



## Fee and Credit Policy

**Issue Date:**  
October 2024

**Next Review Date:**  
October 2026

### EDUCATION AND CARE SERVICES NATIONAL REGULATIONS

111	Administrative space
168	Education and care services must have policies and procedures
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### QUALITY AREA

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.

### Related Legislation

Child Care Subsidy Secretary's Rules 2017  
 A New Tax System (Family Assistance) Act 1999  
 Child Care Subsidy Minister's Rules 2017  
 Family Law Act 1975  
 Family Assistance Law - Incorporating all related legislation for Child Care Provider Handbook  
<https://www.education.gov.au/early-childhood/resources/child-care-provider-handbook>

#### **Policy statement:**

The Board of Management sets fees for all education and care services provided by Lipscombe Child Care Services Inc (**the Service**). The Board and Service Management are committed to the guidelines and procedures below, in order to ensure there is a transparent and consistent approach to charging and receiving fees that support delivery of quality, affordable services.

#### **Target Audience:**

Board, Management, Educators and Families.

#### **Aim:**

The policy aims to ensure families understand the fee schedule and payment process required for education and care to be provided for their child; to ensure the service meets its obligations in relation to Child Care Subsidy legislative requirements; to ensure financial systems are implemented consistently and in a way that maintains financial integrity; and to ensure privacy of personal information provided to the Service about the enrolled child and family.

## **Guidelines / Procedures:**

The Service will:

- Establish fee levels and credit provisions which ensure the sustainability of the Service as a business enterprise while being affordable to families
- Maintain fees at a level that provides resources to deliver education and care at a standard in keeping with the Service strategic plan and that exceed sector standards.
- Regularly review the Fee and Credit Policy, operational guidelines and fee levels and structures to address the changing needs of families and of the organisation.
- Limit fee increases to an annual calendar increase implemented in January each year, unless there are exceptional circumstances which will be communicated to families.
- Establish a fee structure which is equitable among different groups of users.
- Ensure that fee structures, credit provisions and operational procedures are consistent with the requirements of State and Commonwealth legislation and procedures.
- Ensure that parents are made aware of operational procedures and that these procedures are reasonable and fair, and that they are administratively simple and are as inexpensive as possible.

## **Explanation of Fees:**

- Fees are charged in arrears for care provided on a daily or sessional basis as per the fee schedule. Fees are charged for a full day/session regardless of the hours attended on any one day.
- 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, known as the “gap fee”.
- The child care subsidy rate is set at a maximum amount per hour by the Government. There may be circumstances where the fees charged for a session exceed this hourly child care subsidy cap. This currently occurs for short sessions at Nutgrove, before school care and before and after kinder care.
- A late fee of \$40.00 per half hour or part thereof applies for the late collection of a child after the permanent booked time.
- There is no charge for public holidays.
- Permanently booked places may be held for a maximum of 5 weeks in certain circumstances, which needs to be approved by the Director. The place will be held at the allowable absence rate.
- Bookings that remain unused without cancellation or prior arrangements, will be charged at the full rate to cover business costs, for up to 4 weeks, when the place will be considered cancelled by the Service.

- Families are welcome to spend time settling children into care. There will be no charge for settling visits under 2 hours duration, regardless of their frequency, during the 2 weeks which precede commencement of the booking.
- Cancellation of booking by 9am results in the absence fee of 75% of the normal fee being charged.
- Non-cancellation of any booking by 9am results in full fee being applied.
- A holding fee or absence fee will be charged from the first day of Service operation each calendar year, for any confirmed Long Day Care booking.
- A holding fee of 75% of the full fee will be charged from the date a booking is scheduled to commence for any new family, if they do not attend. These fees will not attract Child Care Subsidy and the family will be responsible for the full holding fee until attendance commences.
- Excursion costs will be at the discretion of the service and will be advised on each occasion there is an excursion.
- Two weeks' notice in writing must be given when a child is withdrawn from care permanently.
- A cessation of care fee will be applied when a child does not attend during the notice period, when the parent permanently cancels the booking. The cessation of care fee does not attract Child Care Subsidy and is charged at the rate equivalent to the full fee absence cost for that session of care.
- Any change in booked times must be requested of and approved by the Director/Assistant Director with at least 1 weeks' notice or an absence fee will apply.
- Details of a family's fees and accounts will be kept confidential and stored securely. Families can access their own account records at any time, or particulars of fees will be available in writing to parents/guardians upon request.
- The Service will provide all details related to attendance to the Commonwealth Government to meet compliance and reporting requirements.

#### **Payment of Fees:**

- Families are required to pay fees using electronic methods which include using the Service's direct debit system, bank transfer or payment via EFTPOS. The Service's preferred method of payment is via the direct debit system.
- Direct debit payment will need to be set-up by families via the Xplor system. Fees and charges associated with use of the direct debit system are detailed in the terms and conditions made available on the Xplor system when entering into the direct debit agreement.
- A dishonour fee may be charged by the Service where there are insufficient funds to cover a direct debit transaction. These fees will be limited to the fee charged to the Service by the direct debit provider.
- Families will be issued with a Statement of Account on a fortnightly basis. This statement will be issued to the Primary Account Holder and sent via email.

- The Statement of Account will include details of sessions of care provided and a Child Care Subsidy summary.
- The Statement of Account is generated using Child Care Subsidy software which meets all requirements as per Family Assistance Law legislation.
- Accounts should be paid within 7 days of the Statement of Account date which will be the same date the Statement of Account is emailed to families.
- An overdue account fee may be charged at a rate of 2% of the amount owing or a minimum of \$25 for accounts not paid by the due date.
- Families with an account that remains outstanding for 30 days must enter an arrangement with the Director or Business Manager to ensure prompt payment. Ongoing care arrangements for the family may be reviewed by the Service at this time.
- No enrolments for Vacation Care will be accepted where fees for care are outstanding from the prior Vacation Care program.
- If payment arrangements are not met, the account holder will be given 5 working days notice of referral to a debt collection agency. In this circumstance the Director may withdraw a child's place in the Service and terminate the Child Care Agreement.

#### **Child Care Subsidy (CCS):**

- As an approved Child Care Provider, the Service will ensure parents utilising the Service are aware they may be eligible to apply for Child Care Subsidy.
- The Service will provide information to families regarding the basic eligibility criteria for Child Care Subsidy, which are:
  - The age of the child (must be 13 years or under and not attending secondary school unless an exemption applies)
  - The child meeting immunisation requirements
  - The individual, or their partner, meeting the residency requirements.

#### Parents must:

- Care for their child at least 2 days per fortnight or have 14% of share care
- Be liable for child care fees at an approved early childhood education care service.

#### A family's level of Child Care Subsidy is determined by:

- Combined family income estimate
  - Number of children in care
  - Activity level of parents
  - Type of child care service being used.
- It is the family's responsibility to have their eligibility for Child Care Subsidy assessed by Centrelink through MyGov and provide any documentation required by Centrelink. Families must also ensure that

details provided to Centrelink remain current and correct, including any changes in circumstances (such as family income, activity level, relationship changes).

- Child Care Subsidy will be provided directly to the Service and this amount will be deducted from the family's account, resulting in the gap fee remaining to be paid by the family.
- Families will only be eligible for Child Care Subsidy if attendance records are accurately completed and signed for each attendance.
- Child Care Subsidy is paid for up to 42 absences days for each child per financial year, but not if an absent day is the first or last day of expected attendance. Additional absences may be able to be claimed for specified reasons as defined by the Family Assistance Law.
- In a period of emergency (declared by the Australian Government) extra allowable absences for the duration of the emergency will be automatically applied in the CCS system.
- Any disputes with CCS payments are the responsibility of the family. While the Service will endeavor to assist and provide information required by the family, the family will need to contact Centrelink directly for any enquiries regarding CCS payments.
- The Service will advise and assist families in respect to the Additional Child Care Subsidy (which provides extra help with the cost of early education and care) in the categories of Child Wellbeing, Grandparent, Transition to Work and Temporary Financial Hardship if they appear relevant to a family.
- The Service will keep parents informed about Child Care Subsidy by:
  - Providing information about Child Care Subsidy in the orientation pack
  - Advising new families to apply for assessment Child Care Subsidy prior to commencement.
  - Reminding families of the need and encouraging them to reapply for reassessment when required and when it becomes known to the Service.
  - Charging full fees when a parent does not have a current Child Care Subsidy entitlement.

#### **Staff Discounts:**

- Educators employed by the Services are offered a discount for children that attend the Service, after CCS has been applied. The staff discount only applies to staff with current employment at Lipscombe.
- Child care discounts for Educators will only be offered as outlined in the CCS Handbook.
- The discount is calculated based on a percentage determined by the Director and the Board and is applied to full-service fees after CCS has been applied and does not affect CCS eligibility.
- Educators must continue to pay at least 5% of the gap fee.

#### **Links to other Policies:**

Arrival and Departure Policy  
Enrolment Policy  
Governance Policy  
Orientation of New Families Policy  
Privacy and Records Policy

**References:**

Service Australia <https://www.servicesaustralia.gov.au/individuals/services/centrelink/child-care-subsidy>  
Department of Education <https://www.education.gov.au/child-care-subsidy-system>

**Policy Review:**

Lipscombe Child Care Services Inc. will review this policy and related documents, every 2 years, or more often as required when new information becomes available  
Families are encouraged to collaborate with the Service to review the policy and procedures.  
It is essential for all staff to be involved in the policy review process and familiarise and acknowledge in writing any changes to policy made at review.

**Changes made at review:**

New format, Added reference to Regulations,  
September 2015 – annual update  
September 2017 – review, no changes  
June 2018 – update to reflect NQS changes  
March 2020 – update missed Child Care Rebate and Child Care Benefit reference to Child Care Subsidy  
November 2020 – updated policy links.  
May 2021 – added NQF link table  
October 2021 – added detail of cessation of care fee  
October 2022 – changed format to include table for quality areas and regulations; added ‘Aim’ section; changed ‘high quality child care’ to education and care in section ‘The Service will....’;  
September 2024 – included updated payment options including direct debit option, updated CCS details for changes, staff discounts added, vacation care enrolment subject to prior program fees being paid and reformatting.