you are deaf or find it hard to communicate by phone, you can send a message to our Deaf Link free-fax on **0800 621 621** or email **MSD_Deaf_Services@msd.govt.nz**

For more information visit:

Work and Income website
www.workandincome.govt.nz

Working for Families website
www.workingforfamilies.govt.nz