

Unpacking: Waiver of Gap Fees

as announced on Thursday, 15 July 2021



Today's announcement

Prime Minister &
Federal Minister for Education

<https://www.pm.gov.au/media/childcare-gap-fee-waiver-nsw-families-covid-affected-areas>

Federal Department of Education

<https://www.dese.gov.au/early-childhood/announcements/covid19-nsw-extra-support-child-care-services-lockdown>

- Waiver of gap fees by services is OPTIONAL.
- Availability will come into effect from **Monday, 19 July 2021**.
- Applies only to services in Local Government Areas (LGAs) subject to stay-at-home orders (eg Greater Sydney lockdown region).
- This is in addition to services who already can waive gap fees if they are directed by a local authority (eg NSW Health or NSW Department of Education) because of COVID-19 until 31 December 2021.

Options available to services

NO.

I/we do not want my/our service(s) to waive the gap fees to parents/guardians.

- No change.
- Continue as normal.

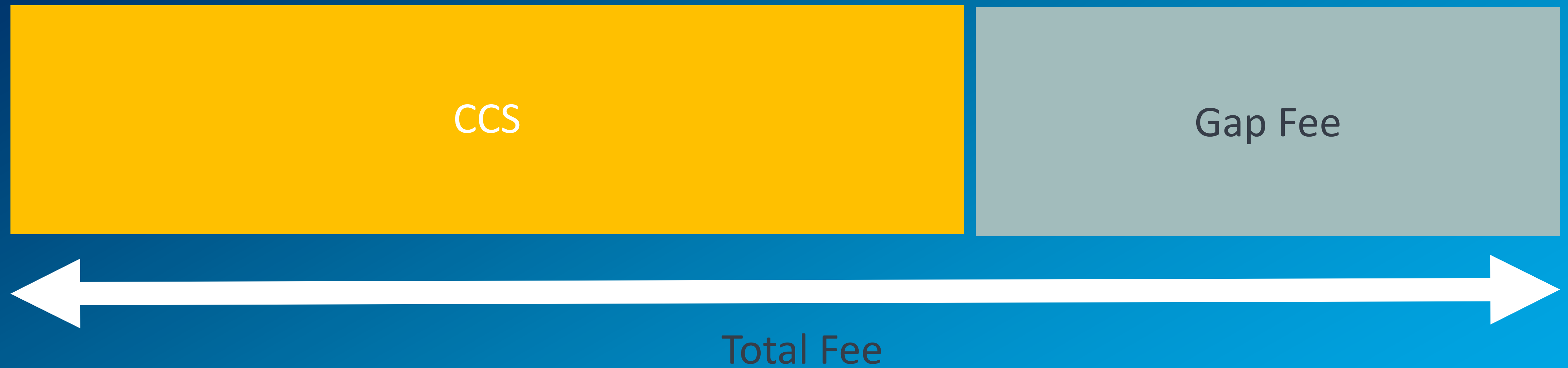
or

YES.

I/we do want my/our service(s) to waive the gap fees to some/all parents/guardians.

- Reconfirm the financial impact of:
 - full fees for children attending,
 - full fees for some children not attending; and
 - CCS only for some children not attending.
- Apply a credit equal to the amount of the gap fee for those specific children not attending.

How to waive the gap fee?



- Access your CCMS software
- Before charging the parents/guardians for the gap fee, apply a credit amount equal to the gap fee.

Financial scenarios to consider

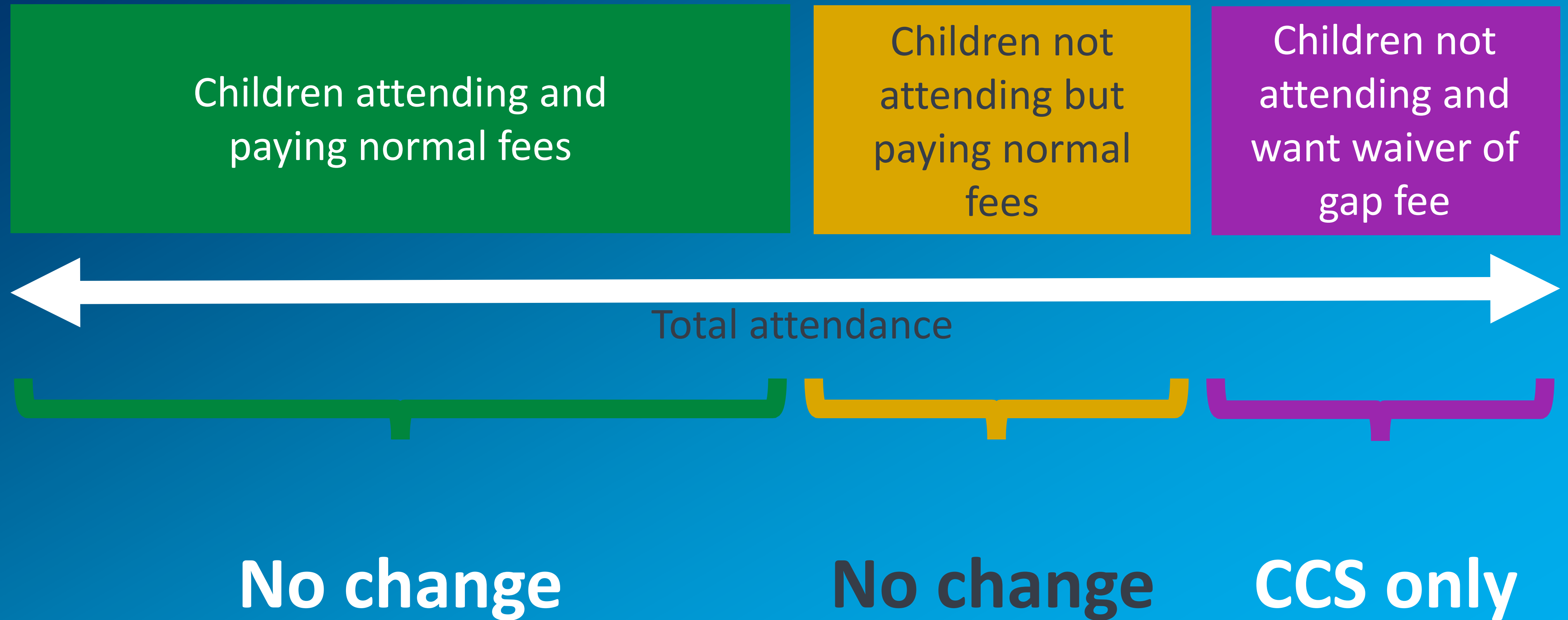
- High percentage of CCS.
- High number of parents/guardians withdrawing children from care.

- High percentage of CCS.
- Low number of parents/guardians withdrawing children from care.

- Low percentage of CCS.
- High number of parents/guardians withdrawing children from care.

- Low percentage of CCS.
- Low number of parents/guardians withdrawing children from care.

Financial calculations



Tip from Victorian services:

- Introduce a new protocol with parents/guardians wishing to keep their children at home:
 - Require advice as early as possible
(eg 7 days notice and/or by a certain day every week)
 - Before you schedule your charging of parents/guardians
 - To facilitate your rostering for the next week

Financial Support for parents/guardians:

- For parents/guardians:
 - Absent Days (with full fees)
 - ACCS (Temporary Financial Hardship)
 - COVID Disaster Payments for Individuals (up to \$600 per week)

Financial Support for services:

- For services:
 - Federal Department of Education: Community Child Care Fund Special Circumstances (up to \$150,000) - <https://nsw.childcarealliance.org.au/news-current/covid-member-alert-27-june-2021#Q11>
 - Federal & NSW Governments: Up to \$10,000 per week if decline of 30% in annual turnover compared to same time in 2019 - <https://nsw.childcarealliance.org.au/news-current/more-covid-funding-assistance>
 - NSW Government: A NSW Business Grant of between \$7,500 and \$15,000 to cover the first three weeks of restrictions - <https://nsw.childcarealliance.org.au/news-current/more-covid-funding-assistance>

Other considerations:

- Staffing levels (see Q&A section)
- Government financial support for employees
- Mental health of parents/guardians and staff

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OPTIONAL

Dependent on your service's circumstances



Did we
miss
anything?