

## ARMIDALE & DISTRICT FAMILY DAY CARE

### *Payment of Fees/Provision of Statement/Fee Setting Policy*

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| <b>Related documentation</b>    |                                                                                                                                                                                                                                                                                                       |
| <b>Policy/policies:</b>         | <i>Code of Conduct<br/>Inclusion Policy</i>                                                                                                                                                                                                                                                           |
| <b>Regulation/s/ Standards:</b> | <i>Regulation 168, 170, 171 &amp;172<br/>NQS Elements 7.3.1 &amp; 7.3.2<br/>Dept. of Education Childcare Handbook<br/>2016-17</i>                                                                                                                                                                     |
| <b>Related procedures:</b>      | <i>Management of Records</i>                                                                                                                                                                                                                                                                          |
| <b>References:</b>              | <i>My Home, My Business. A Business<br/>Handbook for Family Day Care Services.<br/>Dorrat, L and Nicolson, M.</i>                                                                                                                                                                                     |
| <b>Date effective</b>           | 6 February 2017                                                                                                                                                                                                                                                                                       |
| <b>Date for review</b>          | 6 February 2019                                                                                                                                                                                                                                                                                       |
| <b>Purpose</b>                  | To ensure AFDC and individual educators are aware of their obligations in relation to fee setting, that families are aware of their obligations in relation to payment of fees and that AFDC is compliant with Australian Government Dept. Of Education and Child Care Management System legislation. |
| <b>Responsibility</b>           | AFDC' s Board of Directors, Management and Educators .                                                                                                                                                                                                                                                |

#### **Key information:**

As the operator of an approved family day care service, it is AFDC's responsibility to manage all aspects of the operations of the service, including the services provided by educators.

As the service operator, AFDC is responsible for setting AFDC's fee charging schedule and establishing fee charging policies.

The Board of Directors is legally entitled to require the service's educators comply with the service's fee charging schedule and policies.

Furthermore, it is the service operator's responsibility to do so.

AFDC is required to notify the Department of Social Services of the range of fees charged by Educators and when those fees change.

When Coordination Unit staff report the attendance of children through Harmony software, including the fees charged, they are responsible for the accuracy of the data reported.

### **Payment of Fees:**

The fee educators charge a family must be a *real* fee – that is, it must be the fee that the family is actually liable to pay. AFDC must not report a fee to the CCMS unless the family is liable to pay that fee under the service's Parent/Educator contract.

If a family is receiving Special Child Care Benefit (SCCB), Grandparent Child Care Benefit (GCCB) or JETCCFA, Educators must not charge this family a higher fee than would have been charged if the family were not eligible to receive one of these payments. It is an offence to charge a family a lower fee, for example if an educator claims that a family simply couldn't afford the usual fee, and then to charge a higher fee once SCCB, GCCB or JETCCFA is approved.

The full amount of fee reduction amounts must be passed on to families within 14 days of the service being notified of the amount by the Department of Social Services. AFDC must use all practicable means to pass to families the fee reduction amounts advised by the Department of Social Services. It is an offence not to pass on the amounts within 14 days.

### **Provision of Statements:**

The Coordination Unit must regularly provide each family using our service with a statement about their child care usage, fees and CCB paid to families. This informs families about their use of care, how much it costs and how much financial assistance they are getting from the Australian Government.

**At a minimum**, a statement must be issued at least once every three months. Statements must be provided in writing and can be issued electronically if the family agrees to receive them that way.

Statements must be provided to the child's parent/guardian or, if a person other than a parent pays a child's fees and requests a copy of the statements, they must be provided to that person.

It is not necessary *to provide a statement for* any period where the parent is receiving SCCB because the child was 'at risk of serious abuse or neglect'.

Statements need to contain at least the following information:

- Name of service ,
- CCB Approval Id,
- Australian Business Number,
- The name of the person to whom the statement is issued,
- The name/s of child/children in respect of whom the care was provided,
- Absence Count,;
- Additional Absence Count';
- Weekly total of the number of hours of care for which the fees were reduced, and
- The date the statement is issued.

### **Fee Setting:**

- Educators should develop an independent fee schedule applicable to their service. The fee schedule should identify:
  - The Educator to whom it applies,

- The Educator's address and contact telephone number,
  - The Educator's Australian Business Number,
  - The date upon which the Fee Schedule becomes effective,
  - An hourly rate for booked hours of care during core hours ( 8am - 6pm),
  - An hourly rate for before and after school hour care and vacation care,
  - An hourly rate for weekend and out of core hours care,
  - An hourly rate for casual emergency care and care provided on Public Holidays, and
  - Booked minimum hours taken for non-school aged and school aged children, if applicable.
- Educators may charge families normal fees for all absences from booked hours of care, including Public Holidays, Annual Leave and Sick Leave Absences.
  - Educators are not required to provide care on Public Holidays. If a child's usual booked care day falls on a Public Holiday, the normal fee applies.
  - Both families and Educators must provide two weeks' notice of their intention to cancel care, and days of absence cannot be used in lieu of notice; the child must attend care on the final care day in order to be eligible for Child Care Benefit.
  - All Educators should provide families with a copy of their Fee Schedule prior to the commencement of care.
  - Educators may set fees for additional services such as meals, provision of nappies, etc.; fees for additional charges do not attract Child Care Benefit.
  - Educators may determine suitable penalties for early arrivals and late pickups, providing the payment is equitable across all families within the Educator's service. Receipting should identify the penalty portion as a separate payment item.
  - Educators cannot:
    - Charge fees for care if the Educator is not available to provide care,
    - Charge fees for any child not registered with the service, nor
    - Charge fees for a grandchild who resides in the Educator's home, unless approval is granted by the Dept. Of Social Services.

### **Amendments/Variations to Fee Schedules**

Educators should give four week's notice to families and Management in writing of their intention to vary their fees via an amended Fee Schedule.

### **Coordination Unit Enrolment Procedures**

- AFDC Management and staff will not enter into discussions relating to the value of an individual service in comparison to other services in terms of fee setting practices.
- If a family declines care due to the costs involved in an independent fee schedule, the Educator involved may be informed of this decision.