

EARLY LEARNING & CARE FEES AND PAYMENTS

QUALITY AREA 7 – GOVERNANCE AND LEADERSHIP



PURPOSE

This policy will provide a clear guide for:

- the setting, payment and collection of fees
 - ensuring the viability of Sparkways, by setting appropriate fees and charges
 - the equitable and non-discriminatory application of fees across Sparkways programs
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POLICY STATEMENT

GUIDING PRINCIPLES

Sparkways 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 / centre director, persons in day-to-day charge, early childhood teachers, educators, staff, and parents/guardians.

Note: Families with children attending a three or four-year old funded kindergarten within a Sparkways Early Learning and Care Service may be eligible to access the Victorian Government funded free Kindergarten fees. Please refer to the [Free Kindergarten Fees](#) policy for more information.

 RESPONSIBILITIES	Approved provider and persons with management or control	Nominated supervisor and persons in day-to-day charge	Early childhood teacher, educators and all other staff	Parents/guardians	Contractors, volunteers and students
R indicates legislation requirement, and should not be deleted					
Ensuring that policies and procedures are in place for the payment of fees and the provision of a statement of fees charged by the service (<i>Regulation 168</i>), and take reasonable steps to ensure those policies and procedures are followed (<i>Regulation 170</i>)	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 (<i>refer to Sources</i>)	R	√			
Reviewing the 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 <i>Fees Policy</i> is readily accessible at the service (<i>Regulation 171</i>)	R	√			
Providing all parents/guardians with fee information (<i>refer to Attachment 1</i>)	R	√			
Providing all parents/guardians with a statement of fees and charges upon enrolment of their child/ren	R	√			
Providing all parents/guardians with a fee payment agreement (<i>refer to samples in Attachment 2</i>)	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 <i>Privacy and Confidentiality Policy</i> 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. (<i>Regulation 172(2)</i>)	R	√			
Addressing any complaints or concerns that have been raised regarding fees at the service in a timely manner	R	√			
Reading the Sparkways Fee information for families (<i>refer to Attachment 1</i>), and complying with the Fee Payment Agreement (<i>refer to Attachment 2</i>)				√	
Notifying the approved provider if they are experiencing difficulties with the payment of fees				√	



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: www.legislation.vic.gov.au
- Commonwealth Legislation – Federal Register of Legislation: 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 Sparkways policy catalogue.

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 supporting 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 (*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 Sparkways

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

- 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
- Delivery and Collection of Children
- Enrolment and Orientation
- Excursions and Service Events
- Free Kinder Fees
- 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)*)
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ATTACHMENTS

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

This policy was confirmed by Sparkways on 01/08/2023

REVIEW DUE: August 2024

ATTACHMENT 1

FEE INFORMATION FOR FAMILIES



1. Introduction

Sparkways is committed to providing families with affordable childcare places and quality services.

Our Early Learning & Care services reflect the uniqueness of the communities in which we operate. We offer safe and secure environments in which children can develop and thrive, through taking part in educational and recreational programs that are flexible and tailored to individual needs.

2. Child Care Subsidy

Sparkways 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. This subsidy is paid directly to the child care provider to reduce the fees you pay.

To be eligible for the Child Care Subsidy you need to meet certain criteria. You may be eligible if you or your partner:

- care for a child 13 or younger and not attending secondary school, unless an exemption applies
- use an approved child care service
- are responsible for paying the child care fees
- meet residency and immunisation requirements

Additional Child Care Subsidy gives some families extra help with the cost of approved child care. You must first claim and be eligible for Child Care Subsidy to apply for this additional subsidy. You'll also need to meet the following extra criteria:

Additional Subsidy Eligibility Key Points

- meet the eligibility requirements for Child Care Subsidy, and
- be an eligible grandparent in receipt of an income support payment
- be transitioning from certain income support payments to work, or
- be experiencing temporary financial hardship

How to Claim Assistance with Child Care Fees

You need to submit a claim for Child Care Subsidy. You can claim using your [Centrelink online account](#) through [myGov](#).

For instructions on how to claim the subsidy please visit:

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

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

3. How fees are set

As part of the budget development process, Sparkways 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

Fees are set for the beginning of each year and are reviewed in July. They may also be reviewed in extraordinary circumstances, for example, if enrolments drop and the service is at risk of not being able to meet its expenses.

4. Free Kinder Fees

Families with children attending a three or four-year old funded kindergarten within a Sparkways Early Learning and Care Service, will have their fees reduced by the funded amount.

The fee reduction will be applied in equal amounts to each billing cycle.

Please refer to the [Free Kinder Fees](#) policy for further information.

Note: This applies where the child is not attending another sessional kinder program, or if they are, the Sparkways Early Learning & Care kindergarten program has been nominated and documented as the service for which the free kindergarten fees will apply.

4. Other charges

Other charges levied by Sparkways include:

- **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:** Sparkways reserves the right to implement a late collection charge when parents/guardians are late in collecting a child from the service (refer point 9). Late fees are charged in 15-minute blocks, or part thereof after closure of the centre. Late fees are charged at \$20 per 15-minute block.

5. Statement of fees and charges

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

6. Payment of fees

Fee Statements will be issued to families fortnightly (generally via email) for payment.

- Payment of fees by parents is critical to the operations of the centre
- Fee statements are issued fortnightly and must be paid by the due date
- Fees are payable for ALL days booked including any absences due to illness, holidays or public holidays
- Fees for the service are set for the calendar year commencing January
- Families will be advised of the new year's charges in the November prior to the year commencing
- In the event of any exceptional circumstances the fees will be subject to review
- All services will be closed for one staff professional development / conference day each year. Families will be advised well in advance and fees are NOT payable for this closure

To acknowledge acceptance of an Early Learning & Care position, parents are required to pay the first billing period in advance.

Sparkways method of payment for Early Learning & Care fees is through Debit Success. Payments will be deducted from the families' nominated bank account or credit card (Mastercard or Visa) on the nominated day each fortnight.

- A Debit Success Calendar is available for your reference
- There is an additional Debit Success charge of 1.6% for direct debit payments from credit cards (there is no cost for payments debited from nominated bank accounts)
- If there are insufficient funds in your nominated bank account or your nominated Mastercard or Visa declines the direct debit, a 'failed direct debit' fee of \$14.90 will be debited against your nominated bank account or credit card 7 days thereafter
- Our Centre Director will contact you to rectify the failed payment to ensure the ongoing availability of your child care place

Families experiencing difficulty in paying fees are encouraged to contact the Centre Director 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.

7. Overdue fees

Following up overdue or unpaid fees places a large administration burden and cost on the Centre. Paying fees on time helps maintain the ongoing viability of the centres' and reduces costs. All fees not paid by the due date may incur a weekly late payment fee of \$22.00 (inc. GST).

An account is overdue when payment hasn't been made by the due date specified on the statement.

If an account is overdue, the family will be notified and advised that:

- the account must be paid in full
- a late payment fee of \$22 (inc. GST) may be added to the account and will be added each week until the account is paid in full
- failure to pay the account in full may result in their child's place being forfeited
- if not resolved within 14 days, the service may stop their child's care. The debt including any late payment charges may be handed over to the company's debt collection agency for processing
- to please contact their Centre Director if they are experiencing any difficulties paying their fees so a payment plan can be put in place. Payment plans will cover their existing weekly childcare fees and an additional amount to pay off the incurred debt. The additional payment will be worked out in consultation with the Centre Director
- No further enrolments of children from the family will be accepted until all outstanding fees have been paid

8. Cancellation of Care & Refunds

Families are required to provide 2 weeks' notice of the cancellation of a booking. Fees will continue to apply for the 2 weeks' notice period.

Sparkways retains the right to cancel care for any child/children without notice if parents/carers fail to comply with Sparkways policies and procedures.

Parents/Carers are responsible for contacting the Centre Director to discuss withdrawal of children from the Centre. Should there be a credit balance after all fees owing are paid, and the child has ceased care; the credit will be refunded via EFT.

9. Refund Payments

An EFT reimbursement form will be issued for completion and will be submitted to Sparkways Head Office for processing. Reimbursement processing cannot take place until all Child Care Subsidy payments and been finalised and are not pending.

10. Change of Care Days

2 weeks' notice is required for any changes to your child's permanent booked days

11 Late Collection of Children and Late Fees

If a parent/carer fails to pick up a child, 15 minutes after the closure of the centre, staff will attempt to contact the parents/carers. If no contact can be made, the 'Authorised Persons to Collect' as per the Enrolment Form will be contacted to collect the child.

If the child has not been collected within 60 minutes of the closure of the centre, and staff are unable to contact the parents/carers or a person on the authorised to collect list, staff will contact the regional Child Protection branch from the Department of Families Fairness and Housing (DFFH) and advise them of the situation. If this occurs, the child will be collected by a DFFH representative and the parent/carer will be required to liaise with DFFH to arrange collection of their child.

The procedure for late collection of children and late fees is as follows:

1. Staff will issue the family with a first verbal notification and provide a hard copy of this late fee policy. Parents/Carers will be asked to sign the late book or a late form to acknowledge the discussion has taken place.
2. Staff will issue the family with a second verbal notification. Parents/Carers will be asked to sign the late book or a late form to acknowledge the discussion has taken place.
3. Staff will notify the family of the applicable late fee which will be charged by Sparkways. Sparkways will issue a Statement that will include the late fee, payable within 14 days. Late fees are detailed below.

Nominal late fees

Late fees are charged in 15-minute blocks, or part thereof after closure of the centre. Late fees are charged at \$20.00 per 15-minute block.

12. Support services

Families experiencing financial hardship may require access to family support services. Sparkways can provide information to families on accessing these services, including making referrals if appropriate.

ATTACHMENT 2

FEE PAYMENT AGREEMENT



Please complete this form and return to Sparkways by **xx/xx/xxxx**

Fee payment agreement – 20XX

Parent/s or Guardian/s Full Name/s:	
Daily Fee per Child:	

- 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 acknowledge that Families with children attending a three or four-year old funded kindergarten within a Sparkways Early Learning and Care Service, can have their fees reduced by the funded amount and the fee reduction will be applied in equal amounts to each billing cycle – as per the *Free Kindergarten Fees policy*.
- I/we agree to pay 2 week's fees (one billing period) in advance prior to commencing at Sparkways and remain one billing period in advance at all times
- 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, Sparkways 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 Centre Director 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, and closure due to unforeseen circumstances.
- I/we acknowledge a late fee of \$22 will be charged to families for late payment of their account. This charge will be added each week until the account is paid in full.
- I/we agree to collect my child/ren from Sparkways prior to closing time and acknowledge that late collection fees are charged at \$20 per 15-minute block.
- I/we agree to give 2 week's written notice of when my child/children will be leaving Sparkways.

Signature/s (parent/guardian):	
Date:	
Full Name/s of Child/Children:	

Note: invoices, receipts and collection of fees will be in accordance with the *Sparkways Early Learning & Care Fees Policy*