

Fees - Long Day Care

Quality Area 7

Purpose

This policy provides a clear set of guidelines for:

- the setting, payment and collection of fees for Long Day Care Services
- ensuring the viability of Hume City Council Early Years Services, by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by Hume City Council Early Years Services.

Policy Statement

Values

Hume City Council 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 the programs and activities of Hume City Council.

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.

Australian families receive help with the cost of child care through the Child Care Subsidy (CCS). The Australian Government, through the Department of Education (DE) and Services Australia, administers the Child Care Subsidy (CCS). Providers must be approved by the department to receive CCS. DE is responsible for the legislation that underpins CCS. This legislation is called Family Assistance Law (FAL). All providers that receive CCS must follow the rules under FAL. DE monitors providers' compliance with FAL.

The Australian Government subsidises the cost of child care. State and territory governments are responsible for the health, safety, wellbeing and educational outcomes of children. The Australian Government considers that immunisation is an important health measure for children and their families, as it is the safest and most effective way of providing protection against harmful and often deadly diseases. To meet the Child Care Subsidy immunisation requirements, children must be immunised according to the standard vaccination schedule, be on an eligible catch-up vaccination schedule or have an approved exemption from being immunised.

CCS is paid directly to approved providers and passed on to families as a fee reduction.

Additional Child Care Subsidy provides additional fee assistance to support vulnerable or disadvantaged families and children. This support recognises the preventative and protective influence of quality child care on a child's health, wellbeing and development; and the importance of continuity of care.

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.
- Additional Child Care Subsidy (Grandparent) - to help grandparents on income support who are the principal caregiver of their grandchildren.
- Additional Child Care Subsidy (Temporary Financial Hardship) - to help families experiencing financial hardship.
- Additional Child Care Subsidy (Transition to Work) - to help low-income families transitioning from income support to work.

The Inclusion Support program is designed to assist early childhood education and care services to include children with additional needs by providing support, in the form of practical and tailored advice and strategies on effective inclusive practice, from contracted Inclusion Agencies as well as funding to address more challenging inclusion barriers. The Community Child Care Fund is designed to help eligible child care providers address barriers to child care participation, particularly in disadvantaged communities, including indigenous communities.

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: <http://www.legislation.vic.gov.au>
- Commonwealth Legislation - Federal Register of Legislation: <http://www.legislation.vic.gov.au>

Definitions

The terms defined in this section relate specifically to this policy. For commonly used terms e.g. Approved Provider, Nominated Supervisor, Regulatory Authority etc. refer to the General Definitions section of this manual.

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

Child Care Safety Net: Targeted assistance to vulnerable and at-risk children and their families, as well as support child care services in disadvantaged communities to address barriers in accessing child care.

The Child Care Safety Net has three components:

- Additional Child Care Subsidy
- Community Child Care Fund
- Inclusion Support Program

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

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 (Excursions and Service Events Policy).

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

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)

Responsibilities

'R' indicates legislative requirement

	Approved Provider and Persons with Management or Control	Nominated Supervisor and persons in day-to-day charge	Early Childhood teacher, educators and other staff	Families	Contractors, Volunteers and Students
Ensuring policies and procedures are in place for payment of fees and provision of a statement of fees charged by the service (Regulation 168), and take reasonable steps to ensure those policies and procedures are followed (Regulation 170)	R	✓			
Reviewing the current budget to determine fee income requirements	R	✓			
Developing a fee policy that balances the parent's/guardian's capacity to pay, with providing a high-quality program and maintaining service viability	R	✓			
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 Subsidy and Additional Child Care Subsidy (refer to Sources)	R	✓			
Reviewing effectiveness of the procedures for late payment and support offered	R	✓			
Considering options for payment when affordability is an issue for families	R	✓			
Clearly communicating this policy and payment options to families in a culturally-sensitive way, and where possible in the family's first language	R	✓			
Ensuring that the Fees Policy is readily accessible at the service (Regulation 171)	R	✓			
Providing all parents/guardians with fee information (refer to Attachment 1)	R	✓			
Providing all parents/guardians with a statement of fees and charges upon enrolment of their child/ren	R	✓			
Ensuring fees are collected and receipted	R	✓			
Collecting all relevant information and maintaining relevant documentation regarding those with entitlement to concessions, where applicable	R	✓		✓	
Complying with the service's Privacy and Confidentiality Policy regarding financial and other information received, including in relation to the payment/non-payment of fees	R	✓			
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. (Regulation 172(2))	R	✓			
Addressing any complaints or concerns that have been raised regarding fees at the service in a timely manner	R	✓			
Reading the Hume City Council Early Years Services Fee information for families (refer to Attachment 1)				✓	
Notifying the approved provider if they are experiencing difficulties with the payment of fees				✓	

Sources and Related Policies

Sources

Department of Education: Child Care Subsidy (CCS): www.education.gov.au/early-childhood/child-care-subsidy

The Child Care Provider Handbook: www.education.gov.au/early-childhood/resources/child-care-provider-handbook

Related Policies

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

Authorisation

This policy was adopted by Hume City Council Early Years Services on **31 March 2020**.

Review Date: **31 March 2026**.

ATTACHMENT 1

Fee Information for Families

GENERAL INFORMATION

Hume City Council Early Years Services 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.

HOW FEES ARE SET

As part of the budget development process, Hume City Council Early Years Services 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 Subsidy: www.education.gov.au

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.

OTHER CHARGES

Other charges levied by Hume City Council Early Years Services are included on an invoice which is provided to families for payment. Other charges include:

- Late collection fee: Hume City Council 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 Council.

CHILD CARE SUBSIDY (CCS)

Child Care Subsidy (CCS) is an Australian Government subsidy that can assist eligible families with the costs of childcare at an approved child care provider. Hume City Council is an approved care provider.

Approved child care are providers that meet certain standards and requirements, and are approved by the Australian Government. Approved child care providers must:

- hold the required approvals or licences to provide child care in the state or territory that the service/s operate in
- ensure the provider and any individual who is or will be a Person with Management or Control of the Provider is fit and a proper person to administer the CCS (requirements set out in Section 194E of A New Tax System (Family Assistance) Act 1999.
- be financially viable and is likely to remain so
- ensure that required fit and proper checks are carried out for each Person with Management or Control of the Provider and Persons with Responsibility for Day-to-Day Operation of the Service

The amount payable is determined by the circumstances of the applicant's including the family income, the hourly rate cap and the hours of activity undertaken by the parents. Further information for parents can be found here: <https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy>.

Exclusions and exceptions: Not available for providers that primarily provide an early educational program to children in the year that is two years before grade one of school (three or four year old kindergarten).

PAYMENT OF FEES

Hume City Council will regularly review payment options and procedures to ensure that they are inclusive and sensitive to families' cultural and financial situations.

Fees will be charged on a fortnightly 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 as indicated on the invoice. Families are expected to pay the gap fee shown on the invoice and not allow fees to fall into arrears.

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.

CANCELLATION OF BOOKING

Families are asked to provide 2 weeks' notice of the cancellation of a booking. Fees will continue to apply for the notice period unless cancellation of booking is due to an illness and a medical certificate is provided.

UNPAID FEES

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

- An initial reminder notification 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, parents may discuss the range of support options available and establish a payment plan.
- Failure to discuss alternative options and continued non-payment may result in a second and final notification 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.
- Hume City Council 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 adequate notice in writing.
- No further enrolments of children from the parents/guardians will be accepted until all outstanding fees have been paid.

REFUND OF FEES

Fees are non-refundable (exceptional circumstances may apply – these are at the discretion of the Manager, Family, Youth and Children). 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 one or more days when a qualified educator is absent and a qualified reliever is not available
- closure of the service for staff training days
- 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.

SUPPORT SERVICES

Families experiencing financial hardship often require access to family support services. Information on these services may be available from the Long Day Care service or alternatively families may contact the local council.

NOTIFICATION OF FEE CHANGES DURING THE YEAR

Fees set for the year would only be reviewed in extraordinary circumstances. Parents/guardians will be notified in advance of any required fee increase and will be offered the option to request a payment plan.