

FEES POLICY

National Quality Standard, Quality Area 7: Leadership and Service Management

1. PURPOSE

The purpose of this policy is to provide a clear set of guidelines for the setting, payment and collection of fees, which ensure the viability of Wimble Street as a not-for-profit service.

This policy will provide clear guidelines for:

- the setting, payment and collection of fees
- ensuring the viability of Wimble Street, by setting appropriate fees and charges
- the equitable and non-discriminatory application of fees across the programs provided by Wimble Street.

POLICY STATEMENT

2. VALUES

Wimble Street 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 families of how Wimble Streets childcare and preschool programs are funded and that they are reliant on parent fees to operate the service.

Scope

This policy applies to the Management Committee, the Director, educators and to parents/guardians whose child/children are attending, or who wish to commence care,

BACKGROUND AND LEGISLATION

The Department of Education Training (DET) provides per capita funding as a contribution towards the costs of the three and four-year-old kindergarten program. 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. Fees are necessary because there is a shortfall between the level of DET funding and the costs of operating a viable childcare centre and integrated preschool 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) of the Education and Care Services National Regulations 2011 and the payment process. All families must be informed of applicable fees at the time of enrolment. Furthermore, parents/guardians need to be aware that Wimble Street relies on prompt payment of fees to meet costs. All parents/guardians must pay fees as they fall due. Wimble Street has the discretion to withdraw care for non-payment of fees. The Commonwealth

Government pays a contribution towards the cost of childcare for families which is paid directly to Wimble Street (see 7.1 Fee Subsidies).

Relevant Legislation

Relevant legislation and standards include but are not limited to:

- Charter of Human Rights and Responsibilities Act 2006 (Vic)
- Child Wellbeing and Safety Act 2005 (Vic)
- Disability Discrimination Act 1992 (Cth)
- Education and Care Services National Law Act 2010 (Vic)
- Education and Care Services National Regulations 2011
- Equal Opportunity Act 2010 (Vic)

Definitions

Deposit: Non-refundable, one-off payment to the Centre, due prior to Commencement of Care date.

Child Care Subsidy is a government subsidy to help with the cost of approved childcare.

Additional Child Care Subsidy gives some families extra help with childcare fees. You may be able to get an additional subsidy if you are:

- a grandparent or great grandparent
- transitioning to work from certain income support payments, or
- in temporary financial hardship.

Commencement of Care Date: The date on which children are eligible to start care (see Child Orientation and Enrolment Policy for more detail).

Current Children: Those children already in attendance at Wimble Street

Fees: A payment for a place within Wimble Street

General Meetings: Meetings for all families that occur twice yearly or as required, plus the Annual General Meeting.

Late Collection Fee:

Families are charged \$1 per minute if they arrive after 5.45pm to 6.00pm. After 6pm the total charge changes to \$2 per minute.

New Children: Those children who have not commenced care at Wimble Street Child Care

Not for Profit: Does not aim to make more than a nominal profit in any financial year.

Waiting List Fee: Waiting list applicants will be charged a non-refundable fee of \$25 to cover the administration costs of maintaining the list. The charge will apply to each family, regardless of the outcome of their application.

Procedures

Fees

This policy applies to the Management Committee, the Director, educators and to parents/guardians whose child/children are attending, or who wish to commence care,

Fees Setting fees

The Management Committee will

- Determine an appropriate fee structure for the following financial year when setting the budget, having taken into consideration the operational costs, and the number of children.
- Advertise the proposed fee structure no less than three weeks prior to a General Meeting.
- Ensure explanations and discussion on the proposed fee structure take place at a General Meeting, prior to a vote taking place.
- Notify families of approved fee structures no later than one week after a General Meeting.
- Ensure that the approved fee structures will take effect no earlier than three weeks after the approval by vote has taken place.
- Review and change the fees during the year if the financial viability of Wimble Street is at risk.
- Support the application of the Late Collection Fees policy as specified in Definitions and within the Fee Schedule (Appendix 1). In this regard, these fees will be charged to accounts and will show on monthly invoices

Fee Subsidies

The Child Care Subsidy helps by assisting families with their childcare fees and provides greater assistance to low and middle-income families

The Child Care Safety Net provides families and services extra support if they are vulnerable and disadvantaged, or located in a regional or remote community. The Child Care Safety Net includes:

The Additional Child Care Subsidy: which provides extra payment on top of the Child Care Subsidy for families who need more help. There are four different payments:

- For families who need help to support their children's safety and wellbeing
- For grandparents who care for their grandchildren
- For families experiencing significant financial stress
- For parents transitioning from welfare to work

The Community Child Care Fund: which helps services stay open and available to children in disadvantaged, regional and remote communities.

The Inclusion Support Program: which provides support to Early Childhood Education and Care services to build their capacity and capability to include children with additional needs in mainstream services

Subsidised Care for Low Income Families: who earn \$69,390 or less a year can access 24 hours of subsidised care per child per fortnight without having to meet the activity test.

Further details are available <http://www.familyassist.gov.au/payments/family-assistance-payments/child-care-benefit/> Wimble Street urges families to obtain the relevant forms from the Family Assistance Office or Wimble Street prior to Commencement of Care.

Special Child Care Benefit

Special Child Care Benefit (SCCB) is a benefit available through the Department of Education and early childhood development to provide for funding for childcare where:

- a child at risk of serious abuse or neglect; or
- exceptional cases where a family's income does not truly reflect their capacity to pay the normally charged fee.

This funding needs to be applied for through Wimble Street and is made available for limited periods of time in exceptional circumstances. See the Director for more details or go to https://www.dss.gov.au/sites/default/files/documents/08_2015/08-311a_0315-1542.pdf for criteria.

Early Start Kindergarten

Early Start Kindergarten gives eligible children 15 hours of free or low-cost kindergarten a week for two years before starting school with families to pay for additional hours

To be eligible, your child must be three by 30 April in the year they start kindergarten, and:

- identify as Aboriginal or Torres Strait Islander, or
- your family has had contact with Child Protection (or been referred to Child FIRST).

Children who have used Early Start Kindergarten or are Aboriginal and/or Torres Strait Islander can access free or low cost Four-Year-Old Kindergarten through the Early Start Kindergarten Extension Grant.

Payment of Accounts

Current Families

At the start of each year or when you begin at the centre you will be given the billing cycle for that year. The billing cycle runs for 4 weeks and fees must be paid by the Friday of the second week as advised on the schedule. The preferred method of payment is via direct debit from a bank account. Fees that are not paid on time will be referred to the finance director. If any parents are having difficulty paying fees it is advisable to speak to the centre coordinator or the finance director where your matter will be treated confidentially.

Fees are payable for everyday of your child's enrolment including public holidays, sick days and holidays. Fees are excluded during the Christmas closure period. Fees are also payable for dance class/excursions These fees will be added on to your account.

Parents must inform the Centrelink when their child is starting care. Parents must also supply CRN numbers as per the enrolment forms to enable the centre to provide usage details for your child which in turn enables you to receive the appropriate subsidies available

When withdrawing your child from care you are required to give four weeks' notice in writing. If you choose to withdraw your child earlier, the fees will still be charged for the four weeks and must be paid prior to leaving. The Child Care Subsidy will not be paid for any days after your child's last physical attendance. You'll need to pay full fees for any absence days after the last day your child physically attending the service. Any unpaid debts will be referred to debt collectors.

New Families.

On offer of a place at Wimble Street, families will receive a letter of offer and a confirmation letter. This will include the current daily fees plus a request for a deposit of one week of fees. This will then be deducted from your next invoice. Prior to the Commencement of Care, all fees need to be paid. Each family is expected to pay a one off \$55.00 shareholder fee. This will be returned once you have unenrolled your child.

Hardship

If parents/guardians are experiencing financial hardship, they should contact the Coordinator as soon as possible to discuss payment options. Management Committee approval is required for any variance to this policy.

Method of payment

Payment of invoices shall be made by Direct Deposit (Wimble Streets only payment method). Banking details will be provided to families on enrolment. All credits and payments will be shown on the monthly statements. Individual receipts will not be issued. (Cash will not be kept on the premises)

Payment of late fees procedures

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
- 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 Committee 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.

Cessation of care & dropping booked days

The notification period for the dropping of booked days is 4 full weeks. Families who drop booked days after re-enrolment will be charged for the dropped days during the term of the notice period.

Absences from care

There will be no charge where the centre is closed due to:

- the Christmas break;
- a public holiday
- a staff professional development day

Child Care Subsidy Allowable Absence Days

The Child Care Subsidy is available from the Government for 42 absence days per child, per financial year, and may be available for additional absence days in certain circumstances (including illness of the child, a parent or sibling).

Under the Child Care Subsidy, when a child does not attend care on a day they are scheduled to attend, providers are able to claim an absence for the child up to 42 times in a financial year, so long as on the day the absence is claimed, Child Care Subsidy would have been claimed (i.e. the child would have otherwise been in care, and the family hasn't already reached their fortnightly entitlement of subsidised hours based on their activity test result).

Of note:

- Each child receives a new set of 42 allowable absence days at the beginning of the financial year.
- Allowable absence days can be taken for any reason (provided the day being claimed as an absence is a day on which care would have otherwise been provided).
- Allowable absence days cannot be claimed before a child has commenced care or after a child has left care.
- It is Wimble Streets responsibility not to allow more than 42 allowable absence days per financial year for each child.
- Once a family has used 42 allowable absence days in a financial year, Wimble Street cannot use Child Care Subsidy to reduce the fees charged for the child for any more allowable absence days in that financial year.

- A family may still take absences that exceed 42 allowable absence days and are not for an approved absence day reason, but Child Care Subsidy will not be paid, and full fees will be due.
- The number of allowable days that a family has used will appear on each invoice received will be shown on their invoice.
- Allowable absences cannot be used to enable Child Care Subsidy to be paid for fees charged to reserve a place for a child who has not yet commenced care. If a child is scheduled to commence care on a particular date, and does not start because of an approved absence reason, the family may claim Child Care Subsidies but this cannot be claimed once a child has ceased care.

Similarly, if the family has advised that their child will leave your service on a particular day, but that child does not attend their last sessions of care for an approved absence reason, the family may claim Child Care Subsidy for the days the child was expected to attend.

- Where a child is considered a dependent child of two families, such as when separated parents share the care of a child; the Family Assistance Office will issue each family with a Child Care Subsidy assessment. In these situations, each family will be provided with 42 allowable absence days per child per financial year.
- DSCCC will ensure that the Child Care Subsidy entitlement is always paid for absence days by maintaining attendance records that are correctly completed.
- Child Care Subsidy can only be paid for an allowable or an approved absence day if the child would normally have been in care on that day. The hours of Child Care Subsidy paid for an allowable or approved absence day are the usual number of hours a child's family would have been eligible for on that day

Confidentiality

The Management Committee will treat as confidential, information it receives relating to the parents'/guardians' financial situation and the payment/non-payment of fees.

Key Responsibilities and Authorities

The Management Committee is responsible for:

- Developing and reviewing this policy, in consultation with the parents/guardians and staff.
- Authorising any changes to the policy.
- Ensuring the policy is implemented.
- Respecting the confidentiality of the information gained from families as part of this policy.

The Coordinator is responsible for:

- Ensuring families are made aware of their responsibilities and their entitlements to subsidies.
- Collecting, banking and receipting all fees and levies.
- Respecting the confidentiality of the information gained from families as part of this policy.

The parent/guardians are responsible for:

- The payment of fees in line with this policy.

Resources and Support Related documents

- Victorian kindergarten policy, procedures and funding criteria located at:
<http://www.education.vic.gov.au/childhood/parents/kindergarten/Pages/default.aspx>

- Department of Human Services publications and subsidy forms located at:
www.familyassist.gov.au/payments/family-assistance-payments

Policies

- Child Orientation and Enrolment Policy
- Complaints and Grievances Policy
- Delivery and Collection of Children Policy.

Evaluation In order to assess whether the policy has achieved the values and purposes set out in the Policy Statement, the Management Committee will:

- Assess the effectiveness of the process for the collection of fees.

If appropriate, conduct a survey in relation to this policy or incorporate relevant questions within the general parent/guardian survey.

- Consider feedback from staff regarding the policy.
- Monitor complaints and incidents regarding the policy.
- Review the number of occasions families/children have been excluded from Wimble Street because of non-payment of fees.

Fee information for families

How fees are set

As part of the budget development process, the Committee of Management 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 for the program,
- 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.

1. Other charges

Other charges levied by Wimble Street 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*).
- **Maintenance levy:** This levy is retained by the service and is included in the total fees charged by the service twice a year. This is to cover any kind of upkeep of the building.
- **Late collection charge:** Wimble Street charges a late fee for children who not collect by 5.45pm.
- **The fee** is \$1.00per minute from 5.45pm-pm and thereafter is \$2.00 per minute

2. Fundraising

Not all service costs are covered by DET per capita funding and the fees charged. Fundraising is undertaken to meet the balance and/or pay for additional items for the service. While participation in fundraising is voluntary, the support of every family is encouraged. Fundraising activities are also an opportunity for families and communities to come together.

3. Payment of fee

The Committee 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 monthly 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 coordinator or finance 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.

4. 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 Committee 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.

5. Refund of fees

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

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

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.

6. Support services

Families experiencing financial hardship often require access to family support services. Information on these services is available from Wimble Street can be supplied to those families who require it. If your service does not already have this information a good place to start is with your local council.

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

AUTHORISATION

This policy was adopted by the Approved Provider of Wimble Street Childcare Co-operative in March 2015

DATE REVIEWED	NEXT REVIEW	CHANGES
JULY 2022	JULY 2023	YES