

Ready Reckoner

Subsidy spending rules for long day care services

Subsidy spending rules for Long Day Care Services that have opted into Free Kindy Funding are outlined below.

Please see the [2025 Queensland Kindergarten Funding Essentials](#) on the Department's Early Childhood Education and Care website for full details of funding requirements.

Subsidy	Spending rules
Base Subsidy (minimum 80%)	Inclusions
	<p>Improved entitlements for the ECT and up to 2 diploma or higher qualified educators delivering the Approved Kindergarten Program, including:</p> <ul style="list-style-type: none"> • additional pay on top of their award wage and on- costs (e.g. superannuation) • lump sum bonus paid directly to the ECT and diploma or higher qualified educator/s • additional paid annual leave and on-costs paid on additional leave and leave loading • payment of additional programming hours or non- contact times for the ECT (in addition to award entitlements for the ECT such as lunch break or programming time) and on-costs • professional development (delivered by an accredited training organisation that does not have the same ABN as the service) for the ECT and diploma or higher qualified educator/s specifically to assist them in delivering an Approved Kindergarten Program • learning resources for the ECT and diploma or higher qualified educator/s to enhance the delivery of an Approved Kindergarten Program. <p>The distribution of the Base Subsidy across services where an Approved Provider has more than 10 services and the Approved Provider has entered into a Service Agreement with the Department applies to Funds under this arrangement.</p>
	Exclusions
	<ul style="list-style-type: none"> • Award wages for the ECT and diploma or higher qualified educators • Other educator or support staff wages • Any resources or materials accessed by children • Childcare management company fees • Storage and storage containers • Celebrations, including catering, travel, venue hire and entertainment • Distribution of the Base Subsidy across services, which is not permitted unless the Approved Provider has a specific Service Agreement with the Department permitting this arrangement.

Subsidy spending rules for long day care services

Subsidy	Spending rules
Base Subsidy (maximum 20%)	Inclusions
	<p>Quality and age-appropriate resources specifically for Eligible Children. Examples include:</p> <ul style="list-style-type: none"> • art and craft materials • books, puzzles and board games • blocks and construction sets • mobile play equipment (e.g. trestles, planks and ladders) • natural learning materials • sports equipment • herb/vegetable garden and utensils • home corner and dress-ups • cooking experiences • cultural resources • electronic devices for the kindergarten group only. <p>Extracurricular kindergarten activities, provided all Eligible Children undertake the activity, the ECT is present and participating, and the ECT includes the activity as part of their curriculum, with no cost to families.</p> <p>Removal of any barriers to participation for Eligible Children experiencing vulnerability.*</p> <p>Services cannot distribute or pool the 20% component of the Base Subsidy across services.</p>
	Exclusions
	<ul style="list-style-type: none"> • renovations, maintenance and utilities (e.g. rates, water and electricity) • childcare management company fees • furniture • storage and storage containers • general food and groceries • cleaning and hygiene products • service software programs and memberships • capital expenditure/improvements • fixed structures (e.g. play forts, swings and slides) • decorations and party hire • celebrations (e.g. graduations, room hire, catering or gifts not related to the learning program) • first aid material and sunscreen • safety items (e.g. softfall or shade sails) • bedding and sheets.

*this should be undertaken in consultation with families.

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Subsidy	Spending rules
Gap Fee Subsidy	Inclusions
	<p>The kindergarten program component of the day is free and is the Out-of-Pocket Cost that families would normally pay after CCS.</p> <p>The Gap Fee Subsidy also covers the Australian Government's withholding rate of 5%.</p> <p>Planned incursions and excursions should be part of the educational program and built into the fee structure for the service.</p>
	Exclusions
	<p>Wraparound hours that fall outside of when the ECT is delivering the Approved Kindergarten Program.</p> <p>Application and enrolment fees, if required, which should be minimal and will be payable by the family.</p>

Subsidy	Spending rules
Service Location Subsidy	Inclusions
	<p>The Subsidy must only be used to attract and retain qualified ECTs, including:</p> <ul style="list-style-type: none"> • assisting the ECT with relocation costs • subsidising rent for the ECT • paying above award wages and on-costs (e.g. superannuation) • paying a bonus in addition to their wages • providing additional paid annual leave and on-costs • subsidising flights to and from the community to the ECT's home base • subsidising Visa sponsorship costs • accessing professional development (delivered by an accredited training organisation that does not have the same ABN as the service) for the ECT, specifically to assist them in delivering an Approved Kindergarten Program • purchasing learning resources for the ECT to enhance their delivery of an Approved Kindergarten Program.
	Exclusions
	<ul style="list-style-type: none"> • ECT award wages • Childcare management company fees.

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Subsidy	Spending rules
Inclusion Ready Subsidy	Inclusions
	<p>Reduction of immediate local barriers affecting participation and attendance in an Approved Kindergarten Program.</p> <p>Ensuring Eligible Children with diverse or additional needs are provided with adjustments that are supplementary to the strategies and resources already available.</p> <p>ECTs engaging in professional development to ensure they are ready to support all Eligible Children and families to feel welcome, engaged and culturally safe.</p> <p>Supporting the transition into an Approved Kindergarten Program or Prep for Eligible Children with diverse or additional needs.</p> <p>The Subsidy may be used for:</p> <ul style="list-style-type: none"> • diploma-qualified educators (e.g. time release/ backfill for teaching team to connect with external organisations) • programs (e.g. Breakfast Club) • resources (e.g. hats and bags for all kindergarten children, bus service for kindergarten children to access and participate in the Approved Kindergarten Program) • equipment • educational materials • professional development or specialist training • visiting partners or specialists (e.g. centre visits by allied health specialists or parent and child workshops) • visiting cultural advisors • visiting Elders • visiting interpreters or translators. <p>Expenditure of the Inclusion Ready Subsidy should be additional to the strategies and resources already available.</p> <p>Removal of any barriers for an Eligible Child's participation in the Approved Kindergarten Program, including any additional cost incurred by the child's family where the child or family is experiencing vulnerability.*</p>
	Exclusions
	<p>Costs not directly related to the delivery of the Approved Kindergarten Program for Eligible Children. General operational costs of the Long Day Care Service.</p> <p>Childcare management company fees.</p>

*this should be undertaken in consultation with families.

Subsidy spending rules for long day care services

Subsidy	Spending rules
Kindy Uplift	Inclusions
	<p>Spent funds must be consistent with the identified priority areas and the Kindy Uplift Plan that has been submitted and accepted by the Department, including:</p> <ul style="list-style-type: none"> • Necessary backfilling and out-of-hours wage remuneration to support the successful delivery of Kindy Uplift activities. • Engaging professionals to provide capability development and support in identified aspects within the Kindy Uplift Plan for kindergarten-age learning and development. • Paying wages and employing Specialist Staff to support ECTs and educators to respond to educational needs of the cohort (e.g., bicultural support workers, family support workers, cultural advisors, Elders in residence and early childhood experts/coaches). • Engaging with community partners and other supports to strengthen inclusive practice capability. • Purchasing resources related to capability development where appropriately identified in the Kindy Uplift Plan. • Attending conferences with content that aligns with the Kindy Uplift priority areas and correlates with complementary expenditure in the Kindy Uplift Plan in the same priority area. Services need to demonstrate what additional work extending on the conference will be undertaken to embed practice change. <p>If applicable, Long Day Care Services should utilise already funded initiatives and resources provided by the Department, such as the Kindergarten Inclusion Service and the Early Childhood Guidance Program Pilot. Kindy Uplift Funding can be used to complement and build on these where appropriately identified in the Kindy Uplift Plan.</p>
	Exclusions
	<p>Any costs not directly related to the delivery of the accepted Kindy Uplift Plan.</p> <p>Materials and resources that are not aligned to Kindy Uplift initiatives and activities.</p> <p>School readiness programs, checklists, screening, assessments or individualised child therapy.</p> <p>Individualised child-specific programs or bicultural support.</p> <p>'Stand-alone' IT applications or tools targeted at individual use by children.</p> <p>Use of Kindy Uplift Funds to support normal operational costs such as:</p> <ul style="list-style-type: none"> • staffing required for normal operation obligations under the National Law • compliance, management or financial related expenses • payment of childcare management company fees • expenses related to Assessment and Rating Process • prescribed/mandated training • supplementary teachers and educators for daily planning.

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