

Childcare Policy no.3: Fees Policy

Mandatory – Quality Area 7

Purpose

This policy will provide clear guidelines for:

- the setting, payment and collection of fees
- ensuring the viability of Pines Learning Childcare, by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by Pines Learning Childcare

1. Values

Pines Learning Childcare 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 funding, including government support and fees to be paid by parents/guardians

2. Scope

This policy applies to the Approved Provider, Nominated Supervisors, Person in Day-to-day Charge, educators and parents/guardians with an enrolled child, or who wish to enrol a child at Pines Learning Childcare.

3. Background and Legislation

Background

Income from fees, is required to meet all the costs incurred by the service in the delivery of the children's program.

DET requires that funded services have a comprehensive written fees policy in place, and the content of this policy must be communicated to families. The policy must include a written statement about the fees to be charged, as required under Regulation 168(2)(n), and the payment process. All families must be informed of applicable fees at the time of enrolment.

The Department of Education and Training (DET) provides funding for each child who is enrolled and attending a funded kindergarten program in the year before school. Income from other sources, primarily fees, is required to meet all the additional costs incurred by the service in the delivery of the children's program.

DET also funds Early Start Kindergarten for three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection, to access kindergarten programs as outlined in *The Kindergarten Funding Guide* (refer to *Sources*).

Legislation and standards

Relevant legislation and standards include but are not limited to:

- *Charter of Human Rights and Responsibilities 2006* (Vic)
- *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)*
- *National Quality Standard, Quality Area 7: Governance and Leadership*

4. 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.

Approved child care: Approved child care services are services that have Australian Government approval to receive the Child Care Subsidy (refer to Definitions) on behalf of eligible parents. Approved child care includes centre based day care, including long day care and occasional care, family day care, outside school hours care and in home care.

The service provider is Pines Learning and the Approved Provider is Pines Learning Inc. The Approved Provider delegates its responsibility for the day to day operation of the service to the Nominated Supervisor.

Child Care Subsidy (CCS): A Commonwealth Government means tested subsidy to assist eligible families with the cost of child care. Payments are paid directly to approved child care providers. Further information can be found at: <https://www.education.gov.au/child-care-subsidy-0>

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*).

Early Start Kindergarten: A funding program that enables three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection to attend a kindergarten program that is planned and delivered by an early childhood teacher for up to 15 hours per week. Details are available at: www.education.vic.gov.au

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

Late collection charge: 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 – Fee information for families).

5. Sources and Related Policies

Service policies

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

6. Policy Procedures

6.1 The Approved Provider and Person with Management and Control are responsible for:

- i. reviewing the current budget to determine fee income requirements
- ii. developing a fee policy that balances the parent's/guardian's capacity to pay, with providing a high-quality program and maintaining service viability
- iii. implementing and reviewing this policy in consultation with parents/guardians, the Nominated Supervisors and staff.
- iv. Consider any issues regarding fees that may be a barrier to families enrolling at Pines Learning Childcare and removing those barriers wherever possible
- v. Reviewing the effectiveness of the procedures for late payment and support offered
- vi. Considering options for payment when affordability is an issue for families
- vii. Ensuring that the Fees Policy is readily accessible at the service (Regulation 171)
- viii. clearly communicating this policy and payment options to families in a culturally-sensitive way, and in the family's first language where possible
- ix. providing all parents/guardians with a copy of the document containing fee information for families (refer to Attachment 1)
- x. providing all parents/guardians with a fee payment agreement (Complying Written Agreement)
- xi. ensuring fees are collected and receipted
- xii. collecting all relevant information and maintaining relevant documentation regarding those with entitlement to concessions, where applicable
- xiii. 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
- xiv. notifying parents/guardians within 14 days of any proposed changes to the fees charged or the way in which the fees are collected (Regulation 172(2))
- xv. ensuring a notice outlining fees charged by the service is displayed prominently in Pines Learning Childcare.

6.2 The Nominated Supervisors and Person in Day-to-Day Charge is responsible for:

- i. assisting the Approved Provider in developing this policy
- ii. implementing and reviewing this policy, in consultation with parents/guardians, the Approved Provider and staff
- iii. considering options for payment when affordability is an issue for families
- iv. communicating this policy and payment options to families in a culturally-sensitive way and in the family's first language where possible
- v. providing all parents/guardians with a copy of the document containing fee information for families (refer to Attachment 1)
- vi. providing all parents/guardians with a statement of fees and charges upon enrolment of their child, and ensure that the *Fees Policy* is readily accessible at the service
- xvi. providing all parents/guardians with a fee payment agreement (Complying Written Agreement)
- vii. 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
- viii. notifying parents/guardians within 14 days of any proposed changes to the fees charged or the way in which the fees are collected
- ix. ensuring a notice outlining fees charged by the service is displayed prominently in Pines Learning Childcare.

6.3 All other staff are responsible for:

- i. informing the Approved Provider of any complaints or concerns that have been raised regarding fees at the service

- ii. referring parents'/guardians' questions in relation to this policy to a Nominated Supervisor

6.4 Parents/guardians are responsible for:

- i. reading the Pines Learning Fee information for families (refer to Attachment 1),
- ii. notifying the Nominated Supervisor if experiencing difficulties with the payment of fees

6.5 Evaluation

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

- i. 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
- ii. monitor the implementation, compliance, complaints and incidents in relation to this policy
- iii. keep the policy up to date with current legislation, research, policy and best practice
- iv. revise the policy and procedures as part of the service's policy review cycle, or as required
- v. notify parents/guardians at least 14 days before making any changes to this policy or its procedures (Regulation 172(2)).

6.6 Attachments

- i. Attachment 1: Fee information for families

Attachment 1

Fee information for families

Pines Learning Childcare

1. Why fees are necessary

Pines Learning Childcare provides a range of support options to parents/guardians experiencing difficulty with payment of fees (see below).

2. How fees are set

As part of the budget development process, the Board of Management sets fees each year for the programs of the service, taking into consideration:

- the financial viability of the service
- 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

Fees set for the year are only reviewed in extraordinary circumstances, for example, if attendance rates fall below the budget 'break even' point.

3. Other charges

Other charges levied by Pines Learning Childcare are included on the Statement of Fees and Charges. These include:

- **Excursion/service event charge:** This additional charge is required to cover the cost of excursions or special events that occur throughout the year in response to emerging children's program needs and interests. Affordability and relevance to the children's interests and the service program will be taken into consideration before a decision is made that will require families to pay this additional charge (refer to *Excursions and Service Events Policy*). Events that are planned ahead are included as an expenditure item in the service's budget and do not incur this additional charge.
- **Late collection charge:** The Board of Management 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 the Board of Management.

4. Statement of fees and charges

All fees and charges may be accessed on the Pines Learning website www.pineslearning.com.au and on display in the Centre. A statement of fees and charges will be provided to families on a fortnightly basis.

5. Subsidies

Families will be eligible to take holidays with a 50% fee reduction for two weeks every year (at the discretion of the Nominated Supervisor) or families may wish to pay full fees and utilise make up days if they are available.

6. Child Care Subsidy (CCS)

A Commonwealth Government means tested subsidy to assist eligible families with the cost of child care. Payments are paid directly to approved child care providers. Further information can be found at: <https://www.education.gov.au/child-care-subsidy-0> or telephone 136 150.

Approved care is childcare that meets certain standards and requirements, and is approved by the Australian Government. Approved care providers must hold a licence to operate, have qualified and trained staff, be open certain hours and meet health, safety and other quality standards. Most long day care, family day care, before-and-after school care, vacation care, some occasional care and some in-home care childcare services are approved providers. Pines Learning is classified as Long Day Care and is an Approved Provider.

7. Payment of fees

The Board of Management 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 to parents/guardians directly and must be paid by the date indicated on the invoice. Each invoice will be accompanied by payment instructions.

Parents/guardians experiencing difficulty in paying fees are requested to contact the nominated supervisor 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.

8. 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.
- The Board of Management 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.

9. Refund of fees

Fees are non-refundable (exceptional circumstances may apply – these are at the discretion of the Nominated Supervisor). There will be no refund of fees in the following circumstances:

- a child's short-term illness
- family holiday during operational times
- 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.

10. Support services

Families experiencing financial hardship often require access to family support services. Information on these services is available from the service provider and a list can be supplied to those families who require it.

11. 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 month in advance of any required fee increase and will be offered the option to request a payment plan.