

10.4 Setting, Reviewing and Managing Fees Policy

Policy Statement

The Service aims to provide a quality service to families at a reasonable and fair cost. The Approved Provider will set fees based on the annual budget required for the provision of a quality Outside School Hours Care service in keeping with the Service's philosophy statement, program goals, and these policies and procedures. Families will be provided sufficient notice to plan for these changes where fee structures or amounts change.

Child Care Subsidy is available to all families who meet eligibility guidelines (including residency, activity and immunisation). This funding plays a vital role in making out-of-pocket fees affordable, and the Service is committed to helping families access these supports as relevant.

To reduce administration and associated costs, Middle Park State School OSHC supports the use of direct debit as a means to pay family accounts. The Service has established controls to ensure parents are able to access this system and be charged in accordance with their service usage.

Ongoing and accrued debt is not an accepted practice. Parents routinely failing to keep their accounts up-to-day jeopardise their bookings and enrolment in Middle Park State School OSHC. The Nominated Supervisor will provide ongoing reports to the Approved Provider to ensure aged debt does not accumulate.

The Service will issue a statement of fees to account holders each week consistent with the billing cycle. Account holders (parents and carer) are to notify the Accounts Manager/Nominated Supervisor if they believe there is an error in their billing or fees charged.

The Approved Provider also recognises their duty to comply with *Education and Care Service Regulations 2011* 168 (2)(n) and 172(2).

Related Policies

- 2.14 - Bookings and Cancellations
- 3.5 - Excursions
- 9.2 - Enrolment

Auxiliary Documents

- 10.4.1 - Schedule of Fees

Roles and Responsibilities

Approved Provider	<ul style="list-style-type: none">• Undertake an annual review of fees charged based on the annual budget required for the provision of quality OSHC services.• Comply with Child Care Subsidy requirements, including the management being fit and proper persons.• Ensure systems to manage fees (including third-party software), and record-keeping practices reflect the requirement of Family Assistance Law, including the Child Care Provider Handbook.
Nominated Supervisor	<ul style="list-style-type: none">• Organise annual review of fees with recommendations and information to assist the Approved Provider in making sustainable business decisions.• Supervise and support the Accounts Manager to uphold their duties.• Comply with Child Care Subsidy requirements, including the management being fit and proper persons.• Ensure day-to-day practices reflect the Service's policies, Family Assistance Law requirements, and the Education and Care Services National Regulations.• Reporting accrued debts and payment issues to the Approved Provider.

Accounts Manager	<ul style="list-style-type: none"> • Manage the weekly processing and administration of accounts, including the CCS enrolments/submission and the issuing of statements. • Respond to concerns or issues raised by parents/account holders. • Monitor account debts and liaise with parents/account holders to plan a course of action. • Report accrued debts information and relevant payment issues to the Nominated Supervisor. • Undertake the collection of fees as directed by the Approved Provider and procedures below. • Collect payments from parents/account holders and issue receipts.
Responsible People	<ul style="list-style-type: none"> • Collect payments from parents/account holders and issue receipts. • Refer concerns or issues raised by parents/account holders to the Accounts Manager.

Procedures

Fees Charged

Fee Information

A schedule of fees charged by the Service will be published and accessible to families, including being displayed in a prominent location near the entrance of the OSHC building.

Review of Fees

Fees are reviewed annually by the Approved Provider in consultation with the Nominated Supervisor. Fee adjustments are to be considered at the beginning of each financial year (1 July). Fee increases are based on the provision of quality OSHC, reflecting the costs associated with meeting the Service's philosophy and goals of the program and within the framework of the Service's policy and procedures.

Communication of Fee Changes

Communication of fee changes (or how fees are collected) will occur at least **14 days** before making changes. Notification will occur via email, signage near the entrance and social media platforms.

CCS – Session Cancellation and Absences

If families provide seven (7) days notice, families will be able to cancel a session meaning no charge. When families notify us with in the seven (7) day period, families will be marked absent this will mean that families are still liable for the gap fee.

Families are able to access up to 45 absences a year before their CCS entitlement will be affected.

Definition of Fee Types

- **Permanent Booking** - a reduced fee rate, defined by a consistent routine pattern of planned attendance of one or more days per week throughout the term.
- **Casual Booking** - a higher fee, reflecting the casual nature of attendance and irregular booking pattern.
- **Vacation Care Fees** - excursion and incursion fees are charged according to the days and sessions booked. Fees will be calculated based in a cost analysis for each event. Parents will be advised of additional fees associated with various vacation care activities.
- **Late Collection Fees** - Closing time is 6.30pm. Parents who collect their children after this time will incur a late fee to compensate employees for overtime rates, as required by relevant industrial instruments.
- **Non-Communication Fees** - A fee added to a family's accounts when there has been no notification of an absence or additional booking where a child has shown up at the Service without a booking.

Issuing of Statements and Payment of Fees

Fees will be paid for all days booked by Friday each week.

Every account holder will be issued a statement via email weekly. The statement will show the current week's charges and transactions, a breakdown of reduced fees and estimated reduced fees for each child receiving CCS.

Payment Methods

Accepted payment methods include:

- Direct debit,
- Eftpos
- EFT (i.e. direct deposit).

Child Care Subsidy

The Management / Administration Team will keep parents informed about the availability of Child Care Subsidy (CCS) by:

- advising all parents of their option to apply for Child Care Subsidy with Centrelink through information provided in the family handbook; and
- making information available for parents on websites, through Facebook and by email.

Families must provide all personal information as requested on the enrolment form to be eligible for reduced fees through obtaining a child care subsidy. Full fees will be payable without the subsidy until the Service receives current and correct information from the family, such as CRNs, and Centrelink has acknowledged that information.

To streamline CCS enrolment and access to subsidy fees, families should lodge their claim for CCS prior to enrolling their child at the Service. Subsidy claims can only be backdated 28 days before the claims are made. Credit for fees already paid will be made in accordance with the Australian Government's Child Care Provider Handbook.

Recovery of Overdue Fees (Debt Recovery)

Parents experiencing hardship are encouraged to discuss their individual circumstances with the Service's administration to explore possible options to pay family accounts. Steps should be taken prior to an account being in arrears.

Communication and Collaboration

Throughout debt recovery processes, the Service's representatives will strive to be respectful and consultative. Middle Park State School OSHC understands that families can sometimes have unforeseen circumstances that impact their ability to make timely payments. Where families work in partnership with the Service to resolve fee issues, options can be considered where practicable to accommodate such unforeseen changes.

Identifying Debt Accrual

Every week centre administration will review accounts, any accounts higher than the 'gap fee' (full fee minus CCS entitlement) will be highlighted for monitoring.

Debt Management

Stage 1 14 days overdue	<ul style="list-style-type: none">• 14 days of the ongoing debt being overdue (account with higher debt than the 'gap fee'), the account holder will be contacted via email to raise awareness of the outstanding balance to:<ul style="list-style-type: none">○ Bring it to the attention of the account holder; and○ identify any issues impacting ongoing non-payment.• If circumstances prevent the account holder from paying, the Account Manager will agree to terms to establish a payment plan as necessary to assist the family's needs.
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	<ul style="list-style-type: none"> Any agreed payment plan must actively contribute to paying down accrued debt (an amount greater than the fees commensurate with their booking). All agreements will be communicated and confirmed in writing (email) and retained by the Account Manager. The account Manager will send a copy of the Payment plan to the Approve Provider
Stage 2 14 days since compliance with agreement or 7 days of no contact.	<ul style="list-style-type: none"> Escalation to Stage 2 will occur when: <ul style="list-style-type: none"> the account holder has not contacted the Service to establish an agreement within 7 days; or payment has not been received within 14 days after the overdue notice was sent; or a payment plan has not been followed as agreed. The Account Manager will send an email to the account holder: <ul style="list-style-type: none"> requesting the payment of outstanding monies be paid within 7 days; included will be relevant copies of agreements/communication and a current statement; the Nominated Supervisor will be cc'd into the email. The account holder will be cautioned that if outstanding fees are still in arrears in 7 days following the date of the notice, the Service may suspend all bookings related to the account. The Account Manager will prepare a report stating the rationale for the failure to pay notice. The report will be submitted to the Nominated Supervisor. Failure to pay reports will include details of the debt, communication attempts and details of agreements that have been made.
Stage 3 7 days following notice of failure to pay	<ul style="list-style-type: none"> Where the required payment has not been received within 7 days, the account holder will be advised by the Nominated Supervisor that bookings related to their account have been suspended. The Approved Provider will be notified of the suspension. Where an account holder has demonstrated a genuine effort to rectify the debt but cannot make a full payment, the Nominated Supervisor may, at their discretion, establish a newly revised payment plan. Any continued breaches will result in progression to stage 4.
Stage 4 Following the suspension of the bookings	<ul style="list-style-type: none"> Once account bookings have been suspended, the Nominated Supervisor will write to the account holder stating: Full payment of outstanding debt is required within 30 days. Unless payment has been made in full, the enrolments relating to the account will be suspended, and any bookings will be permanently released. The booking can be reactivated when full payment is made within 30 days. Any ongoing debt concerns will initiate a return to stage 4 and may result in permanent suspension of enrolment.
Stage 5 Following 30 days of booking suspension	<ul style="list-style-type: none"> Where no payment has been received, and the enrolment has been suspended, the Nominated Supervisor will email the account holder with a letter of demand. The letter will advise of possible formal debt recovery unless full payment is made within 2 weeks from the date of the letter, the cost of which will be passed on to the account holders. Any account holder requiring stage 5 debt management will be permanently excluded from holding an account with the Service.

Payment Plans

Middle Park State School OSHC allows payment plans to be used as a tool to support families paying down overdue fees.

Payment plans should not unnecessarily expose the person to further debit. As per ACCC/ASIC guide- *Debt collection guideline for collectors and creditors*, it is unreasonable when considering payment plans for the Service to put families in a position of:

- having to access super early,
- borrow from family or friends to pay out the debt, or
- get further into debt to pay out an existing debt.

Payment plans should enable the account holder to settle the account in a reasonable time. Reasonable is defined for this policy to be the payment of outstanding debit within the calendar year.

Cancellations and Refunds

Cancellations of bookings will be made in accordance with the Bookings and Cancellations Policy (see Policy 2.14) and will incur any relevant fees and charges according to such policy.

If a family has permanently cancelled care and their account is in credit, the Service will make contact in writing to confirm their preferred course of action, including:

- a refund (providing account details for transfer), or
- a donation of credit balance to the Service.

Relevant Laws and Provisions

- *Education and Care Services National Law Act, 2010 and Regulations 2011*
- *Family Assistance Law*
- *Department of Education and Training Child Care Provider Handbook*
- *National Quality Standard, Quality Area 6 – Collaborative partnerships with families and communities and 7 – Governance and leadership*

ECEC Regulation Compliance

- *Education and Care Services National Regulations 168 (2)(n) and 172(2).*

Policy Controls			
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