

# FEES – LONG DAY CARE

QUALITY AREA 7 | ELAA version 1.1



## PURPOSE

This policy provides a clear set of guidelines for:

- the setting, payment and collection of fees
- ensuring the viability of Kororoit Creek Kindergarten, by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by Kororoit Creek Kindergarten.



## POLICY STATEMENT

### VALUES

Kororoit Creek Kindergarten is committed to:

- providing responsible financial management of the service, including establishing fees that will result in a financially viable service, while keeping user fees at the lowest possible level
- providing a fair and manageable system for dealing with non-payment and/or inability to pay fees/outstanding debts
- maintaining confidentiality in relation to the financial circumstances of parents/guardians
- advising users of the service about program government funding and fees to be paid by parents/guardians

### SCOPE

This policy applies to the approved provider, persons with management or control, nominated supervisor, persons in day-to-day charge and, parents/guardians attending Kororoit Creek Kindergarten.

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RESPONSIBILITIES	Approved provider and persons with management or control	Nominated supervisor and persons in day-to-day charge	Early childhood teacher, educators and other staff	Parents/guardians	Contractors, volunteers and students
<b>R</b> indicates legislation requirement, and should not be deleted					
Reviewing the current budget to determine fee income requirements	<b>R</b>	<input type="checkbox"/>			
Developing a fee policy that balances the parent's/guardian's capacity to pay, with providing a high-quality program and maintaining service viability	<b>R</b>	<input type="checkbox"/>			
Implementing and reviewing this policy in consultation with parents/guardians, the nominated supervisor and staff, and in line with the requirements of the Commonwealth Governments Child Care Package ( <i>refer to Sources</i> )	<b>R</b>	<input type="checkbox"/>			
Reviewing the effectiveness of the procedures for late payment and support offered	<b>R</b>	<input type="checkbox"/>			
Considering options for payment when affordability is an issue for families	<b>R</b>	<input type="checkbox"/>			
Clearly communicating this policy and payment options to families in a culturally-sensitive way, and where possible in the family's first language	<b>R</b>	<input type="checkbox"/>			
Ensuring that the <i>Fees Policy</i> is readily accessible at the service ( <i>Regulation 171</i> )	<b>R</b>	<input type="checkbox"/>			
Providing all parents/guardians with fee information ( <i>refer to Attachment 1</i> )	<b>R</b>	<input type="checkbox"/>			
Providing all parents/guardians with a statement of fees and charges upon enrolment of their child/ren	<b>R</b>	<input type="checkbox"/>			
Providing all parents/guardians with a fee payment agreement ( <i>refer to samples in Attachment 2</i> )	<b>R</b>	<input type="checkbox"/>			
Ensuring fees are collected and receipted	<b>R</b>	<input type="checkbox"/>			

Collecting all relevant information and maintaining relevant documentation regarding those with entitlement to concessions, where applicable	R	<input type="checkbox"/>		<input type="checkbox"/>	
Complying with the service's <i>Privacy and Confidentiality Policy</i> regarding financial and other information received, including in relation to the payment/non-payment of fees	R	<input type="checkbox"/>			
Notifying parents/guardians a minimum of 14 days before any proposed changes that will affect the fees charged or the way in which fees are collected. ( <i>Regulation 172(2)</i> )	R	<input type="checkbox"/>			
Addressing any complaints or concerns that have been raised regarding fees at the service in a timely manner	R	<input type="checkbox"/>			
Reading the Kororoit Creek Kindergarten Fee information for families ( <i>refer to Attachment 1</i> ), and complying with the Fee Payment Agreement ( <i>refer to Attachments 2</i> )				<input type="checkbox"/>	
Notifying the approved provider if they are experiencing difficulties with the payment of fees				<input type="checkbox"/>	



## BACKGROUND AND LEGISLATION

### BACKGROUND

*Regulation 168(2) (n) of Education and Care Services National Regulations 2011* requires that Early Childhood Education and Care services have a comprehensive written fees policy, and the content of this policy must be communicated to families. The policy must include a written statement about the fees to be charged and the payment process. All families must be informed of applicable fees at the time of enrolment.

Childcare services providing approved child care (*refer to Definitions*) must abide by the *Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Act 2017* (*refer to Legislation and standards*). The Commonwealth Government supports working parents/guardians in making early childhood education and care more affordable and accessible through the Child Care Package (The Package). The Package includes the Child Care Subsidy (*refer to Definitions*) and Child Care Safety Net (*refer to Definitions*). Together, they enable parents/guardians to participate in the workforce by making early childhood education and care affordable and accessible.

The Child Care Subsidy helps by assisting families with their child care fees and provides greater assistance to low and middle-income families

The Child Care Safety Net provides families and services extra support if they are vulnerable and disadvantaged, or located in a regional or remote community. The Child Care Safety Net includes:

- **The Additional Child Care Subsidy:** which provides extra payment on top of the Child Care Subsidy for families who need more help. There are four different payments:
  - For families who need help to support their children's safety and wellbeing
  - For grandparents who care for their grandchildren
  - For families experiencing significant financial stress
  - For parents transitioning from welfare to work
- **The Community Child Care Fund:** which helps services stay open and available to children in disadvantaged, regional and remote communities.
- **The Inclusion Support Program:** which provides support to Early Childhood Education and Care services to build their capacity and capability to include children with additional needs in mainstream services
- **Subsidised Care for Low Income Families:** who earn \$69,390 or less a year can access 24 hours of subsidised care per child per fortnight without having to meet the activity test.

## LEGISLATION AND STANDARDS

Relevant legislation and standards include but are not limited to:

- A New Tax System (Family Assistance) Act 1999
- A New Tax System (Family Assistance) (Administration) Act 1999
- Charter of Human Rights and Responsibilities 2006 (Vic)
- Child Care Subsidy Minister's Rules 2017
- Child Care Subsidy Secretary's Rules 2017
- Child Wellbeing and Safety Act 2005 (Vic)
- Disability Discrimination Act 1992 (Cth)
- Education and Care Services National Law Act 2010
- Education and Care Services National Regulations 2011: Regulation 168(2)(n)
- Equal Opportunity Act 1995 (Vic)
- Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Act 2017
- National Quality Standard, including Quality Area 7: Governance and Leadership

The most current amendments to listed legislation can be found at:

Victorian Legislation – Victorian Law Today: [www.legislation.vic.gov.au](http://www.legislation.vic.gov.au)

Commonwealth Legislation – Federal Register of Legislation: [www.legislation.gov.au](http://www.legislation.gov.au)



### DEFINITIONS

The terms defined in this section relate specifically to this policy. For regularly used terms e.g. Approved provider, Nominated supervisor, Notifiable complaints, Serious incidents, Duty of care, etc. refer to the Definitions file of the PolicyWorks catalogue.

**Centrelink:** The agency that delivers payments and services to parents/guardians on behalf of the Australian Government

**Child Care Safety Net:** Child Care Safety Net provides families and services extra support if they are vulnerable and disadvantaged, or located in a regional or remote community. Supporting children to access quality early childhood education and care services

**Child Care Subsidy (CCS):** A Commonwealth Government means tested subsidy to assist eligible parents/guardians with the cost of child care. Payments are paid directly to approved child care providers. Further information can be found at: [www.dese.gov.au/child-care-subsidy](http://www.dese.gov.au/child-care-subsidy)

**Excursion/service event charge:** An additional charge required to meet the cost of special events or excursions that occur in response to emerging children's program needs. Events that are planned ahead and are included as an expenditure item in the service's budget do not incur this additional charge (*refer to Excursions and Service Events Policy*).

**Fees:** A charge for a place within a program at the service.

**Enrolment fee deposit:** A charge to secure a place that has been offered in a program at the Kororoit Creek Kindergarten

**Late collection fee:** A charge that may be imposed by the approved provider when parents/guardians are late to collect their child/children from the program (*refer to Attachment 1*)



## SOURCES AND RELATED POLICIES

### SOURCES

- Child Care Package: Commonwealth child care fee assistance including the Child Care Subsidy (CCS) and Additional Child Care Subsidy (ACCS): [www.dese.gov.au](http://www.dese.gov.au)

### RELATED POLICIES

- Compliments and Complaints
- Delivery and Collection of Children
- Enrolment and Orientation
- Excursions and Service Events
- Inclusion and Equity
- Privacy and Confidentiality

### EVALUATION



In order to assess whether the values and purposes of the policy have been achieved, the approved provider will:

- regularly seek feedback from everyone affected by the policy regarding its effectiveness, particularly in relation to affordability, flexibility of payment options and procedures for the collection of fees
- monitor the implementation, compliance, complaints and incidents in relation to this policy
- monitor the number of families/children excluded from the service because of their inability to pay fees
- keep the policy up to date with current legislation, research, policy and best practice
- revise the policy and procedures as part of the service's policy review cycle, or as required
- notifying all stakeholders affected by this policy at least 14 days before making any significant changes to this policy or its procedures, unless a lesser period is necessary due to risk (*Regulation 172 (2)*)



### ATTACHMENTS

- Attachment 1: Fee information for families
- Attachment 2: Fee Agreement



### AUTHORISATION

This policy was adopted by the approved provider of Kororoit Creek Kindergarten on [Date].

**REVIEW DATE:** [DAY]/[MONTH]/[YEAR]

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## ATTACHMENT 1. FEE INFORMATION FOR FAMILIES

### Kororoit Creek Kindergarten

The below information is a guide and must be adapted to suit each individual service's requirements.

#### 1. General information

Kororoit Creek Kindergarten abides by the *Family Assistance Legislation Amendment (Jobs for Families Child Care Package) Act 2017* (refer to *Legislation and standards*). The Child Care Subsidy helps by assisting families with their child care fees and provides greater assistance to low and middle-income families. The Child Care Safety Net provides families and services extra support if they are vulnerable and disadvantaged or located in a regional or remote community.

<b>Hours of operation</b>	
<b>Planned Closures</b>	

#### 2. How fees are set

As part of the budget development process, Kororoit Creek Kindergarten sets fees each year for the programs of the service, taking into consideration:

- the financial viability of the service
- the level of government funding provided
- the availability of other income sources, such as grants
- the fees charged by similar services in the area
- the capacity of parents/guardians to pay fees
- reasonable expenditure in meeting agreed program quality and standards
- requirements of Child Care Package: [www.dese.gov.au/child-care-package](http://www.dese.gov.au/child-care-package)

Once fees are set for the year, they will only be reviewed in extraordinary circumstances, for example, if enrolments drop and the service is at risk of not being able to meet its expenses.

#### 3. Other charges

Other charges levied by Kororoit Creek Kindergarten include: **[add or delete as required]**

- **Excursion/service event charge:** At times throughout the year an additional excursion(s) or event(s) may be arranged where it is considered relevant to the service's program and the children's interests. At this time any additional costs to families are taken into consideration before a decision is made (refer to *Excursions and Service Events Policy*).
- **Late collection fee:** **Kororoit Creek Kindergarten** reserves the right to implement a late collection charge when parents/guardians are frequently late in collecting a child from the service. This charge will be set at a level determined by Kororoit Creek Kindergarten.

#### 4. Statement of fees and charges

A statement of fees and charges will be provided to families on enrolment (refer to *Attachment 2*).

#### 5. Payment of fees

Kororoit Creek Kindergarten will regularly review payment options and procedures to ensure that they are inclusive and sensitive to families' cultural and financial situations.

Fees will be invoiced on a **[insert timeframe]** basis. Invoices will show any childcare subsidy payments made by the Commonwealth Government and the remaining gap fee is to be paid by parents/carers within **[insert number]** days of the date of the invoice. Families are expected to pay the gap fee shown on the invoice each **[insert timeframe]** and not allow fees to fall more than **[enter number]** weeks into arrears.

Fees will be invoiced to parents/guardians directly and must be paid by the date indicated on the invoice. Each invoice will be accompanied by payment instructions. Receipts will be provided for all fee payments.

Parents/guardians experiencing difficulty in paying fees are requested to contact the [responsible person] to arrange a suitable alternative payment plan. The *Privacy and Confidentiality Policy* of the service will be complied with at all times in relation to a family's financial/personal circumstances.

## 6. Cancellation of booking

Families are asked to provide [insert number] weeks' notice of the cancellation of a booking. Fees will continue to apply for the [insert number] weeks' notice period unless cancellation of booking is due to an illness and a medical certificate is provided.

## 7. Unpaid fees

If fees are not paid by the due date, the following steps will be taken:

- An initial reminder letter will be sent to parents/guardians with a specified payment date and will include information on a range of support options available for the family.
- Where payment is still not received, families will be invited to attend a meeting to discuss the range of support options available and establish a payment plan.
- Failure to attend the meeting and continued non-payment may result in a second and final letter notifying parents/guardians that the child's place at the service may be withdrawn unless payment is made or a payment plan is entered into within a specified period of time. This letter will also include information on a range of support options available for the family.
- Kororoit Creek Kindergarten will continue to offer support and will reserve the right to employ the services of a debt collector.
- If a decision is made to withdraw the child's place at the service, the parents/guardians will be provided with 14 days' notice in writing.
- No further enrolments of children from the parents/guardians will be accepted until all outstanding fees have been paid.

## 7. Refund of fees

Fees are non-refundable (exceptional circumstances may apply – these are at the discretion of the approved provide/nominated supervisor [delete whichever is not applicable]). There will be no refund of fees in the following circumstances:

- a child's short-term illness
- public holidays
- family holiday during operational times
- closure of the service for staff training days [delete if not applicable]
- closure of the service due to extreme and unavoidable circumstances.

In addition, there will be no refund where a family chooses not to send their child to the program for the maximum number of hours for which they are enrolled.

## 8. Fundraising

Fundraising is undertaken to meet the balance and/or pay for additional items for the service. While participation in fundraising is voluntary, the support of every family is encouraged. Fundraising activities are also an opportunity for families and communities to come together.

## 9. Support services

Families experiencing financial hardship often require access to family support services. Information on these services may be available from [insert title] or alternatively families may contact the local council.

## 10. Notification of fee changes during the year

Fees set for the year would only be reviewed in extraordinary circumstances, for example, if attendance rates fall below the budget 'break even' point. Parents/guardians will be notified one term in advance of any required fee increase and will be offered the option to request a payment plan.

## ATTACHMENT 2. FEE PAYMENT AGREEMENT

Please complete this form and return to Kororoit Creek Kindergarten by

### Fee payment contract

Child/ren full name: \_\_\_\_\_

Parent's/guardian's full name: \_\_\_\_\_

- I/we acknowledge that the childcare service is funded by fees paid by parents/guardians. The service cannot operate without the fees paid by parents/guardians.
- I/we agree to pay fees in full in advance prior to commencing at Kororoit Creek Kindergarten and remain in advance at all times
- I/we acknowledge having received and read the attached summary of Kororoit Creek Kindergarten fees policy, which sets out the procedure for fee payment
- I/we understand that fees are non-refundable.
- I/we agree that if our activity and financial circumstances change, we will immediately notify Centrelink to ensure our Child Care Subsidy entitlements are up to date
- I/we acknowledge that if fees are not paid by the due date, Kororoit Creek Kindergarten will implement the late payment of fees procedures, as outlined in the Fee Information for Families, which could result in the withdrawal of my/our child's place at the service and no further enrolments until the outstanding fees are paid.
- I/we agree that if my/our financial circumstances change and I/we am/are unable to pay as agreed, I/we will immediately notify the [responsible position] to discuss alternative payment options.
- I/we acknowledge that I/we have received and read the service's Fee information for families, which outlines the procedure for payment of fees.
- I/we Agree to pay fees while the child is absent. Examples include annual leave, public holidays, illness, closure due to unforeseen circumstances etc.
- I/we acknowledge a late fee of [enter amount] will be charged to families for late payment of their account.
- I/we agree to collect my child/ren from Kororoit Creek Kindergarten prior to closing time.
- I/we agree to give [enter amount] written notice of when my child/children will be leaving Kororoit Creek Kindergarten.

Signature (parent/guardian): \_\_\_\_\_

Date: \_\_\_\_\_

**Note:** invoices, receipts and collection of fees will be in accordance with the Kororoit Creek Kindergarten *Fees Policy*