

Policy 6.2 | Family Fee Charges & Levies

Policy Date:	July 2016
Review Date:	Last reviewed date: December 2017 Reviewed June 2018
Applies to:	Service staff, Educators and Families
Related Policies and Forms:	6.2A Fee Schedule 6.2B Educator fee form
Material Sources:	Education and Care Services National Regulations National Quality Framework Child Care Education and Care Services National Law 2011 A New Tax System (Family Assistance) Act 1999 • A New Tax System (Family Assistance) (Administration) Act 1999 Child Care Benefit (Eligibility for Approval and Continued Approval) Determination 2000 and other legislative instruments made under the two acts above.

Policy Statement

NSW In-Home Childcare Service will ensure that all fees and charges are in accordance to all Government requirements and practices are fair and equitable to both the educator and family, ensuring the service, families and educators are compliant at all times.

Purpose

NSW In-Home Childcare Service (NSWIHCS) has a responsibility to provide clear, precise guidelines for Service Providers, Educators and families in their obligations in relation to fee setting. Families will also be made aware of the fees and charges in relation to the educators' service and what the expectations and responsibilities are in remaining compliant under the governing laws and regulations.

Strategies and Practices

Planning Process

NSW In-Home Childcare Service will certify that all Educators and families are aware of their obligations in regards to setting fees for care.

As per the Family Assistance Law, guardians/parents must be charged fees by the approved Childcare Subsidy Service. Therefore the service is responsible for setting a fee charging schedule and establishing fee charging policies and not the family.

Educators are legally responsible to comply with the service's fee charging schedule and policies.

The *family cannot set the fee for the educator* as the fee is set between the educator and service provider according to the service recommended fee schedule.

Guidelines & Payment of Fees

1. Educators are not a direct employee of NSW In Home Childcare Services. Educators are Sole Traders (Self-employed) and are contracted to the Service provider to provide a service to families.

2. The same rate of fee must be applied to all families using the same type of care.

3. Educators cannot charge a higher fee for a family receiving Additional Child Care Subsidy. Educators should consider setting their fees, so they are affordable for all families.

4. Educators are required to set their fees in consultation with the service provider and not the family.

Considerations when setting fees are:

- Type of service offered
- Use of vehicle, cost of travel
- Qualifications
- Experience

Only care that is focused on Early education and Care can be claimed under the subsidy.

Other types of activities are outside the scope of IHC as:

- Household chores such as cleaning, shopping and meal preparation, unless undertaken in relation to the caring for the child/children in the session of care
- Assisting in moving to a new house for the family e.g. packing items
- Education and care provided by unqualified educators

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- Support services not directly related to Early childhood education and care, including parental support and disability support
- Multi-care (i.e. where care is provided for children from more than one family)
- Activities out of scope of CCS
- Allied health services
- Supervision of distance education and home schooling (see section 2.5.2 of National Guidelines)
- Respite care (see section 2.5.3 of National Guidelines)
- Any other activities unrelated to Early Education and Care
- Support services not directly related to Early Childhood Education and care, including parental support and disability support

5. Educators are required to provide their fee/rate to the service provider for approval. Fees cannot be set with the family. Fees must be set with the service provider and their charging practices must reflect the service fee schedule which commences from \$25.00 to \$30.00.

Each financial year educators will be able to adjust their fees in keeping in line with our fee schedule and in line with CPI Index increases.

6. The educator will inform the family of the fee rate they are charging and supply the family with their fee schedule which has been approved by the service for the family to be fully aware of our charging practices.

7. The schedule of fees developed by educators must contain statements setting out all fees, charges, conditions of payment in their services and must include the following:

- Educators working hours, including days e.g. working public holidays
- Fees charged for standard and non-standard periods of care such as public holidays, weekend rate.
- Remember all fees must be approved by the service and not the parent.

8. Fees are charged per hour per family and not per child

9. If families require the educator to work additional hours, regardless of absent days, there will be a charge for the additional time.

10. The parent is liable to pay full fees for any hours they have exceeded of their approved maximum hours of care.

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Children attending more than one service type will need to be aware that the hours used at another service will reduce the hours they may use and will be subsidised for In Home Care program.

11. It is the family's responsibility to pay the educator the gap fee owing per each pay cycle. It is the educator's responsibility to ensure they receive the gap fee from the family. A receipt of payment received must be provided to the family once the educator has received the gap fee.

If the family is unable to undertake this within the pay cycle, educators must contact our office during business hours for assistance.

It is the responsibility for the educator to follow up outstanding payments from the family.

Public Holidays

One hundred percent of the normal fee is charged when the public holiday falls on the child's contracted days of care.

Standard/Non Standard Hours

Standard Hours are from 8 am to 6 pm

Non-Standard Hours are before 8 am and after 6 pm

Charges and levies

NSW In-Home Childcare Service charges an administration levy \$6.00 per family per hour (not per child) through the subsidy. This charge is an additional charge on top of the educator fees and must be included in the attendance records. This admin amount with the educator fee is reflected in the family's CWA certificate.

New Families will be charged a non-refundable application/ processing fee of \$60.00 as of 1.7.2019.

Rural and Remote Educators

Educators who live on the premises of families located on remote rural properties must not be disadvantaged by receiving a lower income because they live on the premises.

Any living expense must be charged to the educator after the full entitled payment amount to the educator is paid for the sessions of care provided.

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Allowable Absences

The subsidy is paid up to 42 allowable absent days per each child within a financial year. These absences can be taken for any reason and do not require supporting documentation however they are only claimable (provided there is a current contract) on the day which care would otherwise have been provided

The educator must provide a session of care for the first day of actual care or the last day of care.

Care cannot **commence or cease on an Absent day** or the educator will not be paid. In the event the family/educator ceases on an absent day. Full fees will be payable by the family.

24 Hour Care

Prior approval must be given by NSW In-Home Childcare Service before a session for 24 hour care can occur. The family must meet the requirement set by the government in order to access 24 hour care.

The educator will be provided a 24 hour approval number should 24 care be approved.

Additional Childcare Subsidy

Families who receive the Additional Childcare Subsidy must ensure that 20 days prior to their current funding period ending they provide their application and supporting documentation as per the government requirements.

Families are to reduce the hours of care if the current funding period has lapsed to ensure that if approval is not granted the payable gap fee is manageable for families. It is the family and educator's responsibility to ensure they keep a record of the date the additional childcare fund ceases. Families will be liable to pay the gap fee if their ACCS is not approved by the Department of Human Services (DHS).

NSW In-Home Childcare Service will advise families and educators of the family's Additional Childcare Subsidy application outcome via email once we have received confirmation from DHS.

****Please note:** There may be times when the DHS is backlogged, and an outcome is not received before the current period ends. It is strongly recommended that families reduce hours of care in the event the outcome is not a continuation of ACCS funding.

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Termination of Care

Families or educators must provide 'fourteen days (14)' written notice provided by either party for termination of care arrangement. The service will also need to be informed of this decision.

Termination of contract between the family/educator and service may cease due to fraudulent behaviour or a breach without the 14 days' notice being required.

Procedures

1. Educators will be informed of the Service Fee Schedule upon their initial enquiry for educators to be fully aware of the service fee charging practices.
2. Educators who have successfully completed the recruitment process, will consult with the Family Liaison Facilitator or Service Provider regarding setting their fees and charges. Educators are not to set their fees with the family.
3. The educator will forward their fee schedule template to the service for approval.
4. On approval the educator will provide the fee schedule to any potential family they are contracted to provide care for.
5. Educators must seek the service approval before any charges to fees and charges can be made.
6. Each Financial year an educator as a sole trader, can consult with the Family Liaison Facilitator and adjust their fees accordingly to the CPI index increases.