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PAYMENT OF FEES POLICY

QUALITY AREA 7: GOVERNANCE AND LEADERSHIP

Document # QA7 – P1

National Quality Standard (NQS)

Quality Area 7: Governance and Leadership		
7.1	Governance	Governance supports the operation of a quality service.
7.1.2	Management Systems	Systems are in place to manage risk and enable the effective management and operation of a quality service.
7.1.3	Roles and responsibilities	Roles and responsibilities are clearly defined and understood and support effective decision making and operation of the service.

Education and Care Services National Regulations

Children (Education and Care Services) National Law	
168	Education and care services must have policies and procedures
170	Policies and procedures to be followed
171	Policies and procedures to be kept available
172	Notification of change to policies and procedures

Related Legislation

Child Care Subsidy Secretary's Rules 2017 A New Tax System (Family Assistance) Act 1999	Family Law Act 1975 Family Assistance Law – Incorporating all related legislation for Child Care Provider Handbook in Appendix G http://www.dese.gov.au/resources-child-care-providers/resources/child-care-provider-handbook
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Introduction

Under the *Education and Care Services National Regulations*, an approved provider must ensure that policies and procedures are in place for the payment of fees and the provision of a statement of fees charged by the Centre and take reasonable steps to ensure policies and procedures are followed. (ACECQA, 2021).

Quality early education and care provides the foundation for children's development and social engagement whilst supporting workforce participation of parents and carers. Our Centre is committed to providing quality education and care to all children at an affordable fee for families.

As an approved childcare Centre, Child Care Subsidy (CCS) is available to reduce fees to eligible families. Our fee structure is based on our ability to provide the requirements of the Education and Care National Law and National Regulations, Family Assistance Law, the Australian Taxation Office and guidelines contained in the Child Care Provider Handbook.

PURPOSE

For parents to gain a clear understanding of the Centre fee structure, payment requirements and Child Care Subsidy benefits prior to enrolment. This policy explains process of fee payment and the necessity of ensuring children's fees are paid on time and consequences for failure to pay fees on time.

SCOPE

This policy applies to children, families, staff, management, and visitors of the Centre.

IMPLEMENTATION

Our Centre aims to ensure families understand the fee schedule and payment process required for education and care to be provided for their child. We are committed to meet our obligations to maintain financial integrity and comply with all Child Care Subsidy legislative requirements. We have effective compliance systems in place to ensure childcare funding is administered appropriately. Our Centre ensures the confidentiality and privacy of all personal information provided to the Centre about the enrolled child and family.

Our fee structure includes:

General Fees

- Fees are charged for each session of care and vary depending on the family's eligibility for Child Care Subsidy (CCS).
- CCS is paid directly to the Centre, and this is used as a fee reduction (visible on a family's statement).
- Families are required to pay the difference between the fee charged and the subsidy amount- the 'gap' amount
- Fees must be kept in advance of a child's attendance
- A dated receipt will be provided for each payment via email
- Fees are to be paid fortnightly through a direct debit system. If families wish to pay fees on a weekly or monthly basis, it is a requirement that the family pay in advance and are not in arrears.
- Fees are payable in advance for every session that a child is enrolled at the Centre. This includes public holidays, sick days, and family holidays but excludes periods when the Centre is closed. The Centre may be directed to close due to periods of local emergency such as bushfire or flood or a pandemic.
- If a session of care falls on a public holiday, families are required to pay normal fees. CCS may be paid for sessions that fall on public holidays.
- Fees are charged for full sessions only (regardless of the actual attendance hours any day).
- Casual days may be offered to families if available within the Centre's license.

Child Care Subsidy (CCS)

- Parents/guardians are required to register for CCS through their [myGov](#) account linked to Centrelink and provide documentation to support the CCS payment
- Basic requirements that must be satisfied for an individual to be eligible to receive Child Care Subsidy. The child must:
 - be a 'Family Tax Benefit child' or 'regular care child' and
 - be 13 or under and not attending secondary school and
 - meet immunisation requirements
- The person claiming the Child Care Subsidy, or their partner must:

- meet residency requirements and
 - be liable to pay for care provided under a Complying Written Arrangement (their written agreement) with their childcare provider
- Childcare must be provided by an approved provider
- Families level of Child Care Subsidy will be determined by:
 - combined family income
 - activity test of parents
 - type of early learning and childcare Centre.
- Child Care Subsidy will be provided directly to the Centre and this amount deducted from the parent/family account.
- Families must regularly check their details are correct and report a change in circumstance to Centrelink (family income, activity levels, relationship changes or any other changes to their circumstances).
- Any disputes with CCS payments is the responsibility of the family. The family will be referred to contact Centrelink directly for any enquiries regarding CCS payments.
- Discounts will only be offered as outlined in the CCS Handbook. Any discounts will be offered on the full rate of care before CCS has been calculated.

Payment of fees

- Families are required to pay fees using the Centre's direct debit system (debitsuccess). The family is required to provide banking details to facilitate set up of the direct debit account
- A dishonour fee will apply for direct debit transactions where there are insufficient funds to cover the fees
- Families will be issued with a *Statement of Entitlement* on a fortnightly basis in accordance with the fee payment and Regulatory requirements
- The *Statement of Entitlement* will include details of the sessions of care provided and the resulting fee reduction amounts
- The *Statement of Entitlement* is generated using our CCS Software which meets all requirements as per Family Assistance Law legislation

Absences from Centre

- Families are requested to contact the Centre if their child is unable to attend a particular session
- Families must still pay the 'gap' fee to the Centre if their child is unable to attend
- Under the Child Care Subsidy families are allowed 42 absence days per child, per financial year and may be entitled to additional absence days in certain circumstances. (See Child Care Subsidy Handbook)
- Additional absences can be claimed for the specified reasons as defined by the Family Assistance Law
- Records and evidence will be kept by the Centre for each additional absence, where required
- Families can view their absence count through their Centrelink online account via [myGov](#).
- In a period of local emergency, such as bushfire or pandemic, and our Centre is temporarily shut down on public health advice, families may be provided with additional absence days as per Family Assistance Law legislation.

If our Centre is forced to close as a result of a public health directive, due to COVID-19, we may waive gap fees (effective until 31 December 2021).

Financial Difficulties

- If a family is experiencing financial difficulties, a suitable payment plan may be arranged with authorisation of the Approved Provider.
- Families can apply for Additional Child Care Subsidy (ACCS) through Centrelink for additional fee assistance.
- There are four different payments under Additional Child Care Subsidy:

- Additional Child Care Subsidy (child wellbeing)—to help children who are at risk of serious abuse or neglect. The approved provider is involved in determining children who may require additional support who are at risk of harm
- Additional Child Care Subsidy (grandparent)—to help grandparents on income support who are the principal caregiver of their grandchildren. Families are required to contact Centrelink directly regarding this payment
- Additional Child Care Subsidy (temporary financial hardship)—to help families experiencing financial hardship. Families are required to contact Centrelink directly regarding this payment
- Additional Child Care Subsidy (transition to work)—to help low-income families transitioning from income support to work. Families are required to contact Centrelink directly regarding this payment

Debt Recovery Procedure

- If a family fails to pay the required fees on time, a reminder letter will be issued after two weeks and then again, after three weeks if the fees are still outstanding.
- At any time of the debt recovery process the family will be encouraged to enter a debt agreement with the Centre to repay outstanding fees. A written contract will be provided for the family to sign outlining repayment plan details. The repayment plan will provide information as to the duration and amount of the repayments as well as steps that will be taken if the repayment plan is not adhered to.
- A child's position will be terminated if payment has not been made after three weeks, for which the family will receive a final letter terminating the child's position. At this time the Centre will initiate its debt collection process, following privacy and conditional requirements.

Late Fees

- Our Centre is not licensed or insured to have children on the premises after hours. This is a breach in the Education and Care Regulations.
- It is unacceptable to pick children up late from the Centre. A late fee will apply where children are not picked up prior to closing time.
- Currently, a fee of \$15.00 per 5 minutes block or part thereof will be incurred by the family.
- A review of the child's enrolment will occur where families are consistently late with fee payment.

Change of Fees

- The Management Committee will take into consideration fees at least twice yearly. This should be a standing item on the April and October Management Committee Meeting Agenda, with increases occurring in July and if appropriate January each year. Increases to the fees will be in line with Wage Price Index (WPI) in July each year and will take into consideration any increases to Centre expenses along with Centre revenue, increased expenses and staffing costs.
- Fees are subject to change at any time provided a minimum of four weeks written notice is given to all families.
- CCS hourly rate caps may be increased by the WPI at the commencement of each financial year, Any CCS hourly rate increases are governed by CCS and are automatically adjusted through our CCS Software.

Termination of Enrolment

- Parents are to provide two weeks written notice of their intention to withdraw a child from the centre.
- If termination from the Centre is required without notification, families may lose their Child Care Subsidy, resulting in the payment of requirement for full fees to be charged.
- In some circumstances CCS may not be paid for sessions if the child has not physically started care.

- Additionally, CCS may not be paid for absences submitted after a child's last physical day of care, unless conditions have been met as specified by Family Assistance Law.

Responsibility of Management

The Nominated Supervisor is responsible for:

- ensuring all families are aware of our *Payment of Fees Policy*
- ensuring enrolments are submitted correctly with the appropriate enrolment information
- providing families with regular statement of fees payable
- notifying families of any overdue fees
- providing families with reminder letters as required
- terminating enrolment of children should fees not be paid
- discussing fee payment with families if required
- providing at least 2 weeks written notice to families of any fee increases or changes to the way fees are collected

[Please note: Reg. 172 states a minimum of at least 14 days must be provided to families]

Responsibility of Families

- Provide the Centre with the correct enrolment details to facilitate the CCS claim, if required, including:
 - Centrelink Reference Numbers for child and CCS claimant
 - Date of Birth for child and CCS claimant
- Ensure payment of fees as per policy
- Notify Centrelink of any changes that may affect their CCS entitlement
- Confirm their child's enrolment through the parents myGov account.

Third Party Payments

Parents are generally liable to pay the co-contribution for childcare fees. Only state and territory governments (and their agencies) can contribute to the cost, in part or full, of childcare fees for families.

Where an agreement has been made between an employer or charity to assist in the contribution of fees the fees must be reduced accordingly before CCS has been applied. Our Centre will record all documentation regarding any third party payments.

Complaints relating to the administration of Child Care Subsidy

Families who wish to raise concerns regarding the management of Child Care Subsidy should speak with the Nominated Supervisor in the first instance. The Nominated Supervisor will follow the steps as outlined in this policy, including advising the Approved Provider of all grievances.

Families can raise concerns regarding management of the Child Care Subsidy to the dedicated Child Care Tip-Off Line either via phone or email:

Phone: 1800 664 231

Email: tipoffline@dese.gov.au

Resources and information for families

[Child Care Subsidy](#)

[Centrelink Customer Reference Number](#)

[Absences from childcare- Australian Government](#)

Resources for Management- (Available on Childcare Centre Desktop- letters QA7)

Overdue Fee Payment Procedure- including non-payment of fees letters to parents

Source

Australian Children's Education & Care Quality Authority. (2014).

Australian Children's Education & Care Quality Authority. (2021). Policy and procedure guidelines. *Payment of Service Fees and Provision of a Statement of Fees Charged by the Centre.*

Australian Government Department of Education, Skills and Employment Child Care Provider Handbook

<https://www.dese.gov.au/resources-child-care-providers/child-care-provider-handbook>

Australian Government Department of Education, Skills and Employment *Early Childhood and Care*

<https://www.dese.gov.au/early-childhood>

Australian Government Department of Education, Skills and Employment *Information for child care providers when a period of local emergency occurs*

Education and Care Services National Law Act 2010. (Amended 2018).

[Education and Care Services National Regulations](#). (2011).

Guide to the Education and Care Services National Law and the Education and Care Services National Regulations. (2017).

Guide to the National Quality Framework. (2017). (Amended 2020).

Kearns, K. (2017). *The Business of Childcare* (4th Ed.).

Revised National Quality Standard. (2018)

Created and Ratified	December 2021	Next Review Date
Modifications	<ul style="list-style-type: none">• New Policy	Dec 2023

Authorisation

James Robinson

President

2020-21 WECC Management Committee