

# Fees Policy

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## PURPOSE

This policy will provide a clear set of guidelines for:

- The setting, payment and collection of fees
- Ensuring the viability of NERPSA and its services by setting appropriate fee charges
- Equitable and non-discriminatory application of fees across the programs provided

## POLICY STATEMENT

### 1. VALUES

NERPSA is committed to:

- Providing responsible financial management of all services, which includes establishing fees that will result in financially viable services while keeping user fees at the lowest possible level
- Providing a fair and manageable system for dealing with the non-payment and/or inability to pay fees/outstanding debts
- Ensuring there are no financial barriers for families wishing to access an early childhood program for their child/ren
- Maintaining confidentiality in relation to the financial circumstances of parents/guardians
- Advising users of the service about program funding, including government support and parent fees
- Providing equitable access for families eligible for the kindergarten fee subsidy.

### 2. SCOPE

This policy applies to NERPSA, individual services, their committees and staff and parents/guardians with an enrolled child or who wish to enrol a child at a service managed by NERPSA.

### 3. BACKGROUND AND LEGISLATION

The Department of Education and Training (DET) provides funding for each child who is enrolled and attending a funded kindergarten program in the year before school. From 2020, two years of funded kindergarten will be provided before a child begins school. This program is being rolled out progressively and will apply to some NERPSA services in 2021 and the remaining services in 2022. 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. In addition, the Kindergarten Fee Subsidy enables eligible families to attend a funded kindergarten program free of charge in the year/s before school.

DET also funds Early Start Kindergarten for three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection, to access kindergarten programs as outlined in *The Kindergarten Funding Guide*.

The Commonwealth Government provide a child care subsidy under the Family Assistance law, as a contribution to the cost of long day care programs.

Relevant legislation may include but is not limited to:

- Education and Care Services National Regulations
- *Child Wellbeing and Safety Act 2005*
- *Equal Opportunity Act 1995*
- *Disability Discrimination Act 1992*
- *Family Assistance Law and Childcare Payments*.

#### 4. DEFINITIONS

**Approved care:** Approved child care services, such as long day care, which have Australian Government approval to pass on Child Care Subsidy as a reduction in child care fees.

**Child care subsidy (CCS):** A Commonwealth Government payment to help families who use approved child care services. All eligible families can receive some Child Care Subsidy under *Family Assistance Law and Childcare Payments*. Details are available at <https://www.servicesaustralia.gov.au/individuals/services/centrelink/child-care-subsidy>

**Health Care Card:** A Commonwealth Government entitlement for low-income earners.

**Fee:** A charge for a place within a program at the service.

**Kindergarten fee subsidy (KFS):** A state government subsidy paid directly to the funded organisation to enable eligible families to attend a funded kindergarten program for 15 hours free of charge.

**Late Collection charge:** A charge that may be imposed by the committee when parents/guardians are late to collect their child/ren from the program (see Attachment 1, General fee information).

**Other charges:** A charge for items not directly related to the provision of the children's program, such as sun hats.

#### 5. SOURCES AND RELATED POLICIES

- *Victorian Kindergarten Policy, Procedures and Funding Criteria*
- *Family Assistance Law for Childcare Payments*
- Complaints and Grievances
- Delivery and Collection of Children
- Enrolment
- Privacy

#### PROCEDURES

##### **NERPSA is responsible for:**

- Reviewing the current budget to determine fee income requirements
- Developing a fee policy that balances the capacity of parent's capability to pay, providing a high-quality program and maintaining service viability
- Complying with *Family Assistance Law for Childcare Payments*
- Considering any issues regarding fees that may be a barrier to families enrolling at individual services and removing those barriers wherever possible
- Considering options for payment when affordability is an issue for families
- Clearly communicating the NERPSA Fees Policy and payment options to families in a culturally sensitive way, and in the family's first language where possible
- Providing all parents/guardians with a statement of fees and charges and making the Fees Policy readily accessible at the service (Regulation 171)
- Collecting all fees
- Documenting the type of concession card and expiry date of eligible concession card holders
- Complying with the service's Privacy Policy in regard to any information it receives relating to the financial situation of parents/guardians and the payment/non-payment of fees
- Notifying parents/guardians within fourteen days of any changes to the arrangements for the payment of fees (Regulation 172(2))

##### **Educators are responsible for:**

- Informing NERPSA of any complaints or concerns that have been raised regarding the fees at the service
- Referring parents'/guardians' questions in relation to this policy to NERPSA

##### **Parents/guardians are responsible for:**

- Reading the NERPSA General Fee information (Attachment 1 and 2)
- Complying with the fee payment requirements contained within this policy
- Notifying NERPSA if experiencing difficulties with the payment of fees
- Providing the required documentation to enable NERPSA to claim the Childcare Subsidy or Kindergarten Fee Subsidy for eligible families.

## **EVALUATION**

In order to assess whether the values and purpose are met, NERPSA will:

- Assess the effectiveness of the payment options and procedures for the collection of fees
- Review the current budget to determine fee income requirements
- Take into account feedback from staff and parents/guardians regarding the NERPSA Fees Policy
- Monitor complaints and incidents regarding the NERPSA Fees Policy
- Review the number of families experiencing financial hardship and the effectiveness of the procedures for late payment and support offered
- Monitor the number of families/children excluded from the service because of the non-payment of fees.

## **ATTACHMENTS**

Attachment 1: General fee information

Attachment 2: Childcare fee information

## **AUTHORISATION**

Adopted: 31/07/2012

Last review date: 01/11/2020

Next review date: 01/07/2021

### 1. Why fees are necessary

The Commonwealth Government provides a subsidy as a contribution to the cost of long day care programs and State and Commonwealth Governments provide per capita funding as a contribution towards the cost of providing funded kindergarten programs. From 2020, two years of funded kindergarten will be provided before a child begins school. This program is being rolled out progressively and will begin to apply to some NERPSA services in 2021, and the remaining services in 2022. Services meet the balance of costs through charging fees and fundraising activities.

DET provides a Kindergarten Fee Subsidy (see below) that enables children from eligible families to attend a kindergarten program free of charge in the year(s) before school.

DET also provides funding to assist eligible three-year-old Aboriginal and Torres Strait Islander children, and children known to Child Protection, to access kindergarten programs.

NERPSA provides a range of support options to parents/guardians experiencing difficulty with payment of fees (see below).

### 2. How fees are set

As part of the budget development process, NERPSA sets fees each year for the programs at each service, taking into consideration:

- the financial viability of the service
- the level of government funding provided for the program, including the Kindergarten Fee Subsidy
- 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
- requirements of *The Kindergarten Funding Guide* (Department of Education and Training) available from the DET website: [www.education.vic.gov.au](http://www.education.vic.gov.au)

Once fees are set for the year, they will only be reviewed in extraordinary circumstances, for example, if enrolments drop and the service is at risk of not being able to meet its expenses.

### 3. Other charges

Other charges levied by NERPSA include:

- **Late collection charge:** NERPSA reserves the right to implement a late collection charge when parents/guardians are frequently late in collecting a child from the service to cover additional staffing costs.

### 4. Statement of fees and charges

A statement of fees and charges for services will be provided to families on enrolment.

### 5. 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.

### 6. Subsidies

#### 6.1 Kindergarten Fee Subsidy (DET funded programs only)

The Kindergarten Fee Subsidy is provided by DET and enables eligible children to attend 15 hours of kindergarten free of charge. Eligibility conditions may change from time-to-time – contact NERPSA for further information.

Families may be eligible for the Kindergarten Fee Subsidy in funded kindergarten programs if their child:

- identifies as Aboriginal and/or Torres Strait Islander; or
- holds, or has a parent/guardian who holds a Humanitarian or refugee Visa; or
- is a multiple birth child (triplets or more); or
- holds, or has a parent who holds a Commonwealth Health Care Card, Pensioner Concession Card or Veteran's Affairs Card.

Where a child is identified by a parent, carer or legal guardian as an Aboriginal and/or Torres Strait Islander, no verification is required.

## Attachment 1: General fee information

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In all other instances, supporting documentation must be sighted by NERPSA on acceptance of a place or on commencement in the program. Families are eligible for the Kindergarten Fee Subsidy for the full term in which their concession is valid. Contact NERPSA for further information.

### 6.2 Early Start Kindergarten fee subsidy

Three-year-old Aboriginal and Torres Strait Islander children and children known to Child Protection are eligible to attend a funded early childhood program that is planned and delivered by a qualified early childhood teacher free of charge. The service receives funding for children who meet the eligibility criteria. Contact NERPSA for further information.

### 6.3 Kindergarten Fee Discount For Twins

For children who are twins and both are attending the same three or four-year-old kindergarten program, a discount of \$20 per term for the second set of fees will be applied. The discounts will be recorded in the invoices provided for the fees for each term.

### 6.4 Child Care Subsidy (CCS)

Child Care Subsidy (CCS) is an Australian Government subsidy that can assist eligible families with the costs of childcare at an approved provider. NERPSA is an approved care provider (for long day care services only) with the Family Assistance Office (FAO).

Approved child is childcare that meets certain standards and requirements, and is approved by the Australian Government. Approved child care providers must hold a licence to operate, have qualified and trained staff, be open certain hours and meet health, safety and other quality standards.

The amount payable is determined by Commonwealth Government and the circumstances of the applicant including the family income, the hourly rate cap and the hours of activity undertaken by the parents. Further information for parents can be found here:

<https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy>.

## 7. Payment of fees

NERPSA will regularly review payment options and procedures to ensure that they are inclusive and sensitive to families' cultural and financial situations.

Fees for kindergarten programs will be invoiced to parents/guardians directly and must be paid by the date indicated on the invoice. Each invoice will be accompanied by payment instructions and term fees must be received in full prior to the child attending for that term. For children enrolled after the commencement of a term, a pro rata invoice will be issued and must be paid in full within 14 days of the child's commencement at the service.

Childcare fees will be invoiced on a fortnightly basis. Invoices will show any childcare subsidy payments made by the Commonwealth Government and the remaining gap fee is to be paid by parents/guardians within 14 days of the date of the invoice.

Parents/guardians experiencing difficulty in paying fees are requested to contact NERPSA 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.

## 8. Unpaid fees

If fees are not paid by the due date, the following steps will be taken:

- A reminder invoice will be forwarded after one week of the due date giving 10 working days for payment
- Where a payment is still not received, a reminder email/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 contacted to discuss the range of support options available and establish a payment plan
- 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
- If a decision is made to withdraw the child's place at the service, the parents/guardians will be provided with fourteen days' notice in writing
- NERPSA will continue to offer support and will reserve the right to employ the services of a debt collector

## **Attachment 1: General fee information**

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- No further enrolments of children from the parents/guardians will be accepted until all outstanding fees have been paid.

### **9. Refund of fees**

If a family becomes eligible for the Kindergarten Fee Subsidy during a term, a full refund of the applicable term fees will be provided. In any other case, fees are non-refundable (exceptional circumstances may apply – these are at the discretion of NERPSA). There will be no refund of fees in the following circumstances:

- a child's short-term illness
- public holidays
- family holiday during operational times
- closure of the service for one or more days when a qualified educator is absent and a qualified reliever is not available
- closure of the service for staff training days
- closure of the service due to extreme and unavoidable circumstances.

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.

For funded kindergarten programs, a refund of Term 1 fees less a \$20 non-refundable deposit, will be given if a place is cancelled before the commencement of term 1.

### **10. Support services**

Families experiencing financial hardship often require access to family support services. Information on these services is available from NERPSA or service staff.

### **11. 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.

### 1. Billing

Families will be billed on a fortnightly basis. Families are expected to pay the gap fee shown on the invoice each fortnight and not allow fees to fall more than two weeks into arrears. The invoice will detail the days and times of attendance in childcare, the childcare subsidy paid by the government and any parent payments.

### 2. Public holidays and Christmas closure

Parent fees are not charged when the service is closed for public holidays and the Christmas holiday closure period.

### 3. Family holidays and non-attendance days

When a child does not attend the service for reasons such as illness or holidays, families will continue to be charged for services according to the child's regular booking. Families who take extended holiday periods but wish to hold their child's place at the service will be expected to pay the regular fees for the place.

### 4. Absenteeism

If a child is to be absent for the day, parents are requested to telephone the service as soon as possible to inform educators. If the child is sick it is important to inform the service of the nature of the illness, symptoms and any diagnosis is helpful in containing the spread of illness.

### 5. NERPSA Annual Professional Development day

NERPSA believes that ongoing professional development and training is vital for our staff to remain at the forefront of their profession and continue to provide quality early childhood education and care. NERPSA may close the service one day per year (usually term 3) to allow all educators to attend a professional development day. On this day all NERPSA services will be closed. Families will need to arrange alternative care for their children on this day and will be notified of the day in advance. Families will not be charged for services on this day.

### 6. Cancellation of booking

Families are asked to provide 2 weeks' notice of the cancellation of a booking. Fees will continue to apply for the two weeks' notice period unless cancellation of booking is due to an illness and a medical certificate is provided.

### 7. Fee subsidy entitlements

Australian families will need to satisfy the Australian Governments Activity test to be eligible for childcare subsidy. More information about eligibility can be found at <https://www.humanservices.gov.au/individuals/services/centrelink/child-care-subsidy> or telephone the FAO on 136 150.

### 8. Kindergarten only

Families who only wish to attend a funded sessional kindergarten program within a Long Day care service should see the information for kindergarten fees in the following table.

### 9. Combined Kindergarten and long day care

Families who attend integrated kindergarten in the long day care program will be subject to the fee information in the following table:

**Attachment 2: Childcare fee information**

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<p>Child attends full days of childcare with 15 hours of funded kindergarten program within the days of care</p>	<p>A full day childcare fee is charged for each full day of care and the parent pays the gap fee after the childcare subsidy has been paid by the government.</p>	<p>No kindergarten fee to be charged.  No kindergarten fee subsidy (KFS For HCC) can be claimed.</p>
<p>Child attends only hours the funded kindergarten session is offered.</p>	<p>A half day childcare fee is charged for each day and the parent pays the gap fee after the childcare subsidy has been paid by the government.  Attendance on any other day outside of the Kindergarten program will incur the applicable half/full day fee.</p>	<p>No Kindergarten fee to be charged.  No kindergarten fee subsidy (KFS) can be claimed.</p>
<p>Child attends only hours the funded kindergarten session is offered and the parent or child has a Healthcare card or pension card.</p>	<p>No childcare fees will be charged for the day.  Attendance on any other day outside of the Kindergarten program will incur the applicable half/full day fee and the parent pays the gap fee after the childcare subsidy has been paid by the government.</p>	<p>No Kindergarten fee to be charged.  Kindergarten fee subsidy (KFS) can be claimed.</p>