

# Intereach Children's Services

## FDC Payment and Collection of Fees Procedure



<b>Applies to</b>	Intereach Family Day Care (FDC)				
<b>Policy</b>	NQS Seven: Governance and Leadership Policy				
<b>Version</b>	2.0	<b>Date approved</b>	09/06/2023	<b>Next review date</b>	09/06/2024

### 1. Objective

Intereach is committed to provide all families the opportunity to enrol their children at the service with a clear, transparent, fair and inclusive fee structure.

The objective of the Intereach Children Services Payment and Collection of Fees Procedure is to ensure:

- families gain a clear understanding of the services fee structure, payment and collection of fees;
- the equitable and non-discriminatory application of fees across the services; and,
- the service meets all accountability requirements regarding payment and collection of fees.

### 2. Responsibilities

It is the responsibility of the General Manager or representative of the Approved Provider to:

- ensure that obligations under the Education and Care Services National Law and National Regulations are met;
- ensure policies and procedures are in place relating to the fee schedule and payment options;
- review the current budget to determine fee income requirements; and,
- approve service fees and charges.

It is the responsibility of the FDC Nominated Supervisor to:

- Implement procedures for the payment and collection of fees and take reasonable steps to ensure that educators and staff follow the payment and collection of fees procedure.
- ensure good governance and quality management of fees is practiced within the service;
- ensure there is two-way communication with the families at all times;
- comply with the Intereach Privacy Policy regarding financial and other information received, including all information to the payment/non-payment of fees;
- ensure systems are available to monitor payments are processed in a timely manner and receipts and statements are provided to families;
- monitor the application of the Child Care Subsidy or other government subsidy;
- notify families within 14 days of any proposed changes to fees charged or the way in which the fees are collected;
- consider options for payment when affordability is an issue for families;
- clearly communicate payment and collection of fee procedure and payment options to families in a culturally sensitive way, and in the family's first language where possible;
- ensure relevant records are collected and maintained for entitlements, exceptions etc;
- ensure educators are provided with a deregulated fee schedule for completion; and,

- provide educators information and guidance on developing their fee schedule;

It is the responsibility of the FDC Coordination Unit to:

- provide families with fee information upon enquiry/enrolment of their child;
- ensure that the payment and collection of fees procedure is readily accessible at the service;
- ensure families are informed that they are required to accept their child's Complying Written Arrangement (CWA) enrolment notice with Intereach FDC, a child care arrangement that sets out the planned arrangements for care of a child is provided to all families.
- ensure families are informed that the educators set their own fees;
- ensure educators are aware they must not discuss nor set their fees in collusion with other educators;
- provide educators information and guidance on developing their fee schedule;
- inform educators that a copy of the fee schedule must be sent to the Coordination Unit for endorsement prior to notifying families of any new fees;
- ensure that less than 50% of the children to whom any FDC educator is providing care within any CCS fortnight at the service are related to the FDC educator as:
  - a niece or nephew;
  - a cousin; or,
  - a grandchild (including a great grandchild; and,
- apply the ratio across the whole fortnight and not to one particular session of care. For a child to be counted in the ratio they would only need to undertake one session in that fortnight; and,
- ensure a notice outlining fees charged by the service is displayed prominently at each educator's residence.

It is the responsibility of FDC Educators to:

- forward a copy of their fee schedule to the Coordination Unit for endorsement prior to notifying families of any fees;
- nominate which state gazetted public holidays they will be adhering to on their fee schedule as gazetted public holiday vary state to state and flexibility will be applied for business located near state borders
- negotiate a booking with families and submit a booking request;
- consistently charge fees to all families as per the fee schedule;
- provides 14 days' notice to the families of any changes to fees; including if fees are over the gap fee and,
- displays fee schedules and provide a copy to new families and where requested.

It is the responsibility of parents/guardians to:

- ensure they understand the service's fee requirements and expectations at enrolment and any ongoing changes;
- sign the CWA confirming the childcare arrangements either in writing or electronically;
- accept the Child Care Subsidy Enrolment through MyGov, If applicable;
- comply with the payment and collection of fees requirements; and,
- comply with cancellation requirements when cancelling a service.

### **3. Procedure**

#### **3.1. Childcare Arrangements**

- All families are provided with fee information upon enquiry/enrolment of their child, including the amounts charged, payment periods and methods, how the Child Care Subsidy (CCS) or other government subsidy will be applied, notice periods, how they can access copies of statements/receipts, financial hardship considerations and payment plan.
- All families are required to enter an arrangement with the childcare provider. This is called a Complying Written Arrangement (CWA). Families will be required to review and approve the CWA through harmony on enrolment.
  - Whenever there are changes to the arrangement for care, an updated arrangement is provided in writing.
- An enrolment notice will be submitted (once the family has confirmed the arrangement) within seven days, in line with the arrangement made between Intereach and the family.
- All families are required to verify attendance records by signing children in and out of care daily. The children's attendance and/or absence days are submitted to the Family Assistance Office for Child Care Subsidy (CCS) payments fortnightly by Intereach.

#### **3.2. Childcare Subsidy**

Child Care Subsidy (CCS) is a payment made directly to providers by the Commonwealth Government to be passed onto eligible families as a fee reduction to assist with the cost of quality early years education and care. Families will make a co-contribution to their childcare fees and pay the provider the difference between the fee charged and the subsidy amount, known as the 'gap fee'.

To register for CCS families need to apply through their MyGov account that is linked to Centrelink. Families are responsible for updating their information with the Family Assistance Office to ensure it is always current and correct. Due to privacy law, Intereach cannot contact Centrelink on your behalf to discuss/update CCS status.

More information on Child Care Subsidy can be accessed through:

<https://www.servicesaustralia.gov.au/child-care-subsidy>

- A Statement of Entitlement is provided to families of enrolled children, who have registered to claim Child Care Subsidy. This statement includes details of the sessions of care provided and the resulting fee reduction amounts. Statement of Entitlement are issued to families to ensure that families have a clear understanding of the fees they have been charged, what those fees have been charged for and how their Child Care Subsidy has offset those charges.
- Accept the Child Care Subsidy (CCS) enrolment via their MyGov account before Child Care Subsidy (CCS) will be paid (If a claim has been made).

#### **3.3. Fees charged**

- Families will be notified at enrolment about fees, including:
  - the amounts charged;
  - payment periods and methods;
  - how the Child Care Subsidy or other government subsidy will be applied;
  - notice periods;
  - how they can access copies of statements/receipts; and
  - financial hardship considerations and payment plans

- Current fee information will be provided on enquiry with the service and schedules provided upon interview/ enrolment with the educator.
- Service fees may exceed the maximum hourly rate cap for CCS (<https://www.servicesaustralia.gov.au/type-child-care-you-use-can-affect-child-care-subsidy?context=41186>) meaning that families are required to pay full cost of anything above this allocated amount. Where applicable educators will disclose and discuss this with families on interview.
- If families exceed their hourly allocation for CCS, they are required to pay full fees on these additional hours. Note: hours are allocated fortnightly and can be affected by the utilisation of care with another provider approved to receive CCS payment on the family's behalf.
- Families will be charged in accordance with their individual educators' fee schedule.
- A non-refundable registration fee per family will be charged to cover the administrative costs associated with a new family registration which covers the whole family registration regardless of the number of children; and,
- Various levies to educators and families, which are reviewed each financial year to ensure;
  - families access affordable and quality services; and,
  - sustainability / viability of the service provided.
- Educators set their fees, these cannot be discussed nor be determined in collusion with the other educators as specified in the Competition and Consumer Act 2010; Educators will:
  - review and set fees annually taking into consideration the annual budget, community feedback, annual Consumer Price Index (CPI) increases, and the quality of care and support provided. It is preferred that fees are reviewed and set at the beginning of each new financial year however fees can be reviewed and changed once at any time of the year;
  - parents are required to pay for booked hours whether their child is in care or not if there is a confirmed booking.
  - may charge a travel levy if they:
    - transport children between care and the child's home; or,
    - offer a service such as collection or delivery of a child to school.

### **3.4. Payment of fees**

- Families who apply for and are eligible for CCS are required to pay the fee not covered by the subsidy. This is commonly referred to as the 'gap' fee. Please note until CCS claims are processed and accepted full fee payment will be required.
- Payments are made through Electronic Fund Transfer (EFT) which is a BPay transfer or a direct deposit. Cash payment will not be accepted.
  - There are two payment options for direct debit:
    - Direct debit via bank account
    - Direct debit via credit card
  - The following Direct Debit Fees are paid by the parent
    - Bank account txn fee                 \$0.70
    - Credit card txn fee                   \$0.70
    - Credit care surcharge               1.9%
    - Dishonour fee                         \$8.00

- The following BPay fees are paid by the parent
  - \$0.99c/ fortnight
  - 0.2% bank charges
  - 1% credit card
- Direct Debit payments are required to be made fortnightly, an invoice and Statement of Entitlement will be distributed to families via email once timesheets have been finalised.
- Families will receive receipts for fees paid from Intereach.
- Where accounts are outstanding by 6 weeks, care will be cancelled until fees are paid in full. During this time care positions will not be held.

### **3.5. Absences**

Child Care Subsidy (CCS) is payable for up to 42 absence days for a child in a financial year for sessions of care a child is enrolled in and did not attend, but only for sessions of care where an individual still incurs a genuine fee liability to pay for the care. A reason does not need to be provided for a child's initial 42 days of absence.

Once 42 absence days have occurred in a financial year, CCS can only be paid for any additional absences where they are taken for a reason set out in Family Assistance Law. These reasons are:

- the child, the individual who cares for the child, the individual's partner or another person with whom the child lives is ill and the service has been given a medical certificate by a medical practitioner;
- the child is attending preschool;
- alternative arrangements have been made on a pupil-free day;
- the child has not been immunised against an infectious disease, the absence occurs during an immunisation grace period and a medical practitioner has certified that exposure to the infectious disease would pose a health risk to the child;
- the absence is because the child is spending time with a person other than the individual who is their usual carer as required by a court order or a parenting plan, and the service has a copy of the relevant court order or parenting plan for the child;
- the service is closed as a direct result of a period of local emergency;
- the child cannot attend because of a local emergency (for example, because they are unable to travel to the service), during the period of the emergency or up to 28 days afterwards; and,
- the individual who cares for the child has decided the child should not attend the service for up to seven days immediately following the end of a period of local emergency.

Generally, absences should occur between a child's first and last physical attendance at your service. There are some circumstances where families can get CCS if an absence occurs in the 7 days:

- before a child's first attendance at your service (inclusive of their first day), or
- after their last physical attendance at your service (inclusive of their last day).

These circumstances are:

- any of the additional absence reasons listed above
- the service has changed ownership

- the child's usual service is closed and the child attends a different service under the same provider
- a family tragedy has occurred;
- the enrolment ceased incorrectly
- following a period of emergency.

Educators can only charge for a child's absences if they have a current booking, including Public Holidays and cannot charge for care sessions if they are unavailable to provide education and care.

Families are made aware that they need to provide 'two weeks' notice if they wish to cancel a booking.

Please note CCS is not paid on any last day absences after the child's last physical attendance i.e. if the child is absent for four weeks prior to cancelling care all booked days within that four week period will be charged at full fee

### **3.6. Hours of operation and public holidays**

- Educators are entitled to charge public holidays if they fall on a child's usual booked day of care (at the standard care fee) excluding if the public holiday falls within the educators leave dates.
- If a child attends care on a Public Holiday the public holiday fee will apply.

Educators will:

- operate during the standard hours of 8 am to 6pm weekdays which hours are shown as "booked Standard" on fee schedule;
- if providing care before 8am or after 6pm weekdays these are categorised as "Non-Standard Hours";
- not change or individually alter the standard or non-standard hours, which are fixed times by the service;
- nominate which state gazetted public holidays they will adhere to on their fee schedule; and,
- charge public holiday rate if a child attends the service on a public holiday.

### **3.7. Cancellations**

Two weeks' notice (or by negotiation) is required from either families or service when cancelling care, excluding in the event of outstanding payment of fees.

The following cancellation processes apply:

- educators or families must provide two weeks' (or by negotiation) notice of cancellation of a permanent booking; and,
- in the event, that fees are outstanding by 6 weeks, care will be cancelled effective at this time (no further notice will be provided)

### **3.8. Fee waiver**

Families who receive Child Care Subsidy (CCS) must ordinarily make a co-contribution to their childcare fees under Family Assistance Law. The Gap fee will only be waived in cases as determined by the Australian Government.

Where gap fee waiver announcements have been made this will be communicated with educators and families

- Where an educator is transitioning from another service the Intereach Family registration fee will be waived for families transferring with the educator to Intereach.

### 3.9. Overdue payments and debts

Intereach understands that from time-to-time families may experience financial difficulties. We require families and educators to keep us informed through timely communication to ensure we can support families during these times.

If parent/guardians are unable to pay due to financial difficulties, please contact Intereach immediately who will aim to provide relevant assistance.

In the instance of non-payment of an account by the due date or notice of a dishonoured direct debit, intereach will undertake the following processes:

- contact the parent/guardian by email and/or phone to arrange payment for dishonoured transaction. NOTE: Parents/Guardians can agree to the processing of a manual direct debit immediately or specify a day for this transaction to take place. Alternately, payment can be made by credit card over the phone; and,
- where the accounts remains unpaid after a concerted effort to finalise payment (or 6 weeks) intereach will:
  - forward a cessation of care letter stating the final day of care. NOTE: If payment is not received prior to the date of care ending, the child's enrolment will cease immediately.

### 3.10. Financial Hardship

For families experiencing financial hardship, there are options available that may assist with the cost of education and care services. To request options for financial assistance, or to discuss payment options for overdue accounts, speak with the Nominated Supervisor. *Additional Child Care Subsidy (ACCS)* - This is provided by the commonwealth government and enables eligible families to access extra help with the cost of childcare. Eligibility criteria applies.

<https://www.servicesaustralia.gov.au/additional-child-care-subsidy>

## 4. Monitoring, evaluation and review

This procedure will be reviewed annually and incorporate feedback and suggestions from children, families, educators, coordinators, volunteers, and students.

## 5. National Quality Framework

Element	Concept	Description
6.1	Supportive relationships with families	Respectful relationships with families are developed and maintained and families are supported in their parenting role.
7.1	Governance	Governance supports the operation of a quality service.
7.1.1	Service philosophy and purpose	A statement of philosophy guides all aspects of the service's operations.
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.

<b>6. Context</b>	
<b>6.1. Standards or other external requirements</b>	National Quality Standards for Early Childhood Education and Care and School Aged Care Guidelines for Early Childhood Settings
<b>6.2. Legislation or other requirements</b>	Education and Care Services National Regulations consolidated 2017 Education and Care Services National Law Act 2010 Competition and Consumer Act 2010 Family Assistance Law including Acts, Schedules and Consolidated Disallowable Instruments
<b>6.3. Internal documents</b>	Intereach Privacy Policy Intereach Fees Policy Schedule of fees FDC Family Handbook

<b>7. Document control</b>			
<b>Version</b>	<b>Date approved</b>	<b>Approved by</b>	<b>Next review date</b>
1.0	09/07/2020	R. Phillips - Acting Senior Manager, Children and Family Services	09/07/2023
2.0	09/06/2023	M. Piffero – General Manager Operations	09/06/2024