

# MY HOME MY BUSINESS

A Business Handbook for Family Day Care Services



Connect. Play. Grow



# Family Day Care Business Handbook

## My Home My Business

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## Abbreviations

ABN	Australian Business Number
ACECQA	Australian Children’s Education and Care Quality Authority CCB Child Care Benefit
CCMS	Child Care Management System CCR Child Care Rebate
CPI	Consumer Price Index
ECEC	Early Childhood Education and Care EYLF Early Years Learning Framework
FDCA	Family Day Care Australia
FSAC	Framework for School Aged Care
GST	Goods and Services Tax
JETCCFA	Jobs, Education and Training Child Care fee assistance PSCWA Professional Support Coordinator Western Australia NQF National Quality Framework

### Important note

**This publication is for guidance only and is not legal or financial advice. Readers are encouraged to seek their own financial and legal advice.**

## Useful websites

Child Australia

[www.childaustralia.org.au](http://www.childaustralia.org.au)

Family Day Care WA Inc

[www.familydaycarewa.com.au](http://www.familydaycarewa.com.au)

Family Day Care Australia

[www.familydaycareaustralia.com.au](http://www.familydaycareaustralia.com.au)

Australian Children Education and Care Quality Authority

[www.acecqa.gov.au](http://www.acecqa.gov.au)

Department of Social Services

[www.dss.gov.au](http://www.dss.gov.au)

Department of Local Government and Communities, Education and Care Regulatory Unit

<http://www.dlgc.wa.gov.au/>

Education and Care Services National Law (WA) 2012

[http://www.slp.wa.gov.au/legislation/statutes.nsf/main\\_mrtile\\_12930\\_homepage.html](http://www.slp.wa.gov.au/legislation/statutes.nsf/main_mrtile_12930_homepage.html)

Education and Care Services National Regulations 2012

[http://www.slp.wa.gov.au/legislation/statutes.nsf/main\\_mrtile\\_12929\\_subsidary.html](http://www.slp.wa.gov.au/legislation/statutes.nsf/main_mrtile_12929_subsidary.html)

Family Assistance Law

<http://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/early-childhood-child-care/family-assistance-law>

Child Care Service Handbook

<https://www.dss.gov.au/our-responsibilities/families-and-children/publications-articles/child-care-service-handbook>

Australian Taxation Office

[www.ato.gov.au](http://www.ato.gov.au)

MyChild

[www.mychild.gov.au](http://www.mychild.gov.au)

Small Business Development Corporation

<http://www.smallbusiness.wa.gov.au/small-business-development-corporation-home-page/>

Family Day Care Services Education and Support Project

[www.fdcsupport.org.au](http://www.fdcsupport.org.au)

## Introduction

This is the 2<sup>nd</sup> edition of the handbook. It has been updated to provide Educators with current information on the knowledge and skills needed to support the creation of a viable Family Day Care business.

It is a new overview and has many new references and links that will provide you with further support as your journey in Family Day Care continues.

This guide is divided into 3 sections:

The first is a general discussion of the education and care service environment  
The second is an overview of professional practice  
The third is an overview of starting a Family Day Care Business.

## Child Australia

Child Australia is the Professional Support Coordinator for Western Australia (PSCWA) and the Northern Territory (PSCNT) and has a team of consultants who can support Family Day Care services.

Child Australia's support includes professional development opportunities, bicultural support, quality assurance support, advice and referrals.

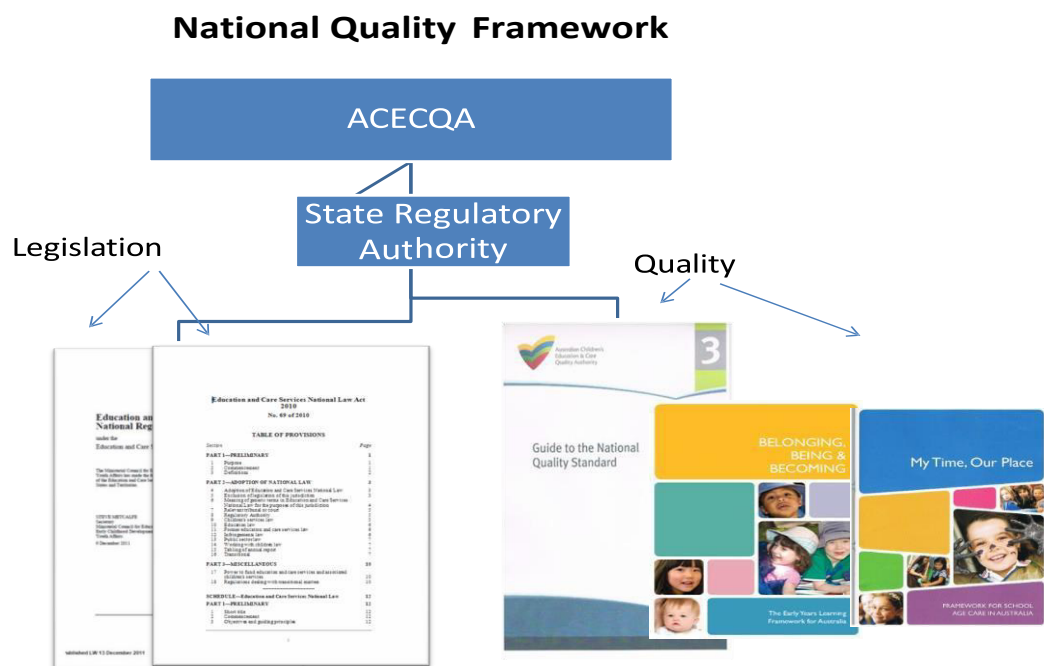
## The National Quality Framework

The National Quality Framework (NQF) is the result of an agreement between all of the Australian state and territory governments to work together to provide better educational and developmental outcomes for children using education and care services.

The NQF is made up of the Education and Care Services National Law, the Education and Care Services National Regulations, the National Quality Standard and an assessment and rating process to ensure quality practices within the service.

The NQF introduces a new quality standard to improve education and care across long day care, family day care, preschool/kindergarten and outside school hours care.

The NQF is designed to give children the best possible start in life and will assist Educators in improving all areas of the service they provide that impact on a child's learning and development.



The National Quality Framework features:

- The National Legislative Framework
- The National Quality Standard (NQS)
- The National Quality Ratings and Assessment System to complement the NQS
- A national body (ACECQA)
- A Regulatory Authority in each state and territory



## The Legislative Framework

In addition to the National Quality Framework there are a number of other laws that impact on a Family Day Care Service. These include:

- Family Assistance Law
- Food and Health Laws
- Local Government Laws
- Normal business legislation

For more information, we recommend that you see the 'business licenses' section at:

Small Business Development Corporation

<http://www.smallbusiness.wa.gov.au/small-business-development-corporation-home-page/>

or the similar government service in your state and territory. Their information is usually free.

## The National Quality Standard (NQS)

The National Quality Standard (NQS) is a key aspect of the NQF and sets a national benchmark for early childhood education and care and outside school hours care services in Australia. The NQS consists of seven quality areas, each containing standards and elements to provide detail and guidance.

1. Educational program and practice
2. Children's health and safety
3. Physical environment
4. Staffing arrangements
5. Relationships with children
6. Collaborative partnerships with families and communities
7. Leadership and service management.

## The Learning Frameworks

The National Quality Standard is linked to national learning frameworks that recognise children learn from birth. It outlines practices that support and promote children's learning. These are:

- [Belonging, Being and Becoming: The Early Years Learning Framework for Australia \('Early Years Learning Framework'\) \(EYLF\)](#)
- [My Time, Our Place: Framework for School Age Care in Australia \('Framework for School Age Care'\) \(FSAC\)](#).

## The National Quality Rating and Assessment System

There are five rating levels within the national quality rating and assessment process:

- Excellent rating
- Exceeding National Quality Standard
- Meeting National Quality Standard
- Working Towards National Quality Standard
- Significant Improvement Required

The assessment and rating team at the Regulatory Unit in your state or territory will assess the service you are a member of against the National Quality Standards and arrive at a rating for the service.

For more information [www.acecqa.gov.au](http://www.acecqa.gov.au)

## The Australian Children's Education and Care Quality Authority (ACECQA)

ACECQA is a national statutory authority that works with the state and territories on the implementation of the National Quality Framework for Early Childhood Education and Care and ensures consistency in delivery.

ACECQA has a major role in educating and informing the wider community about the importance of improving outcomes in education and care.

## The Regulatory Authority in each State and Territory

The regulatory authority in each state and territory approves, monitors and assesses early childcare education and care services in accordance with the National Law (The Act), the National Regulations and the National Quality Standard.

In Western Australia the Regulatory Authority is administered by the Department for Local Government and Communities.

## Family Assistance Law

Family Assistance Law is the basis for Commonwealth child care fee assistance, which includes, but is not limited to, the Child Care Benefit (CCB) and Child Care Rebate (CCR). Family Assistance Law also provides for the approval of child care services to administer child care fee assistance on behalf of families using the service, and also provides for many other associated matters.

It is important that service providers and educators are clear about their obligations in relation to claiming child care fee assistance and fully understand their respective requirements under family assistance law.

Family Assistance Law provides serious penalties if services do not comply with their obligations. These penalties range from financial penalties to sanctions, such as the suspension or cancellation of the service's CCB approval or criminal investigation and prosecution.

More information regarding Family Day Care service providers and educators obligations in relation to Family Assistance Law can be found on the Australian Government's Department of Social Services website <http://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/early-childhood-child-care/family-day-care-0>

## Where can I find the Family Assistance Law?

Family Assistance Law primary legislation, associated legislation and other legislative disallowable instruments can be found on the Department of Social Services website <http://www.dss.gov.au/our-responsibilities/families-and-children/programmes-services/early-childhood-child-care/family-assistance-law>

The Family Assistance Guide aims to assist in understanding the law and its application. It contains definitions, eligibility criteria for payments, information on claiming, information on the legislation as well as key terms used and basic descriptions of the various payments and benefits. The Family Assistance Guide can be found on the Department of Social Services website <http://guides.dss.gov.au/family-assistance-guide>

### Legislation changes introduced to end child swapping in family day care:

Follow this link to more information. <https://www.dss.gov.au/families-and-children/news/2015/legislation-changes-introduced-to-end-child-swapping-in-family-day-care>

### The model below demonstrates the relationships between all the stake holders in Family Day Care.

More information regarding the Family Day Care Business Model, can be found on the Department of Social Services website <http://www.dss.gov.au/our-responsibilities/families-and-children/publications-articles/family-day-care-business-model-fact-sheet>

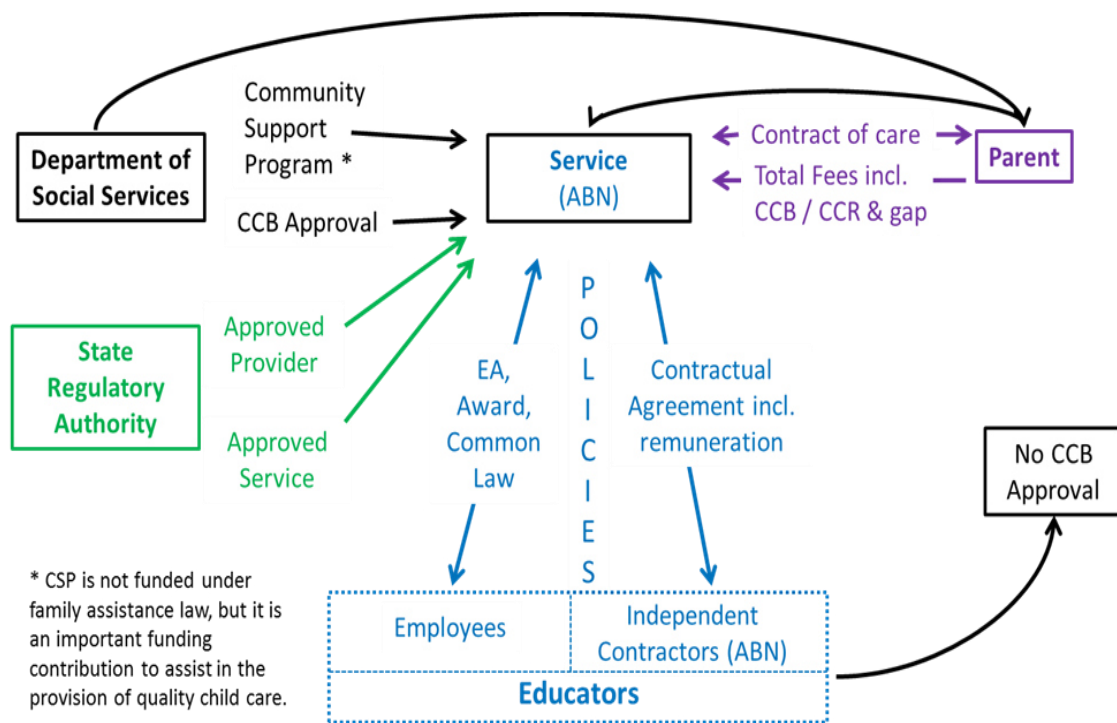


Diagram: the relationships between all the stake holders in Family Day Care

## Principles for the Family Day Care educator

### High quality service

The educator's practices and the Family Day Care service must be in line with:

The National Quality Framework

- The Education and Care Services National Law and Regulations
- National Quality Standard
- The Approved Learning Frameworks

Family Assistance Law

- Child Care Benefit (CCB)
- Child Care Rebate (CCR)

*The Family Day Care service's policy and procedures also govern Educator's practice.*

### Characteristics of a true partnership

In Family Day Care, the partnerships are with the Family Day Care service and the families. True partnerships are characterized by:

- Open communication
- Listening
- Valuing each other's knowledge
- Tolerance
- Collaboration
- Honesty
- Responsiveness
- Respect
- Flexibility

### Partnerships with the Family Day Care service

A true partnership is one with shared authority. It focuses on working in collaboration and shared decision making. In effective partnerships, the Family Day Care service and the educator work together for the best outcomes for children using the service.

The policies and procedures of the Family Day Care service should be written in conjunction with a representative group of Educators and families. (This ensures a collaborative approach. There should be robust discussions when debating policies and procedures.

For example:

*There may be an issue regarding the commencement time of evening meetings. Discussion enables the setting of a time that is convenient to most.*

## Partnerships and building relationships with families

The partnership between you and the family is extremely important both to the child and to you.

The National Quality Standard, Quality Area 6 - Collaborative partnerships with families and communities – guides Family Day Care Services on what is expected in this area:

Standard 6.1: Respectful and supportive relationships with families are developed and maintained. Standard 6.2: Families are supported in their parenting role and their values and beliefs about childrearing are respected. Standard 6.3: The service collaborates with other organisations and service providers to enhance children's learning and wellbeing.

More information can be found at: <http://www.acecqa.gov.au/Collaborative-partnerships-with-families-and-communities>

*Working on developing respectful relationships will contribute to the family staying with your service for longer and the child developing their potential in a stable and rich environment.*

Ensure that families are greeted with enthusiasm, treated with respect and all communication is positive. Keep the relationship child focused and professional. It helps to share a little of yourself but it is not professional to disclose your own family business with the families who use your service.

*'Learning outcomes are most likely to be achieved when early childhood Educators work in partnership with families' (Early Years Learning Framework page 12).*

### **Respecting the relationship can further be supported with a few simple strategies**

- A true partnership actively engages families in decision making and planning for children's learning and development.
- Treat as confidential any information disclosed by families and understand that the family may not wish to share all the details of a particular situation or event. It is helpful to provide a private space to talk but ensure effective supervision of the children.
- Being respectful is important. If information of a sensitive nature is disclosed, and you feel uncomfortable or uncertain with what you have been told, inform the Family Day Care service of your concern.
- Discuss any difficulties you experience in providing care and education for a child with the Family Day Care service. The service or another agency through professional support, may be able to assist you in building a positive relationship.
- You should not feel pressured to continue care if you are not able to build a positive relationship with the child or family. The child's wellbeing should come first and if the child isn't happy, you must be honest and talk to the family about your concerns.
- Families must be given opportunities to be part of the reviewing of the policies and procedures.

***Families are children's first and most influential teachers (EYLF, p12)***

## Your own family

Balancing the needs of your own family while meeting the requirements of the service and the expectations of Family Day Care families can be challenging. Some simple strategies to help you include:

- Before commencing explain to your partner the physical changes necessary to the house, the requirements and obligations of your work and how you may need additional support
- Maintain good communication with your partner and children and remember the importance of listening to their concerns
- Treat all family members with respect as you negotiate the sharing of the physical space, time, equipment and toys that has to occur when you bring other adults and children into the family home
- Explain to family members the importance of maintaining a safe work environment and their responsibility toward health and safety in the shared spaces.

The impact on your own children will vary depending on their age and interest.

- You will need to develop routines during Family Day Care hours that accommodate the physical and emotional needs of your own children as well as the Family Day Care children
- Your family will need private space for personal pursuits and safe keeping of important possessions
- Focus on your own family once your working day has finished.

### **Business tip**

*Discussions that happen before the Family Day Care Business starts are important, but people and their opinions change with experience, so make some time regularly to talk with your family and ask them how they think the new business is going, from their perspective.*

## Interviewing prospective families

All communication with prospective families should be conducted in a professional manner. You are going to be seeing each other very often, so the start of the relationship is important.

Agreeing to interview a prospective family does not mean you are agreeing to take on the child. The Family Day Care service may refer a family to several Educators, giving families a genuine choice.

Prepare for the interview by using the initial phone call from the family to record family members' names and the name and age of the child. This enables you to greet the family and child by name and have some age appropriate resources available during the interview for the child to enjoy.

If the interview is to take place during working hours explain to the family that you will need to meet the needs of the children in your care. If possible, schedule the interview for a quieter time of the day. Some Educators prefer to interview families outside of working hours, but families may prefer to see the program in operation and observe your interactions with the children. This also sends a clear message to your family and the Family Day Care family about work hours and boundaries.

Arrange an area where you can conduct the interview and supervise other children. You may choose to develop an interview sheet listing all areas you wish to discuss with the parent. Listen carefully to the family and be ready to offer a second visit to any other family member unable to attend the initial interview. If the prospective child does not attend the interview, arrange to meet the child before agreeing to care for the child.

Let families know that questions are welcome at any time. Make sure any documentation you wish to show the family such as; your planning process, sample meal plan, photographs, training certificates, examples of what you and the children do during the day are readily available.

Show the family the areas of your home used for Family Day Care. Explain the sleeping arrangements, meal times, toileting and other routines. When showing the family the outside area, take the time to discuss sun protection and the need to provide appropriate outdoor clothing, sun screen, hats, coats and footwear depending on the weather.

As children are present, interviews in Family Day Care need to be flexible. You may manage the entire interview at a table, you may find yourself outside talking with the adult as the prospective child explores your garden or you may interview a young mother and baby with everyone comfortable on the floor.

Record the observations you make about the child and use this as background information when developing your program.

You can find more information about this at your Family Day Care Coordination service and at: Australian Children Education and Care Quality Authority [www.acecqa.gov.au](http://www.acecqa.gov.au)

## Be an advocate for children

Children are the beneficiaries of the National Quality Framework and as their educator, you are provided with all of the essential information you will need each day.

Study the learning frameworks and embed the frameworks into everyday practice.

It is important that you take opportunities to speak about the *how and why* behind your practice when communicating with families.

It is helpful to rehearse speaking about your practice during home visits with the coordinator. Then when you are assessed, you will be comfortable and able to articulate your practice.

Developing the skills of speaking up about your practice and what you do for the children is part of your essential role of advocating for the child. Being aware of this role means that you will quickly become comfortable with parents and the service Coordinator and can develop the essential partnerships that underpin the children's development.

## Educator's wellbeing

Looking after yourself is important. You are responsible for this and no one can do it for you. Being physically and mentally capable of dealing with children each day will ensure you are not unduly stressed and can enjoy your chosen career.

- Maintain a good work life balance.
- Exercise regularly
- Practise healthy eating habits
- Make time to relax.
- Keep up to date with regular health checks. Don't forget that you will need to check on your own immunisation status when you next visit your medical practitioner.

## Network

Networking with other Educators is important. As a Family Day Care Educator, you are at risk of always working alone. This is not ideal for you or the children you care for. There are so many opportunities available for networking that you have a choice of what type of networking suits you the best. .

You can do this by attending meetings and training sessions, attending play session, joining Family Day Care associations, using social media or simply phoning or emailing another educator.

Networking increases your confidence and understanding of the Family Day Care sector. Becoming involved will provide opportunities to gain new skills and help you operate more effectively. (See online discussion forum links page 4).



## Professional Development

Good quality training and professional development is crucial to increasing your knowledge and skills.

Most Family Day Care services provide a variety of professional development training for their Educators.

Learning is on-going, this provides the best opportunities for you to keep up to date and to your practices. As an Educator, you have agreed to ensure you access appropriate learning opportunities.

The Professional Support Coordinator (PSC) in WA (Child Australia) offers a variety of professional development including workshops, online packages, resources and consultancies. Workshops are often available in the evening as well as online options.

You can request to be on the PSC mailing list to receive the latest professional development calendar or visit their website [www.childaustralia.org.au](http://www.childaustralia.org.au) (WA & NT).

### **Business tip**

*It is important to make sure that the monetary and the time cost of training is incorporated into your educator remuneration and that you set aside a portion of your income to maintain and develop your professional knowledge.*

## Your profession

The Learning Frameworks tell us that Educators' practices and relationships they form with children have a significant effect on children's success in learning. (EYLF p12, FSAC p7).

Educators provide an important service to children and their families, so be proud that you are an early childhood education and care professional. Your workplace is your home and first impressions are important to potential families. Be aware that street presentation and the entrance to your home are critical to the overall first impression.

Create a positive and professional impression by attending to external house maintenance and gardening. Keep the area neat and tidy, grass mown, leaves swept, and rubbish removed with clear access to the front door.

Look as though you want the families to come to your business. They will want you to reflect their desire for the best environment for their children.

This may be difficult in rental properties and units but work on the areas that are in your control and be creative.

### **Business tip**

*A tub of colourful plants at the door or a distinctive doormat says welcome to my business.*

## The following points are important for all Family Day Care Educators

- Educators have a duty of care for the safety of all children.
  - Remember, there are legal and community expectations that you will act to protect the children and care for their wellbeing
- Respect diversity and practice what the Learning Frameworks tell us:
  - 'honour the histories, cultures, languages, traditions, child rearing practices and life style choices of families' (EYLF p13, FSAC p11).
- Have realistically high expectations for every child. Children progress well when Educators hold high expectations for their achievement in learning.
  - For example, encouraging toddlers to set the table, scrape their own bowl or put their shoes on (EYLF p12, FSAC p3,).
- Ensure that you meet the requirements in regards to planning and documenting the educational program, and whenever you are in doubt, the Coordinator can assist you (EYLF p17, FSAC p16,)
- Deliver what is promised and understand what makes families stay and why they choose to leave
- Be flexible in catering to family's needs and expectations
- Value your philosophy and work each day with integrity
- Understand that a complaint is an opportunity to reflect on and improve your practice
- Always speak in a positive way to families about the Family Day Care service, the National Quality Framework and the Government Departments you interact with.
  - For example, if you are expecting a visit that day, tell the parents in positive terms and reassure them that you always welcome the opportunity to show how good your service is.
  - Remember to be professional and respectful on Facebook or other social media. It is easy to find out where you work with one simple click on your profile. You are not only representing yourself and your service but the entire Family Day Care sector.
- As you plan for your children's program, reflect on your current practices, the environment, and your interactions each time you plan, and note down how you can improve for next time. It's all part of ensuring better outcomes for children.
- Family Day Care is a career choice. It is also a business. Protect your relationships with your parents by being professional when asking for payment on behalf of the Family Day Care service.

## Planning and documentation

As Family Day Care professionals, there is a requirement to document, assess, plan and evaluate children's learning and development.

Documentation is about quality not quantity. There are a range of learning opportunities available to assist you to develop your documentation skills. Check with your Coordinator and the PSC – Child Australia.

It is essential to share your documentation, from planning to learning records, with the parents. It may be difficult to get some time to speak to busy parents as they come and go, so it helps to develop an efficient communication strategy with each family. Remember that what suits one family, may not suit another. Be flexible.

At first, you will take some time to develop skills and an efficient system. As a rule of thumb - to keep your workload in control, most documentation should be done during your hours of work.

## The curriculum/program

In general you will hear two terms, curriculum and program. In the Early Years Learning Framework and the Framework for School Age Care, these terms mean:

*'the interactions, experiences, routines and events, planned and unplanned, that occur in an environment designed to foster children's learning and development.'* (EYLF p.9, FSAC p6)

The curriculum in Family Day Care includes:

- walking the children to kindergarten or school
- the welcoming environment in your home
- the interactions between you and the children and families
- the decision making by the children and families
- how you set up the environment indoors and outdoors
- what resources and equipment you use
- including children in the home routines
- how you plan meal times
- attending a play session
- how you promote *belonging, being and becoming* every day for every child and their family.

For example, work to maintain a home environment and incorporate authentic experiences into daily routines. Hanging out the hand towels or working in the garden as part of the curriculum. During this time together, you can thoughtfully support the child as they develop new skills of independence and make the experience fun and a great learning experience through conversation, rhymes and songs. Family Day Care is unique and it's about celebrating the multiplicity of home experiences. Talk about the child's developing skills with parents at the end of the day.

## **An educational program is planned and documented.**

The Early Years Learning Framework and the Framework for School Aged Care forms the foundation for ensuring that children in all education and care settings experience quality learning.

The Frameworks have a specific emphasis on play-based learning and recognise the importance of communication and language (including early literacy and numeracy) and social and emotional development.

Fundamental to the Frameworks is a view of children's lives as characterised by belonging, being and becoming.

From before birth children are connected to family, community, culture and place. Their earliest development and learning takes place through these relationships, particularly within families, who are children's first and most influential Educators. As children participate in everyday life [including at the Family Day Care Service], they develop interests and construct their own identities and understandings of the world.

The curriculum or program is based in the Frameworks. The Frameworks convey the highest expectations for all children's learning. They communicate these expectations through the 5 Learning Outcomes:

- Children have a strong sense of identity
- Children are connected with and contribute to their world
- Children have a strong sense of wellbeing
- Children are confident and involved learners
- Children are effective communicators.

## **Play Based Learning**

- Play is child's work and children learn through play. It is open ended with no right or wrong. Playbased learning is 'a context for learning through which children organise and make sense of their social worlds, as they engage actively with people, objects and representations' (EYLF p 6, FSAC 14 ).
- Outdoor play offers many possibilities not available indoors and is critical to the child's wellbeing. 'Play spaces in natural environments include plants, trees, edible gardens, sand, rocks, mud and water,' (EYLF p15-16,).
- It is possible to have an indoor and outdoor program throughout the day if your set up ensures that all children are supervised at all times.
  - For example, an experience can be set up close to the back door enabling the educator to hear sleeping babies when they wake.
- For Educators in units, the outdoor program needs to be planned more carefully. For example, regular outings to the park need to be planned around sleeping children. Educators should aim to have outdoor time every day for every child.

**Diagram: The early years planning cycle** adapted from the Educators Guide to the Early Years Learning Framework for Australia (2010, p.11).



## A simple overview of the planning cycle

### Collect document information

- For example, collect together your observations, photos and information about families and communities
- Make time for conversations with the children, their families and if they are involved with any other professionals, their input is important also.

### Question and analyse

- This is where you turn the information collected into a picture of where the child is today in their development, and reflect on recent activities' and note what the child has learnt.
- What are the child's strengths, abilities, interests and needs?
- Where will you be taking the child's learning to next?

### Plan

- This is where you are designing the learning experiences and the environments that they happen in.
- How can you build on the child's interest as a platform for learning?
- Here you will also be planning ways to monitor children's learning and development. What notes or observations will you take to check on progress?

### Act/Do

- Put plans into action
- Show that you value learning through play.
- Remember to balance adult-led and child-led learning experiences.

### Reflect/Review

You not only evaluate how the children have progressed but also look at evaluating the effectiveness of the learning opportunities that you planned, your environments and the experiences offered

### An important note

#### Child Protection and being Child Aware

From time to time you may have concerns about the wellbeing of a child. Your Family Day Care Coordinator should be contacted immediately if this occurs.

It is a requirement that you become familiar with the requirements regarding child protection. Child Australia runs regular on-line courses to support you learn this valuable information.

## Marketing Family Day Care

Regardless of how many advertisements are used, it is word of mouth and your professional behavior in public and in your own home that promotes Family Day Care.

### Advertising

You must have your Family Day Care service's approval before undertaking any marketing. Any advertisement must indicate which Family Day Care service is being promoted and include contact details for that service (Education and Care Services National Law section 104).

Family Day Care Australia has a marketing department and has done a lot of work on behalf of the sector. Use the Family Day Care logo on all marketing material and take advantage of their advertising tools. These include posters, flyers and brochure templates and are available from Family Day Care Australia. For more information [www.familydaycareaustralia.com.au](http://www.familydaycareaustralia.com.au)

Understand where potential parents are likely to frequent and with permission, you can advertise in cafes, shopping centres, schools, local child health clinics, libraries, kindergartens and schools.

### Business cards

Stationery and business cards are available through Family Day Care Australia or other websites where you can design your own. The benefit of using Family Day Care Australia is the familiar branding. Business cards should be carried at all times and handed out to friends and family who can pass them onto individuals enquiring about Family Day Care.

### Brochures

Use the brochure that has been developed by your Family Day Care service or Family Day Care Australia or design your own using a software program. Ensure the contact details of the Family Day Care service are included.

### Car branding

Magnets can be personalised and are available from Family Day Care Australia.

### Letter box drop

- Distribute A4 fliers or brochures in your neighborhood
- Meet with the local child health clinics and inform them of your service and if you have any vacancies
- Visit the local preschool/kindergarten and schools.

## Uniform

Hats and other clothing with the Family Day Care logo look professional and can be effective advertising when you are out.

For example, an educator on a regular outing at the library may be approached by a young mother enquiring about childcare. Remember when you are in public you are representing everyone in Family Day Care and your behavior, actions and language must always reflect a positive image of Family Day Care. This public image can be your most powerful advertising tool for the sector.

### **Business tip**

*Ensure consistency in all your advertising materials. Families become familiar with the branding.*

## Promoting Family Day Care

Promote the fact that Family Day Care is covered by the National Quality Framework and other laws:

- Family Day Care meets the same regulatory requirements as other education and care services
- There is a requirement for all education and care services to provide an educational program that meets the individual needs of the child
- Minimum standards apply to qualifications for all Educators and a Working with Children Check is mandated for Educators and family members residing in the home
- All Educators must have current first aid, anaphylaxis and asthma training
- Explain the role of the Family Day Care service and how the child's learning is monitored
- Highlight that the Family Day Care service is contactable during all care times
- Promote the training provided by the Family Day Care service.

Other points may include

- The benefits of small groups
- Preschool/Kindergarten and school drop offs and pick ups
- Placement with siblings
- Community involvement, story time sessions, library visits and excursions
- Adapting the service to the families' needs



## Remuneration (the Educator) and Fees (the Service)

(To assist you with this section, there is a useful tool at Attachment 1)

### **Educator's remuneration**

The educator's remuneration is the amount they charge the Family Day Care service for the care they provide on behalf of that service.

Educators who are independent contractors have the freedom to individually negotiate the amount they charge the Family Day Care service, the hours of operation and other conditions for the care they provide. Most Educators work within this model which allows the educator to negotiate a level of remuneration that enables the educator to operate a viable business.

### **Fee charging obligations of the Family Day Care service**

The Family Day Care service charges the family a fee for the care their child/children receive from the educator. The service must charge the family the same fee for the same kind of care. The fee must be clearly defined and must be applied to *all* families in your care. For example:

- All babies in your care under twelve months of age can be charged a different fee to all other children in your care as long as *all* babies under twelve months old are charged this same rate.
- All children who are of school age can be charged a different fee as long as *all* children who are of school age are charged this same rate. However the same family may pay a different fee if the child attends another educator within the service.
- If a family is receiving a government benefit such as Special Child Care Benefit (SCCB), Grandparent Child Care Benefit (GCCB) or JETCCFA, the family must not be charged a higher fee than would have been charged had this family not been eligible to receive one of these payments. For more information

### **Service fee policy**

When a family enrolls their child, a care agreement is negotiated between the Family Day Care service and the parent.

The service fees are set and collected by the service or, where authorized via the educator acting as an agent for the service.

A fee policy and procedure is required in relation to the payment of fees charged by the education and care service. This is required by the National Regulations, (R.168).

These policies and procedures should include information such as:

- Hours of service operation
- Standard hours
- Procedures for tracking payments
- Management of bad debts and debt recovery process
- Circumstances and process for suspension of care
- Payment plans, bonds and advances payments

- Penalty charge if any, for late payment
- Procedure for managing parent administration responsibilities; signing of time sheets, renewing of child information form, non attendance on last day of care
- Process for ensuring timely payment to the educator
- Role of the educator acting as the agent if the parent defaults on payment. How will the educator's remuneration be managed?

## Price fixing

It is important that Family Day care services set their fees independent of other services. Any agreement between a business and one or more competitors to fix prices may be illegal.

If two or more services were to make an agreement in relation to fee setting, this would raise competition concerns.

Similarly, if two or more Educators were to make an agreement in relation to the amounts that they charge the Family Day Care services for providing care on the service's behalf, this would raise competition concerns. For more information <http://www.comlaw.gov.au/Details/C2011C00003>

## Negotiating your remuneration and conditions

Educators who are independent contractors continue to have the freedom to individually negotiate their remuneration they charge the Family Day care service and other conditions.

Failure to agree on acceptable terms could result in the educator choosing to cease to provide care for that particular Family Day Care service and to seek to agree to alternate conditions with a different service provider.

Educator remuneration rate and conditions to be negotiated can include:

- Days of work
- Hours of work
- Minimum hours
- Standard hours rate
- Non-standard hours rate
- School aged sessional care rate
- School aged hourly care rate
- Minimum hours for school aged booking
- Bookings for school age care (If the child doesn't use the care that is booked, determine when the parent is liable for the fee)
- Weekend care
- Public holidays. Educators are not required to work on a public holiday and the usual fee applies or negotiate a higher fee if you are prepared to work on a public holiday
- Absences and holding rates
- Payment while the child is at kindergarten
- Meals rate
- Travel to and from kindergarten/school rate
- No reductions or refunds for missed care

- Full rates for extra days of care
- A casual rate for parents who wish to extend beyond booked hours
- If there is a vacancy or vacancy pending and the service is unable to fill the position from their waiting list, then the service undertakes to expedite the registration of a child/ren that the educator sources
- Two weeks' notice required for cessation of care
- If the educator acts as an agent for the service and is responsible for the collection of the parent portion, check the service policy to ensure that you will not be left carrying any bad debts. Remember the money is owed to the service.
- Depending on the service policy you may be able to negotiate the timelines for parent payment; payment on first day of care, full fee payment with CCB/CCR credits to parent. You may be able to charge a penalty for late payment.

When negotiating your remuneration with the Family Day Care service, keep in mind the quality of the service you provide. Determine what it will cost to run a high quality service taking into account your qualifications and experience. Find out what the fee range is in the service. Ring local centre based services and other neighbouring Family Day Care services. For more information [www.mychild.gov.au](http://www.mychild.gov.au).

Negotiate for a level of remuneration that pays you a wage that provides for superannuation, annual leave, income protection, insurance and the occasional day off for illness and medical appointments. Does the negotiated educator remuneration cover planning time, meetings and professional development?

Family Day Care should not be the cheaper option compared to centre based care but rather a different option. In fact, an excellent option!

There is a chart at the back of this handbook to assist you when negotiating your remuneration with the Family Day Care service. It takes into account the weekly hours and how many children you have in care, apart from your own. Determine what hourly rate is needed to make your business viable.

### **Remuneration increases**

The frequency and timing of educator remuneration negotiation is a business decision for each Family Day Care service to make. Some Educators negotiate remuneration once a year, reserving the right to review costs midyear. January 1 and July 1 are the usual times for review. As most families commence care in the January to February period an increase in costs in January avoids an increase five to six months after the commencement of care. On the other hand, families in receipt of CCB receive a Consumer Price Index (CPI) increase in July. The impact on the family budget of a July fee increase is lessened by the CCB adjustment.

## Budget

This section looks at some of the important questions you need to consider. There will be more questions, for further information gain appropriate financial advice and consider the advice at:

Small Business Development Corporation

<http://www.smallbusiness.wa.gov.au/small-business-development-corporation-home-page/> (To assist

you there is a useful tool at Attachment 2).

Two important factors in maintaining and running any business are:

1. Increasing your income
2. Reducing your expenditure

These factors below may be issues that are raised with the service as part of the negotiations.

### 1. Increasing educator remuneration

- What type of care and education do you offer?
- What are your qualifications and experience?
- Do you provide transport to and from kindergarten or school? Are library visits and music experiences part of your program?
- Do you adapt your service to families' needs? For example, do you offer breakfast for early bookings?
- Do you participate in ongoing professional development?
- Are you embracing the National Quality Framework including all the requirements for documentation?

### 2. Reducing your expenditure

There are two types of business expenses: compulsory and variable.

#### Compulsory

*These are requirements that must be in place to operate a Family Day Care business.*

- Liability insurance  
Safety and maintenance of your home  
Phone and utilities  
Legal requirements (Working with Children Check and Criminal History Check) First Aid, CPR, Anaphylaxis and Asthma training. First Aid kits
- Educational equipment and materials  
Program planning materials; folders, display books, camera, pens.
- Housekeeping costs  
Such as meals, drinks, cleaning.

## Variable

*These are business expenses that may be useful, desirable or good practice.*

- Additional educational equipment
- Reference books and journals
- Program consumables
- Membership of professional organisations
- Gifts for Family Day Care children
- Additional training
- Use of shared domestic appliances
- Other variable expenses

Avoid impulse purchases that are not in your budget.

Educators should have a good accountant or a solid understanding of income and expenditure for taxation purposes. Legitimate business expenses will reduce taxable income. For more information [www.ato.gov.au](http://www.ato.gov.au)

## **\$20,000 small business tax break**

The 2015 Budget announcement included the following-

Small businesses can claim immediate tax deductions for \$20,000 purchases until June 30, 2017, rather than having to claim those purchases as deductions spread over several years. This is a huge increase from the current instant asset write-off threshold of \$1,000. Any item involved in running a business may be covered by the scheme. Items may be 100% tax deductible if used exclusively for FDC. This is only a benefit to you if you were thinking of buying the item anyway. Consult your accountant if you are considering such a purchase.

## **Superannuation**

Educators should ensure that they are prepared for retirement. This is a complex area and will depend on current government superannuation co-contribution and your personal circumstances. . It is well to seek financial advice from your financial advisor or an accountant. For more information [www.ato.gov.au](http://www.ato.gov.au)

## **Collection of service fees**

Fees for care are set and collected by the Approved Family Day Care service. Where authorised by the service, fees may be collected by an educator acting as an agent for the service. As government rebates for parents are payments calculated by Centrelink based on a family's income and individual situation, the rate at which these are paid can often change, meaning that they cannot be accurately estimated. Therefore, it is recommended that Family Day Care services do not attempt to estimate individuals' fee reductions, but rather charge full fees upfront and subsequently credit families with fee reductions once the fees have been paid. It is important that the family has signed an agreement with the Family Day Care service (not the educator) before care begins. Be guided by the service's fee policy and payment options that are offered to the parents and decide how the payments are to be tracked. This could be bank statements from the internet or receipts. If parents pay by electronic transfer via the internet, this provides confirmation of payment.

## Some further business tips

*Parents are responsible for any bank charges incurred as a result of insufficient funds leading to a bounced cheque.*

*Invoices, statements and receipts must state that care is being provided on behalf of the service. Issue receipts for cash payments and record the period the payment is covering.*

*If the negotiated educator remuneration agreement includes a late fee then this fee must be charged if the family is late.*

*Keep the relationship friendly but professional. In Family Day Care, Educators build strong relationships with families and this can be difficult when the boundaries blur.*

*Treat friends and family with the same professional approach as everyone else. This may be required under your agreements with your Family Day Care Service. Unfortunately sometimes the people who are the closest can take the most advantage. Maintaining professional boundaries can help avoid this.*

## Be assertive

Being assertive means expressing your views without putting the other person down. Remember that the service has the contract with the family however as an agent of the service, you may be collecting the money. When the family receives their care agreement from the service, you can say, "This is the new fee schedule. It takes effect on July 1". Do not apologise and do not defend. You are acting on behalf of the service when collecting service fees.

If a family fails to pay on the first day of care, refer them to the service fee policy. Establish good practices from the beginning of care. If a family says that they can't pay until next week, your alarm bells should be ringing. Contact the service with this information for follow up.

It is very difficult for families to keep up with payments when they are behind. You have delivered the care therefore you are entitled to receive full remuneration from the service. The Family Day Care service may need to pay your educator remuneration and to engage the services of a debt collection agency.

## Financial support available for families

Some families receive a fee reduction through CCB and the CCR. If families are experiencing hardship (exceptional cases where a family's income does not truly reflect their capacity to pay the normally charged fee) they may be able to access Special Child Care Benefit (Child Care Services handbook 2012/2013). Refer the family to the service for more information about this.

## Attachment 1



### Negotiated educator remuneration agreement

**This is a guide only** and includes remuneration, hours of operation and other conditions. This is the negotiated educator remuneration agreement of .....(Educator) with .....(the Family Day Care service)

**Days of work** .....

#### **Educator remuneration**

Educator remuneration will be negotiated in .....(month), reserving the right to review costs midyear. Families will be given ..... week's notice of any changes and the date that they take effect. The Family Day Care service charges a service levy of \$..... which the educator collects when acting as a agent of the service.

#### **Payment of service fees:**

The total fee (educator remuneration and service levy) is to be paid on the first day of care for that week. Correct money preferred. Any CCB or CCR will be passed on to the family after it has been calculated and credited to the agent's bank account. If payment is not made on the first day before care commences a surcharge of \$..... applies for the week's fees (the above applies when the educator is acting as an agent for the Family Day Care service).

There will be no reductions or refunds for days missed. If families need to add time, regardless of missed days, there will be a charge for additional time. If the child is absent from their regular booked hours, the full fee is due. This includes sick days and holidays. Service fees are not charged if the educator is unavailable for the agreed booked hours of care except if it is a public holiday.

If payment is a week late, care will not be available until all payments are received.

#### **Minimum hours**

A minimum booking of ..... hours a day is required excluding before and after school care.

#### **Minimum hours before and after school**

A minimum booking of ..... hours per session is required

#### **Termination of care**

Two week's notice is to be given to the Family Day Care service by either party for termination of the care arrangement. Any CCB or CCR credit will be forwarded to the family. Absence days cannot be used in lieu of notice. The child must attend the last day of care to be eligible for CCB.

### Public Holidays

Care will not be provided on public holidays. If a child’s usual booked day falls on a public holiday the normal fee applies.

### Absences and Holding Rates

100% of the normal fee is charged for any child absence. The 100% holding rate also applies during periods of local emergency or any absence where families may be eligible for CCB.

### Attendance at kindergarten

Service fees will be charged for the time a child is attending kindergarten because the place is being held whilst the child is at kindergarten.

### **CHARGES:**

<b>Hours</b>	<b>Educator Remuneration</b>	<b>Service Levy</b>	<b>Total Cost of Care</b>
<b>Standard Hours</b> .....	\$ ..... per	\$ ..... per hour/day/week	\$ ..... per.....
<b>Non-standard Hours</b> .....	\$ ..... per	\$ ..... per hour/day/week	\$ ..... per.....
<b>School aged sessional care</b> (Before and/or after care)	\$ ..... per	\$ ..... per hour/day/week	\$ ..... per.....
<b>Weekend Care</b>	\$ ..... per	\$ ..... per hour/day/week	\$ ..... per
<b>Public Holidays</b> (when child is in care)	\$ ..... per	\$ ..... per hour/day/week	\$ ..... per
<b>Public Holidays</b> (when child is <b>not</b> in care)	100% of usual service fees apply		
<b>Child Absences</b> (illness or holidays)			

Late Fee     \$     Per

Transport     \$     Per kilometre or trip

Meals (if not included in fee)	\$	Breakfast	\$	Morning/Afternoon tea
		\$ Lunch	\$	Dinner

Other     \$

***The below signatures acknowledge that the Family Day Care service and educator has agreed to the terms and conditions outlined above.***

.....  
*Approved service provider signature*

.....  
*Educator signature*

.....  
*Date*



## Attachment 2

### A budget guide for Educators

Either type monthly figures in the yellow boxes OR one figure in the blue box

Category	Monthly Amount	Annual Amount (x 12)
Mortgage or Rent (if applicable)	\$ -	\$ -
Utilities: (Gas/Water/Electric)		\$ -
Motor Vehicle (e.g. fuel, business registration, maintenance)	\$ -	\$ -
Home Repairs/Maintenance	\$ -	\$ -
Telephone	\$ -	\$ -
Other Transportation (tolls, bus, train, etc)	\$ -	\$ -
Insurance (e.g. public liability, motor vehicle, home and contents, income protection, etc)	\$ -	\$ -
Administration (Computer expense, stationery, office supplies, photocopying, folders, etc)	\$ -	\$ -
Excursion and transport costs	\$ -	\$ -
Training costs	\$ -	\$ -
Magazines/Newspapers related to education and care	\$ -	\$ -
Craft Supplies	\$ -	\$ -
Resources and equipment (toys, DVDs, books, etc)	\$ -	\$ -
Interest expenses (credit cards, fees)		\$ -
Subscriptions and memberships e.g. FDCA and FDC Service membership, journal subscription, union membership, registration		\$ -
Groceries used for care (food, cleaning products, toilet paper)		\$ -
Superannuation, sick leave, annual leave		\$ -
GST (if applicable)		\$ -
<b>Total expenses</b>	\$ -	\$ -
Additional amount you wish to earn		
<b>TOTAL INCOME REQUIRED (Add up annual column)</b>		<b>0.00</b>

Hourly Fee	
Total income required divided by weeks working (48 weeks)	0.00
1 Divided by how many children per hour (4/3)	0.00
2 Divided by hours per week (40/50)	0
3 <b>Fee to charge per hour for standard hour</b>	<b>0</b>

## Calculation table

Annual Gross income	Weeks of work	Hours per week	How many children? Not including your own.	Hourly Fee
\$ 100,000	48	50	4	\$ 10.42
\$ 100,000	48	50	3	\$ 13.89
\$ 100,000	48	40	4	\$ 13.02
\$ 95,000	48	50	4	\$ 9.90
\$ 95,000	48	50	3	\$ 13.19
\$ 95,000	48	40	4	\$ 12.37
\$ 90,000	48	50	4	\$ 9.38
\$ 90,000	48	50	3	\$ 12.50
\$ 90,000	48	40	4	\$ 11.72
\$ 85,000	48	50	4	\$ 8.85
\$ 85,000	48	50	3	\$ 11.81
\$ 85,000	48	40	4	\$ 11.07
\$ 80,000	48	50	4	\$ 8.33
\$ 80,000	48	50	3	\$ 11.11
\$ 80,000	48	40	4	\$ 10.42
\$ 75,000	48	50	4	\$ 7.81
\$ 75,000	48	50	3	\$ 10.42
\$ 70,000	48	50	4	\$ 7.29
\$ 70,000	48	50	3	\$ 9.72
\$ 70,000	48	40	4	\$ 9.11
\$ 70,000	48	40	3	\$ 12.15
\$ 65,000	48	50	4	\$ 6.77
\$ 65,000	48	50	3	\$ 9.03
\$ 65,000	48	40	4	\$ 8.46
\$ 65,000	48	40	3	\$ 11.28
\$ 60,000	48	50	4	\$ 6.25
\$ 60,000	48	50	3	\$ 8.33
\$ 60,000	48	40	4	\$ 7.81
\$ 60,000	48	40	3	\$ 10.42
\$ 55,000	48	50	4	\$ 5.73
\$ 55,000	48	50	3	\$ 7.64
\$ 55,000	48	40	4	\$ 7.16
\$ 55,000	48	40	3	\$ 9.55
\$ 50,000	48	50	4	\$ 5.21
\$ 50,000	48	50	3	\$ 6.94
\$ 50,000	48	40	4	\$ 6.51
\$ 50,000	48	40	3	\$ 8.68
\$ 45,000	48	50	4	\$ 4.69
\$ 45,000	48	50	3	\$ 6.25
\$ 45,000	48	40	4	\$ 5.86
\$ 45,000	48	40	3	\$ 7.81
\$ 40,000	48	50	4	\$ 4.17
\$ 40,000	48	50	3	\$ 5.56
\$ 40,000	48	40	4	\$ 5.21
\$ 40,000	48	40	3	\$ 6.94

For more information regarding running a Family Day Care business contact:

**Child Australia**

5 Carson Road, MALAGA WA 6090

Helpline: 1800 783 768

Email: [ipspwa@childaustralia.org.au](mailto:ipspwa@childaustralia.org.au)

## REFERENCES AND RESOURCES

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