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## Introduction

### Purpose

Lake Macquarie City Council (Council) operates Lake Macquarie Family Day Care (FDC) to supply approved home-based education and care service to the community. Council applies fees and charges to contribute to administration and operational costs borne by Council.

Council is approved to enable eligible parents to access Commonwealth Child Care Subsidy (CCS) to assist with the cost of care. Under applicable Family Assistance Law, Lake Macquarie Council/FDC is responsible for setting a fee charging schedule and establishing fee charging policies. Lake Macquarie Council/FDC has a responsibility to ensure fees, charges and conditions are compliant with Commonwealth legislation and guidelines of the Child Care Provider Handbook.

Lake Macquarie Council/FDC must ensure that parents of enrolled children are notified at least 14 days before making any change that will affect the fees charged or the way in which fees are collected (Regulation 172). Lake Macquarie FDC applies an extended notice period to enable necessary administration process to occur.

Council registers Educators to provide education and care on behalf of Lake Macquarie FDC. Educators are independently self-employed, and determine their own remuneration for care provided on behalf of Council. Remuneration arrangement occurs through setting out written individual Educator Fees, Charges and Conditions schedule with Lake Macquarie FDC. Council authorises Educators to act as agents for Council and collect fees from parents on behalf of Council.

To be eligible to claim CCS, parents are obligated under Family Assistance Law to pay a calculated gap-fee contribution for care, and to pay this via electronic funds transfer (EFT). Lake Macquarie FDC has the right to refuse to provide a service to families who refuse to pay the gap fee electronically. The Commonwealth Government conducts checks of payments, and Lake Macquarie FDC must ensure required records are 'at hand' to supply when notified.

### Scope

This procedure outlines arrangements for

- Lake Macquarie FDC setting the Approved Service Fees and Charges, and establishing care agreements with families
- Registered educators setting and applying their fees and charges remuneration, and conditions for care agreements with families.
- Exclusions from Fee liability, or Child Care Subsidy eligibility
- Responsibilities for collection and payment of fees and charges, including invoicing and receipting, and providing Statement of Fees

Processing and auditing payments and claims is addressed in the 'Attendance Record processing and Audit Procedure'.

Matters of grievance regarding Fees are addressed in the 'Complaints Handling Procedure'.

### Procedures

Item		Resources
<b>Charges levied by the Approved</b>	<b>The Approved Service will:</b> 1. review charges levied by the approved service (including	Lake Macquarie Council Fees and Charges

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**Procedure - internal Family Day Care Fees & Charges**

<p><b>Service</b></p>	<p>parent and educator administration levies and other operational charges) in accordance with the Lake Macquarie City Council Fees and Charges Procedure.</p> <ol style="list-style-type: none"> <li>2. exhibit draft Fees and Charges annually in accordance with Lake Macquarie City Council Fees and Charges Procedure.</li> <li>3. provide information on current Approved Service charges to parents and educators on enrolment/registration, and following the annual review</li> </ol>	<p>Procedure</p>
<p><b>Individual Educators' Schedule of Fees, Charges and Conditions</b></p>	<p><b>The Approved Service will:</b></p> <ol style="list-style-type: none"> <li>4. provide educators with a template Schedule, outlining items that must be addressed in Educator Fees, Charges and Conditions and claims for remuneration</li> </ol> <p><b>Educators will:</b></p> <ol style="list-style-type: none"> <li>5. provide a copy of their proposed Fees, Charges and Conditions Schedule for education and care they will provide on behalf of Council, prior to commencing registration, that sets out information on all items as contained in the Approved Service template, including when fees are due and how payment will be accepted.</li> <li>6. fully disclose, explain, and provide a copy of their Fees, Charges and Conditions Schedule to the CCS-claimant-parent of each child seeking placement with them, before the parent enters in to a booking agreement for education and care</li> <li>7. notify and provide both the Approved Service and families a copy of any amended Fees, Charges and Conditions Schedule, at least one month before any revised Schedule is due to take effect.</li> <li>8. obtain written agreement/confirmation of the Fees, Charges and Conditions Schedule with the CCS-claimant-parent prior to commencing placement, and when amendments are implemented</li> <li>9. only apply the fees, charges and conditions as set out in their Fees, Charges and Conditions Schedule current at the time education and care is provided.</li> <li>10. review fees, charges, and conditions applicable to their service at the commencement of each financial year and at regular intervals.</li> </ol>	
<p><b>Exclusions from charging fees and claiming/</b></p>	<p><b>Educator may NOT;</b></p> <ol style="list-style-type: none"> <li>11. discount or increase fees for some families using the same type of care in their service</li> </ol>	<p><a href="#">Child Care provider Handbook</a></p>

**Procedure - internal Family Day Care Fees & Charges**

<p><b>receiving CCS</b></p>	<ol style="list-style-type: none"> <li>12. charge fees for care if they are not available to provide care (e.g. while the educator is sick or on holidays, or if not available to provide a full session of care)</li> <li>13. charge fees if their service does not operate on public holidays, <b>unless</b> the child would normally have attended a booked session of care on that day if it were not a public holiday</li> <li>14. charge a fee that has not been disclosed and outlined prior with appropriate notice in their Fees, Charges and Conditions schedule</li> <li>15. provide care nor charge fees for any child not registered with Lake Macquarie FDC</li> <li>16. claim CCS for their own (or their partner's) child/ren that reside with them, including children under foster care, adopted care, kinship care, or any child they have legal responsibility for.</li> <li>17. claim CCS for their (or their partner's) brother, sister, half-brother or half-sister, step-brother or step-sister</li> <li>18. receive CCS for more than 50% of children in care that are related to them (relative-children rule) *children who are an educator's niece/nephew, cousin or grand/great grandchild must make up fewer than half of the children provided care by the educator in a CCS fortnight.</li> <li>19. receive CCS when providing care for a child whose parent (or their partner) is working as a FDC educator on the same day the child is in care (unless exempted by limited exceptions to this rule under Family Assistance Law) ('child-swapping' rule)</li> <li>20. receive CCS if the child and/or the child's parent is a domestic resident of the FDC premises or venue (either on a temporary or permanent basis)</li> <li>21. receive CCS before a child physically attends their first day of care, or after the child's last physical day of attendance, except in certain circumstances ('first and last day absences' rule)</li> <li>22. receive CCS when a child is attending school or engaged in a formal schooling program (including a home schooling or distance education program) during any part of a session of care</li> <li>23. receive CCS if the child is absent due to them or their parent being overseas for more than 6 weeks</li> </ol>	
<p><b>Establishing care arrangement between the</b></p>	<p><b>Lake Macquarie FDC will:</b></p> <ol style="list-style-type: none"> <li>24. provide families with information to assist them in accessing eligible CCS entitlements, including Additional</li> </ol>	<p><a href="#">Enrol my child - Lake Macquarie City Council</a></p>

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**Procedure - internal Family Day Care Fees & Charges**

<p><b>Approved Service and families</b></p>	<p>Child Care Subsidy provisions if applicable</p> <p>25. establish an enrolment arrangement electronically between the Approved Service and the family, with the Commonwealth</p> <p>26. issue an electronic contract (Enrolment Confirmation) to the CCS-claimant-parent outlining the agreed booking and full-fee liability for the care arrangement</p> <p>27. provide a Statement of Entitlement to the CCS-claimant-parent of enrolled children once every fortnight in accordance with the relevant Secretary's Rules for Child Care Subsidy, that includes details of the sessions of care provided, CCS amounts applied, and the resulting gap-fee obligation of the parent</p> <p><b>Educators will:</b></p> <p>28. only charge fees within a reasonable total span of hours children are attending and they are actually available providing their service</p> <p><b>Parents will:</b></p> <p>29. accept their child's enrolment arrangement with Lake Macquarie FDC via their myGov account before any CCS is paid.</p> <p>30. accept their Enrolment Confirmation (electronic contract) to confirm their booking and total fee liability</p>	
<p><b>Collecting and paying fees and charges</b></p>	<p><b>The Service will:</b></p> <p>31. authorise educators to collect levies and fees from parents on behalf of Council</p> <p>32. pay any family CCS entitlements administered by the service, to the Educator, to be passed on to the family as a fee-reduction</p> <p>33. develop and implement adequate systems of oversight to ensure gap fees are being paid by EFT and accurate records are being kept.</p> <p>34. strongly advise educators to maintain a distinct bank account for their FDC business-related payments and transactions</p> <p>35. apply on behalf of an individual seeking exemption from the requirement to pay gap-fee by EFT, in accordance with exceptions allowed under the legislation</p> <p>36. discuss any family fees arrears notified by the educator with the educator (and possibly the family as appropriate) to determine the circumstances and plan for managing gap-fee payment obligations</p>	<p><a href="http://familydaycare.com.au">Information on EFT Exceptions (familydaycare.com.au)</a></p>

**Procedure - internal Family Day Care Fees & Charges**

	<p><b>The Service may:</b></p> <ul style="list-style-type: none"> <li>37. refuse to provide a service to families who refuse to pay the gap fee electronically (unless an exemption has been granted)</li> <li>38. have the option to charge full fees for families that only want to pay their fees in cash, at the discretion of the Nominated Supervisor/Service Manager</li> <li>39. suspend or withdraw service if parent fees fall in arrears</li> <li>40. withhold from processing Attendance Record claims for CCS if parent fees fall in arrears and gap-fee obligations are not being paid / collected</li> </ul> <p><b>Educator will:</b></p> <ul style="list-style-type: none"> <li>41. pass on the full amount of any CCS subsidy paid to them by the Service, as a fee-reduction to the parent</li> <li>42. <b>only use electronic fund transfer (EFT) to collect fees from parents</b>, unless notified by the approved service that the parent has been granted exemption from the requirement to pay by EFT</li> <li>43. ensure they collect the <i>full</i> parent gap-fee obligation from the family, to ensure the family is meeting their obligations to be eligible to claim CCS</li> <li>44. communicate regularly with families about their account</li> <li>45. <b>notify the Approved Service within a week of fees falling due if a family has not paid their calculated gap-fee obligation</b></li> </ul> <p><b>Parents will:</b></p> <ul style="list-style-type: none"> <li>46. pay their gap-fee obligation according to the terms of the Fees, Charges and Conditions Schedule agreement with the Educator</li> <li>47. pay their gap-fee obligation only by electronic funds transfer (EFT) (unless exemption has been granted)</li> <li>48. be liable to reimburse any ineligible CCS payment that is recovered by the Commonwealth from the Approved Service or Educator</li> </ul>	
<p><b>Records</b></p>	<p><b>Service will:</b></p> <ul style="list-style-type: none"> <li>49. maintain required records, including of exemption relating to parent requirement to pay fees by EFT</li> <li>50. collect educator bank statements, advising redaction of any information not relating to fee payments, on a regular basis to verify parent gap-fee payments</li> <li>51. check and audit payments, claims and records in</li> </ul>	<p><a href="#">Child Care Provider Handbook - Department of Education, Australian Government</a> – record keeping</p> <p>Attendance Record</p>

	<p>accordance with the relevant service procedure.</p> <p>52. provide information if and when requested to do so by the relevant government authority.</p> <p><b>Educator will</b></p> <p>53. use the software program nominated by the Approved Service for maintaining records associated with fee payments including (but not necessarily limited to) child attendance, fees and charges applied (timesheets), claims for CCS, gap-fee payments owing (invoices), receipting payments, and tracking parent accounts</p> <p>54. provide parent with invoice for fees owing within each CCS fortnight as a minimum</p> <p>55. receive the parent gap-fee as an electronic payment in to their nominated bank account and be able to identify the payment as being for a particular family</p> <p>56. provide parent with a receipt for any fees paid, noting the entire value of payment made</p> <p>57. additionally, make and keep / retain adequate and accurate records of</p> <ul style="list-style-type: none"> <li>a. Any security-deposit paid and/or refunded</li> <li>b. any payment plans made with a parent</li> </ul> <p>58. retain all required fee records for seven (7) years</p> <p>59. supply any fee-related documentation and/or records, including bank statements, as and when requested by the approved service</p>	<p>processing and audit procedure</p>
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## Review and evaluation

This procedure will be reviewed at least every 4 years, or as prompted by changes to applicable legislative requirements or quality recommendations by recognised authorities.

Obligations of Children’s Services (Education and Care) and relevant Family Assistance legislations has been reflected in requirements of this Procedure. ACECQA policy/procedure guidelines have been considered.

Families and Educators have opportunity to make submission on proposed Fees and Charges during annual exhibition processes of Council. Application of the Fees and Charges Procedure is evaluated through processing and auditing practices.

All documents are available on Council website - Family Day Care Procedures.



## Controlled Document Information

### Authorisation Details

<b>Folder No:</b>	F2004/12276	<b>TRIM Record No:</b>	D11095865
<b>Audience:</b>	Departmental - Family Day Care Staff Educators and Stakeholders		
<b>Department:</b>	Community Planning	<b>Officer:</b>	Service Manager Family Day Care - Kim Hartmann
<b>Key focus area(s):</b>			
<b>Review Timeframe:</b> Max < 4 years	4 years	<b>Next Scheduled Review Date:</b>	July 2027
<b>Authorisation:</b>	Manager Community Partnerships - Andrew Bryant - 18 July 2023		
<b>Authorisation Date:</b>	18 July 2023		

### Related Document Information, Standards & References

<b>Related Legislation:</b>	The National Quality Framework A New Tax System (Family Assistance) Act 1999 A New Tax System (Family Assistance) (Administration) Act 1999 Local Government Act 1993	(Relationship/Context)
<b>Related Policies:</b>	(Policy Name)	(Relationship/Context)
<b>Related Procedures, Guidelines, Forms, WHS Modules/PCD's, Risk Assessments, Work Method Statements:</b>	Lake Macquarie City Council Fees and Charges  Child Registration & Placement Procedures  Attendance Record Processing and Audit Procedure  Complaints Handling Procedure  Educator Registration Agreement	Outlines requirements for setting Council Fees and Levies  Verifying accuracy of CCS and remuneration claims  Addressing grievances relating to Fees  Establishes payment arrangements between Council and educators.
<b>Standards, COP's &amp; Other References</b>	Childcare Management System Child Care Provider Handbook: Department of Education Skills and Employment	Describes key obligations and responsibilities, and processes for applying and administering Child Care Subsidy.

### Definitions

Term / Abbreviation	Definition
<b>Council</b>	Lake Macquarie City Council
<b>Nominated Supervisor</b>	Authorised Supervisor of Lake Macquarie Family Day Care, Nominated Supervisor – responsible (along with the Approved Provider) for ensuring the scheme is following the Law and the Regulations, Certified Supervisor – a person with a supervisor certificate placed in day to day charge of an education and care service
<b>Educator</b>	(a) a person actually involved in educating and caring for children at his or her residence or venue and whose name appears on a current Lake Macquarie Family Day Care Register of Educators (a primary educator) ; and  (b) a person whose name appears on a current Lake Macquarie Family Day Care Register of Educators and who is engaged as a relief educator to educate and care for children in the residence or venue of a primary educator

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## Procedure - internal Family Day Care Fees & Charges

	(c) a person whose name appears on a current Lake Macquarie Family Day Care Register of Educators and who is engaged as an educator assistant to educate and care for children in the residence or venue of a primary educator for no more than a 4-hour period
<b>Parent</b>	The parent of a child registered with Lake Macquarie Family Day Care and includes: (a) guardian of the child, and/or (b) a person who has the custody of the child
<b>Service</b>	an education and care service operated by an educator whose name appears on a current register of educators for Lake Macquarie Family Day Care
<b>Approved Service</b>	Lake Macquarie Family Day Care is issued an approval to operate a family day care service
<b>Regulatory requirement</b>	State and Federal government regulations relevant to the provision of Family Day Care services in NSW
<b>The National Quality Framework</b>	Includes: <ul style="list-style-type: none"> <li>a National Legislative Framework that consists of the Education and Care Services National Law Act 2010 and Education and Care Services National Regulations 2011</li> <li>a National Quality Standard</li> <li>an assessment and rating system</li> <li>a Regulatory Authority in each State and Territory who will have primary responsibility for the approval, monitoring and quality assessment of services in their jurisdiction in accordance with the national legislative framework and in relation to the National Quality Standard</li> </ul> <p>The Australian Children's Education and Care Quality Authority (ACECQA)</p>

### Consultation (update for each version created)

<b>Key Departments, Teams, Positions, Meetings:</b>	Family Day Care Staff Educators and Stakeholders
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### Version History

Version No	Date Changed	Modified By	Details and Comments
2	17/2/2006	J. Wade	Updated templates and removed reference to Family Day Care & Homes Based Care Regulations 1996
3	4/05/2007	J. Wade	Include reference to relief Educator in definitions, change of Educator fee review intervals from annually to not less than 6 monthly, include reference to operational charges and Educator levy in charges levied by the Scheme, expand reference to care of relatives to include residing at the care premises, guardians and foster children, update Legislative Requirements and Key Resources
4	20/10/2008	J. Wade	Delete reference to recommended fees and charges schedule. Update reference information
5	28/09/2010	J. Morgan	Update references. Replace Carer title with Educator to reflect Early Years Learning Framework terminology. Update public holiday reference
6	8/12/2011	S. Vickers	Update reference of Children's Services Regulation 2004 & NCAC to The National Quality Framework, home to residence or venue, childcare to education and care, added definition for The National Quality Framework, updated definition of Authorised Supervisor
7	07/08/2013	J. Morgan	Update reference to Educator/Parent Contract form, updated service to approved service, updated reference to Annual Pricing Policy to Lake

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**Procedure - internal Family Day Care Fees & Charges**

			Macquarie City Council Fees and Charges
8	09/06/2015	J Morgan	Included reference to Department of Social Services
9	24/08/2018	J Morgan	Removed reference to childcare benefit and childcare rebate and replaced with childcare subsidy. Updated information regarding child enrolment and complying written agreements
10	18/04/2022	K Hartmann	<p>Remove specific titles of Government departments as these are subject to change. Outline inherent requirement to establish enrolment/care arrangement between LMFDC and families.</p> <p>Add additional information to recognise the independent-contractor model of Council engaging educators to provide the service and collect fees on behalf of Council.</p> <p>Include requirements to provide invoices and receipts for fees, and obligations for payment and collection of gap-fees. Specify possible action if parent fees fall in arrears.</p>
11	23/06/2023	K Hartmann	<p>Add legislative requirement that gap-fees are to be paid only by EFT.</p> <p>Add educators receive payment in to nominated bank account and able to identify the family the payment relates to.</p> <p>Add requirement for educators to notify the service within a week of a family not paying their gap-fee obligation.</p> <p>Specify requirements regarding records in distinct section, including addition of requirement for educators to create and maintain records using the service nominated software program, and the service collecting educator redacted bank statements.</p>