

# PAYMENT OF FEES POLICY

Under the *Education and Care Services National Regulations*, an approved provider must ensure that policies and procedures are in place for the payment of fees and the provision of a statement of fees charged by the service and take reasonable steps to ensure policies and procedures are followed. (ACECQA, 2021).

Quality early education and care provides the foundation for children’s development and social engagement whilst supporting workforce participation of parents and carers. Our Service is committed to providing quality education and care to all children at an affordable fee for families.

As an approved childcare service, Child Care Subsidy (CCS) is available to reduce fees to eligible families. Our fee structure is based on our ability to provide the requirements of the Education and Care National Law and National Regulations, Family Assistance Law, the Australian Taxation Office and guidelines contained in the Child Care Provider Handbook.

## NATIONAL QUALITY STANDARD (NQS)

QUALITY AREA 7: GOVERNANCE AND LEADERSHIP		
7.1	Governance	Governance supports the operation of a quality service
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

EDUCATION AND CARE SERVICES NATIONAL REGULATIONS	
168	Education and care services must have policies and procedures
170	Policies and procedures to be followed
171	Policies and procedures to be kept available
172	Notification of change to policies and procedures

## RELATED LEGISLATION

Child Care Subsidy Secretary’s Rules 2017	Family Law Act 1975
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Child Care Subsidy Minister's Rules 2017

A New Tax System (Family Assistance) Act 1999

Family Assistance Law – Incorporating all related legislation as identified within the Child Care Provider Handbook in <https://www.education.gov.au/early-childhood/resources/child-care-provider-handbook>

## PURPOSE

For parents to gain a clear understanding of the Service fee structure, payment requirements and Child Care Subsidy benefits prior to enrolment. This policy explains process of fee payment and the necessity of ensuring children's fees are paid on time and consequences for failure to pay fees on time.

- some general information for families about how the Free Kinder Subsidy benefits families (page 65 of the KFG) [Service-Guidance-Free-Kinder-2023.pdf \(education.vic.gov.au\)](#)
- families with 3 and 4-year-old children enrolled in a Victorian Government funded kindergarten program in a participating long day care service will receive a fee offset of up to \$2,050 per child in 2024
- in 2024 this means a saving of up to \$2,050 for children enrolled in a 15-hour kindergarten program (600 hours a year)
- children enrolled in a Three-Year-Old Kindergarten program of less than 15 hours will receive a pro-rata amount
- the entire Free Kinder Subsidy payment will be deducted from the fees of parents with children in the funded kindergarten program. The cost of kindergarten hours is not calculated separately for integrated programs.
- the Free Kinder Offset reduces the cost of kindergarten programs in long day care services but, unlike in sessional services, it does not make the kindergarten program free
- include this link in the Free Kinder Subsidy section [Free Kinder funding requirements for long day care providers | vic.gov.au \(www.vic.gov.au\)](#)
- how the Free Kinder Subsidy will be applied to families' fees (including regularity, which must be no less frequent than monthly)
  - when Free Kinder Subsidy payments will begin to be applied to families' fees. (For instance, some Early Childhood services withhold application of the Free Kinder Subsidy to families' fees until after Annual Confirmation is approved by the Department of Education (around March/April), while other services apply Free Kinder Subsidy from the start of the kinder program in late January)

- for families whose gap fee is less than \$2050, any surplus remaining will be used by the service for quality improvement and supporting family engagement in the kindergarten program
- the offset will be detailed on invoices as the “**Victorian Government Free Kinder offset**”
- all children eligible for ESK (see below) will be enrolled in KIMS and funded under the ESK program, which replaces Free Kinder Subsidy/Offset for ESK eligible children
- children can [only access one funded place](#)
- each year, families are required to sign a form confirming at which service their child/ren will receive their funded kindergarten program. Please include that, if a child attends more than one service that offers a funded kindergarten program, the family must nominate the service at which their child will receive their funded kindergarten program and therefore their Free Kinder Subsidy/Offset funding and families will be required to repay any of the subsidy received at a second service.

## SCOPE

This policy applies to children, families, staff, management, approved provider, nominated supervisor, students, volunteers and visitors of the Service.

## IMPLEMENTATION

Our Service aims to ensure families understand the fee schedule and payment process required for education and care to be provided for their child. We are committed to meet our obligations to maintain financial integrity and comply with all Child Care Subsidy legislative requirements. We have effective compliance systems in place to ensure childcare funding is administered appropriately. Our Service ensures the confidentiality and privacy of all personal information provided to the Service about the enrolled child and family.

Our fee structure includes:

### ENROLMENT FEE AND BOND PAYMENT

- A bond consisting of 2 weeks full fee is to be paid to hold a child’s position at the Service (effective January 2025).
- The bond payment will be refunded to families if all accounts are paid in full and no amount is outstanding when the child leaves the Service.

## GENERAL FEES

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- CCS is paid directly to the Service and this is used as a fee reduction (visible on a family's statement)
- Fees are charged for each session of care and vary depending on the age of the child in care
- Families are required to make a co-contribution to their child care fees. This is the difference between the fee charged and the child care subsidy amount- the 'gap fee'
- 'Gap fees' must be paid via Electronic Funds Transfer (EFT)
- Fees must be kept in advance of a child's attendance
- A dated receipt will be provided for each payment [via email]
- Fees are to be paid in arrears (to ensure that CCS is calculated correctly).
- Fees are payable in advance for every session that a child is enrolled at the Service. This includes pupil free days, sick days, and family holidays but excludes periods when the Service is closed. The Service may be directed to close due to periods of local emergency such as bushfire or flood or a pandemic
- If a session of care falls on a public holiday, families are required to pay normal fees. CCS may be paid for sessions that fall on public holidays
- Fees are charged for full sessions only (regardless of the actual attendance hours any day)
- Families are requested to contact the Service if their child is unable to attend a particular session
- Casual days may be offered to families if available within the Service's license.

### CHILD CARE SUBSIDY (CCS)

- Parents/guardians are required to register for CCS through their [myGov](#) account linked to Centrelink and provide documentation to support the CCS payment
- Basic requirements that must be satisfied for an individual to be eligible to receive Child Care Subsidy
- Parents must:
  - care for their child at least 2 nights per fortnight or have 14% share of care
  - be liable for child care fees at an approved early childhood education care service
  - meet residency requirements
- The child must:
  - be 13 or under
  - not attending secondary school (unless an exemption applies)
  - meet immunisation requirements
- Childcare must be provided by an approved provider
- Families level of Child Care Subsidy will be determined by:
  - [family income estimate](#)

- [activity level](#)
- [Aboriginal and Torres Strait Islander children](#)
- [number of children in care](#)
- [type of early learning and childcare Service](#)
- Child Care Subsidy will be provided directly to the Service and this amount deducted from the parent/family account
- Families must regularly check their details are correct and report a change in circumstance to Centrelink (family income, activity levels, relationship changes or any other changes to their circumstances)
- Any disputes with CCS payments are the responsibility of the family. The family will be referred to contact Centrelink directly for any enquiries regarding CCS payments.
- Child care [discounts for early childhood workforce](#) will only be offered as outlined in the CCS Handbook.

## PAYMENT OF FEES

- Fees and charges associated with direct debit system are outlined upon enrolment
- A dishonour fee will apply for direct debit transactions where there are insufficient funds to cover the fees
- Families will be issued with a *Statement of Entitlement* on a fortnightly basis in accordance with the fee payment and Regulatory requirements
- The *Statement of Entitlement* will include details of the sessions of care provided and the resulting fee reduction amounts
- The *Statement of Entitlement* is generated using our CCS Software which meets all requirements as per Family Assistance Law legislation.

## ABSENCES FROM THE SERVICE

- Families are requested to contact the Service if their child is unable to attend a particular session
- Families must still pay the 'gap' fee to the Service if their child is unable to attend  
[Fee charging practices are commercial decisions made by each childcare service and are not a matter regulated by the Family Assistance Law. Source: Australian Government Department of Education]

- Under the Child Care Subsidy families are allowed 42 absence days per child, per financial year and may be entitled to additional absence days in certain circumstances. (See Child Care Subsidy Handbook)
- Allowable absences can be taken for any reason. Families do not have to provide evidence
- Additional absences can be claimed for the specified reasons as defined by the Family Assistance Law
- Records and evidence will be kept by the Service for each additional absence, where required
- Families can view their absence count through their Centrelink online account via [myGov](#).
- In a period of emergency (declared by the Australian Government), such as bushfire or flood, extra allowable absences for the duration of the emergency will be automatically applied in the CCS system

### ADDITIONAL CHILD CARE SUBSIDY

- Additional Child Care Subsidy (ACCS) provides extra help with the cost of early education and care
- There are four different payments under Additional Child Care Subsidy:
  - [Child wellbeing](#) to help children who are at risk of serious abuse or neglect. The approved provider is involved in determining children who may require additional support who are at risk of harm
  - [Grandparents](#)—to help grandparents on income support who are the principal caregiver of their grandchildren. Families are required to contact Centrelink directly regarding this payment
  - [Temporary financial hardship](#)—to help families experiencing financial hardship. Families are required to contact Centrelink directly regarding this payment
  - [Transition to work](#)—to help low-income families transitioning from income support to work. Families are required to contact Centrelink directly regarding this payment
- If a family is experiencing financial difficulties, a suitable payment plan may be arranged with authorisation of the approved provider.

### DEBT RECOVERY PROCEDURE

- If a family fails to pay the required fees on time, a reminder letter will be issued after **one week** and then again, after **two weeks** if the fees are still outstanding
- At any time of the debt recovery process the family will be encouraged to enter a debt agreement with the service to repay outstanding fees. A written contract will be provided for the family to sign outlining repayment plan details. The repayment plan will provide information as to the duration and amount of the repayments as well as steps that will be taken if the repayment plan is not adhered to

- A child's position will be terminated if payment has not been made after **three weeks**, for which the family will receive a final letter terminating the child's position. At this time the Service will initiate its debt collection process, following privacy and conditional requirements.

### LATE FEES

- It is unacceptable to pick children up late from the Service. A late fee will apply where children are not picked up prior to closing time
- Currently, a fee of \$**15.00** per **10** minutes block or part thereof will be incurred by the family
- A review of the child's enrolment will occur where families are consistently late with fee payment.

### CHANGE OF FEES

- Fees are subject to change at any time provided a minimum of **four weeks** written notice is given to all families (Regulation 172 requires a minimum of 14 days' notice)
- CCS hourly rate caps may be increased by the [CPI](#) at the commencement of each financial year
- Any CCS hourly rate increases are governed by CCS and are automatically adjusted through our CCS Software.

### TERMINATION OF ENROLMENT

- Parents/guardians are to provide **two weeks** written notice of their intention to withdraw a child from the Service
- If termination from the Service is required without notification, families may lose their Child Care Subsidy, resulting in the payment of requirement for full fees to be charged
- In some circumstances CCS may not be paid for sessions if the child has not physically started care
- Additionally, CCS may not be paid for absences submitted after a child's last physical day of care, unless conditions have been met as specified by Family Assistance Law.

### RESPONSIBILITY OF MANAGEMENT

The approved provider and nominated supervisor are responsible for:

- ensuring that obligations under the *Education and Care Services National Regulations* are met
- ensuring the service and all Persons with Management and Control (PMC) comply with the rules under Family Assistance Law (FAL)
- ensuring Persons with Management and Control (PMC) are considered 'fit and proper' persons

- taking reasonable steps to ensure all educators, staff and volunteers follow the *Payment of Fees Policy* and procedure
- ensuring all families are aware of our *Payment of Fees Policy*
- ensuring enrolments are submitted correctly with the appropriate enrolment information
- providing families with regular statement of fees payable
- providing families with receipts of fees paid
- notifying families of any overdue fees
- providing families with reminder letters as required
- terminating enrolment of children should fees not be paid
- discussing fee payment with families if required
- providing at least 4 weeks written notice to families of any fee increases or changes to the way fees are collected

[Please note: Reg. 172 states a minimum of at least 14 days' notice regarding changes to policies must be provided to families]

### RESPONSIBILITY OF FAMILIES

- provide the Service with the correct enrolment details to facilitate the CCS claim, if required, including:
  - Centrelink Reference Numbers for child and CCS claimant
  - Date of birth for child and CCS claimant
- ensure payment of fees as per policy
- notify Centrelink of any changes that may affect their CCS entitlement
- confirm their child's enrolment through the parents myGov account.

### THIRD PARTY PAYMENTS

Parents are generally liable to pay the co-contribution for childcare fees. Only state and territory governments (and their agencies) can contribute to the cost, in part or full, of childcare fees for families. Where an agreement has been made between an employer or charity to assist in the contribution of fees the fees must be reduced accordingly before CCS has been applied.

Our Service will record all documentation regarding any third-party payments.

### STAFF DISCOUNTS



Our Service offers educators and cooks a staff discount for children that attend our Service, after CCS has been applied. The staff discount applies to employees who are employed, contracted or engaged to work with our services as an educator, early childhood teacher or cook.

Centre directors are eligible to receive the staff discount if they hold an early childhood education and care qualification and are working at a Service. The staff discount is applied of full-service fees after CCS has been applied and does not affect CCS eligibility. (Department of Education – [Childcare discount for early childhood workforce](#)). (Staff must continue to pay at least 5% of the gap fee).

### COMPLAINTS RELATING TO THE ADMINISTRATION OF CHILD CARE SUBSIDY

Families who wish to raise concerns regarding the management of Child Care Subsidy should speak with the nominated supervisor in the first instance. The nominated supervisor will follow the steps as outlined in this policy, including advising the approved provider of all grievances.

Families can raise concerns regarding management of the Child Care Subsidy to the dedicated Child Care Tip-Off Line either via phone or email:

Phone: 1800 664 231

Email: [tipoffline@education.gov.au](mailto:tipoffline@education.gov.au)

### Resources and information for families

[Child Care Subsidy](#)

[Centrelink Customer Reference Number](#)

[Absences from childcare- Australian Government](#)

### CONTINUOUS IMPROVEMENT/REFLECTION

Our *Payment of Fees Policy* will be updated and reviewed annually in consultation with families, staff, educators and management.

### CHILDCARE CENTRE DESKTOP- RELATED RESOURCES

Fee Increase Letter – General Overdue Fee Payment Letter	Overdue Fee Payment Procedure Payment Plan Template Staff Discount Application
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## SOURCES

Australian Children’s Education & Care Quality Authority. (2014).

Australian Children’s Education & Care Quality Authority. (2023). [Guide to the National Quality Framework.](#)

Australian Children’s Education & Care Quality Authority. (2021). [Policy and procedure guidelines. Payment of Service Fees and Provision of a Statement of Fees Charged by the Service.](#)

Australian Government Department of Education [Child care discount for early childhood workforce](#)  
<https://www.education.gov.au/child-care-package/early-childhood-workforce/child-care-discount-early-childhood-workforce>

Australian Government Department of Education Child Care Provider Handbook  
<https://www.education.gov.au/early-childhood/resources/child-care-provider-handbook>

Australian Government Department of Education *Early Childhood and Care* <https://www.education.gov.au/early-childhood>

Australian Government Department of Education (2024). [Help in an emergency](#)

Education and Care Services National Law Act 2010. (Amended 2023).  
[Education and Care Services National Regulations.](#) (Amended 2023).  
[Western Australian Education and Care Services National Regulations](#)

## REVIEW

POLICY REVIEWED BY	Katherine Austin	Approved Provider	23 <sup>rd</sup> August 2024
POLICY REVIEWED	August 2024	NEXT REVIEW DATE	MAY 2025
VERSION NUMBER	August 2024		
MODIFICATIONS	<ul style="list-style-type: none"> <li>• annual policy maintenance</li> <li>• updated CCS eligibility (effective July 2023)</li> <li>• added content to responsibility of approved provider/management</li> <li>• sources checked for currency and hyperlinks updated</li> </ul>		
POLICY REVIEWED	PREVIOUS MODIFICATIONS	NEXT REVIEW DATE	