

Fee policy FAQ

Effective 30th December 2019

Why are changes being made?

Since the change to Child Care Subsidy (CCS) we received feedback from parents about accounts being difficult to read. That is mainly due to the monthly cycle – which was implemented under the old childcare benefits system but doesn't match up with the new CCS cycle.

It is also contemporary practice for childcare providers to work with weekly and fortnightly account cycles. This reduces administration time and improves cashflow which is essential for community based not for profit organisations.

Have parents been consulted?

We spoke with a number of parents about their experience with the system. We also reviewed how well the system was working internally. This led us to propose a new process which was:

- Reviewed and tested with staff members who are also parents
- Discussed in phone calls with a sample group of families we identified as likely to be impacted by the changes
- Refined based on that feedback
- Approved by our board, many of whom are current users of the service and who will also be impacted by the changes

How will the catch-up arrangement work?

Under the current system, some families are paying a monthly account on 30-day terms. Transitioning to the new system may mean higher payments initially – which could cause difficulties for some families. That is why we have set up transitional arrangements for families who need some extra time.

The best way to show this is with an example.

The Big Family pay their account monthly. Their gap payment each month is \$2000. Under the current system, at the end of November, they have an account for \$2000 – which is due for payment at the end of December. At the same time, they are accumulating another account for December

The new system means that the Big Family's payment is due weekly or fortnightly – whichever they select. In this example, we will assume they choose fortnightly payments.

The Big Family will owe the December payment (\$2000) and the first fortnight of January (\$1000) on 16th January 2020. Paying \$3000 in one amount, and earlier than they are used to paying, will be difficult. They contact Admin and arrange to cap the fortnightly payment at \$1500 – which allows them to gradually catch up to the new cycle. Once

they are caught up, the fortnightly payment will revert to actual amount (in this case, \$1000).

How does IntegraPay Direct Debit work?

IntegraPay automatically deducts a payment from your nominated account each week or fortnight (depending on which you select).

- If you select weekly payments, payment is deducted on the Thursday following the week of care that has occurred.
- If you select fortnightly payments, payment is deducted on the Thursday following the fortnight of care that has occurred.

The full amount owing will be deducted on the first payment date – if that will cause difficulties for you, please talk to Admin while you are setting up IntegraPay and they will set a cap in the system to limit your IntegraPay payment to an agreed amount.

IntegraPay will usually process the week after you set it up – for information on setting up Integra play, please click this <u>link</u>

Why aren't my weekly payments the same each week – even though I have the same bookings each week?

Because the government calculates and allocates Child Care Subsidy on a fortnightly basis, there may be a difference between the amounts you owe on alternate weeks – even if your bookings are the same. To overcome this, you could select fortnightly payments.

When and how can I check my account?

You can check your current balance at any time by logging in to Xplor – for instructions on logging in, please check this <u>link</u>

Where can I check the fee policy?

You can see the full fee policy, endorsed by the board, at this link

Who can I talk to if I have further questions?

Please call our Administration Offices on 6229 4914 or <u>admin@adventurepatch.org.au</u> if you have further questions. They are ready to help you through the process and set up an arrangement that meet your individual circumstances.