

# HACKHAM WEST CHILDREN'S CENTRE

## A.5 FEES POLICY

### AIM:

*To manage the financial resources of the Centre & provide care that is cost effective.*

### PROCEDURE:

#### Fees

- Fees are determined by the Director and endorsed by the Governing Council.
- All fees are charged on a session basis not the hours of attendances.
- The Centre will give 4 weeks written notice of any fee increases.

#### Enrolment Process

- Families need to claim for the Child Care Subsidy through Centrelink or pay full fees.
- Families must enter into a Complying Written Arrangement with the Centre to provide care in return for a fee by returning a completed and signed enrolment form.
- The Centre must submit an enrolment notice through their software provider within 7 days from the end of the week the enrolment form is received.
- Families claiming CCS must confirm their enrolment details via Centrelink online services through myGov.

#### Child Care Subsidy (CCS)

- The families CCS entitlement will not be paid to the Centre until all steps in the enrolment process are complete. If families don't complete their steps they will be liable for the full session fee for all booked care.
- Families will need to assess their eligibility for CCS before they commence care (unless choosing to pay full fee in advance). We require a copy of the letter (printed or via email) from Centrelink which shows the start date, eligible hours and what percentage of the session fee will be paid by Centrelink.
- Centrelink will pay this percentage (less 5% withholding) up to the scheduled hourly rate cap. The 5% withholding is to reduce the risk of overpayment to families and will be paid as part of the end of year reconciliation process by Centrelink if family estimates are correct.
- Can be cancelled by Centrelink for non-compliance eg: failing to get required immunizations on time

#### Additional Child Care Subsidy (transition to work)

- For families transitioning to work from income support by engaging in work, study or training activities.
- A subsidy equal to 95% of the actual session fee charged (up to 95% of the hourly rate cap)
- Families need to apply to Centrelink to be assessed for this additional support.

#### Additional Child Care Subsidy (Grandparent)

- For grandparents on income support who are the primary caregivers of their grandchildren.
- A subsidy of 100% of the actual session fee charged (up to 120% of the hourly rate cap)
- Families need to apply to Centrelink to be assessed for this additional support.

#### Additional Child Care Subsidy (temporary financial hardship)

- Short term support for families experiencing significant financial stress due to exceptional circumstances.
- A subsidy of 100% of the actual session fee charged (up to 120% of the hourly rate cap)
- Families need to apply to Centrelink to be assessed for this additional support.

#### Child Care Bond

- Each family is required to pay a bond of \$100.00 for the first child, \$75.00 for the second child and then \$50.00 per child for any additional children. \$50.00 per child must be paid before commencing any care, with the balance payable over the next 5 weeks.
- Families with no out of pocket expenses will still be required to pay the bond but instead of paying it before starting it can be paid over a 10 week period or as negotiated.
- The full amount of bond paid will be credited back into your account once you have informed us you are leaving the service. Any amount not used to pay fees will be refunded via cash in person or Cheque via post.
- The bond assists in the financial management of the Centre to allow bills to be generated 1 week in arrears and assists to minimize costs associated with outstanding accounts when families leave the Centre.

#### Payments of Accounts

- Fees for Child Care are payable from the date of commencement.
- Tax Invoices will be issued by the Tuesday of each week for the previous weeks care and are due for payment by the end of that working week.
- Fees can be paid by Direct Debit into the nominated Centre's Bank Account (details printed on all Tax Invoices) or by cash/Cheque through the Admin office or Fees Box.
- A fee of \$5.00 per week plus all associated costs of debt recovery can be added to overdue accounts

### Illness or Holidays

- 100% of the session fee is charged for all absences of less than one week.
- If the illness or holiday extends for a week or more, then a portion of the weekly, regular or half day fees will be charged if the family has notified the Centre in advance for holidays or as soon as aware that the child will be absent for illness.
- Child Care Subsidy is only paid for a maximum of 42 absent days per year but extra days may be applied for with a Doctors Certificate for either the child or carer.

### Public Holidays

- The Centre will be closed for all public holidays.
- A portion of the full fees for sessions booked on public holidays will automatically be charged and the day will count towards your absences for the year.

### Occasional Casual Bookings

- Full fees are payable in advance. CCS can only be deducted if arranged in advance and the Centre has received notification of the percentage the family will receive.

### Withdrawal

- A minimum of 2 weeks' notice or payment of the full session fee for booked sessions in lieu of notice is required when withdrawing your child. This can be waived on a case by case basis.
- Child Care Subsidy can only be claimed up to the last day your child attends the Centre.

### Late Fees

- A fee of \$1.00 per minute, charged in 15 minute blocks will be charged for children not collected from the Centre during normal operating times. No CCS subsidy is claimable on late fees.
- Children not collected before the finish time of a morning session will be charged the regular session fee.

### Christmas Closure

- The Centre will close for 2 weeks over Christmas with Governing Council approving the closure dates by the end of term 3. Parent will be notified and reminded via the Fees Invoices of these dates once approved.
- All bookings during this period will be deleted so there will be no cost to families or use of absent days.

### Overdue Accounts

- Overdue means not paid by the Friday of the week after the child care was used.
- If families are having difficulty paying they can meet with the Finance/Admin Officer, Director or Assistant Director to negotiate an alternative plan of action.

### Stopping care and Debt Recovery

- One week overdue – you will receive a note highlighting that the balance is overdue and needs to be paid immediately; if unable to pay the full amount you may negotiate a payment plan.
- Two weeks overdue - you will be asked to contact Admin/Finance staff by Friday of that week to discuss payment options or future care will be stopped.
- Three weeks overdue – The Admin/Finance Officer will contact the family and discuss payment options plus reducing or stopping care until the debt is paid off.
- Four weeks overdue – all Care will be stopped until payment is received. The bond will be returned to the account and if there is still outstanding fees a copy of the Tax Invoice with a letter with payment options will be posted. If the bond was greater than the debt the family will be contacted to work out the best way to refund this amount. Governing Council will be informed of the debt and the steps that are being taken to recover the outstanding amount.
- Six weeks overdue – A final letter requesting payment will be posted to the family warning that failure to arrange payment of outstanding amounts will result in the Centre beginning debt collection through a Debt Recovery Company (Stokes Legal Lawyers). All costs related to debt collection will be added to any outstanding fees.
- Eight weeks overdue – debt collection will commence with Governing Council deciding on what action is to be taken

### EVALUATION:

This policy is viewed to be working effectively when

- Accounts are correct and paid promptly with no bad debts accumulated and the Centre is viable
- Reasonable arrangements are made for families experiencing financial difficulties

### SOURCES:

- Draft Child Care Provider Handbook as at 21 February 2018