

BUSINESS IMPLEMENTATION PLAN

Direct Gap Fee Collection

[EXAMPLE ONLY]

Project Title: Transition to Direct Gap Fee Collection

DGFC transition start date: 1 October 2025

Please note: This completed sample version shows how a family day care service might structure their transition to Direct Gap Fee Collection (DGFC). It demonstrates how services can use the template to record their own actions, timeframes, and responsibilities.

This is a fictional example provided for illustrative purposes only. Services should adapt and tailor their own plan based on their local context and requirements.

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GLOSSARY OF TERMS

- **DGFC** – Direct Gap Fee Collection: A payment model where families pay the gap fee (the portion not covered by CCS) directly to the family day care service.
- **CCS** – Child Care Subsidy: A government subsidy that helps eligible families with the cost of early childhood education.
- **CWA** – Complying Written Arrangement: A formal agreement between the service and family about care details and fees.
- **Gap Fee** – The out-of-pocket amount a family pays after the CCS has been applied.
- **FDCA** – Family Day Care Australia: The national peak body representing family day care sector.
- **DGFC Transition Start Date** – The date the service begins operating under the Direct Gap Fee Collection. *Note: While this plan uses a go-live date of 1 October 2025 for planning purposes, all services must transition by 1 January 2026.*

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1. SERVICE SNAPSHOT

Our service supports a diverse range of families and educators across regional and remote NSW.

Key Characteristics:

- 38 active educators across rural and suburban areas
- ~270 families including:
 - Families from culturally and linguistically diverse (CALD) backgrounds
 - Families with limited digital access or English literacy
 - A small handful of families who pay with Centrepay
 - Families who prefer non-electronic communication
- Communication channels we use in our service include SMS, email, educator meetings, posters, and a family newsletter

This context will inform our implementation and communication strategies. We will need to prioritise accessible information and multi-channel communication to ensure no family is left behind during the DGFC transition.

2. IMPLEMENTATION TEAM

The overview of our team leading the DGFC transition for our service will be as follows:

Team Member	Role	Responsibilities
Sarah Thompson	Service Manager	Oversees planning and compliance, leads staff coordination.
Luke Zhao	Finance & Systems Lead	Coordinates invoicing setup, debt collection and CCS software implementation.
Kylie Brown	Administration Officer	CCS software management and implementation, enrolment data, attendance reporting, rostering, family support and communication contact.
Megan Smith	Compliance Officer	Ensures CWAs, enrolments, forms and policies align with DGFC requirements, FAL and CCS requirements.
Zara Singh	Coordinator/Family and Educator Communication Lead	Manages educator training, family and educator messaging, targeting the correct channels to communicate with all families and tracks feedback.

3. CURRENT STATE ASSESSMENT

As of 26/06/2025 our service is in the early to mid-stages of preparing for the transition to the Direct Gap Fee Collection (DGFC), with a target implementation date of 1 October 2025 to allow time to address any issues before the legislation change on 1 January 2026. The following summary outlines what has been completed, what requires attention, and current risks or dependencies based on our review of the [FDCA Checklist](#) and internal consultation with staff.

What is complete:

- ✓ Initial internal planning discussions have been held to establish a broad understanding of DGFC and its requirements.
- ✓ A DGFC transition team has been formed, including management, administration staff, and educator representatives.
- ✓ A communication plan has been drafted, including audience-specific messaging for educators and families.
- ✓ Educators and families have been notified of the upcoming changes and preliminary FAQs have been shared.
- ✓ We have commenced engagement with our CCS third-party software provider to confirm functionality for direct gap fee invoicing and payments.

What requires attention:

- Policies and procedures (including fee collection, debt recovery, and educator agreements) are currently under review and will require updating.
- Enrolment forms and CWAs do not yet reflect DGFC changes and need to be revised and redistributed before the transition.
- Banking/payment collection procedures are not fully finalised - we still need to identify preferred payment methods for families and clearly document those processes.
- System testing and internal training have not yet commenced.
- Formal communication with educators and families (e.g., through info sessions or notices) has not yet been rolled out.

Risks:

- Risk of confusion among families who are used to paying educators directly – clear and repeated messaging will be necessary.
- Administrative workload may increase during the transition period, requiring temporary resource reallocation.
- Any delays or issues with software upgrades could affect the service's ability to generate compliant invoices and collect payments efficiently – we will ensure we are engaged with our CCS third-party software provider to address this.
- Dependence on educators to accurately communicate changes to families may lead to inconsistent messaging unless supported with clear information and training.
- If policy updates and system changes are not implemented in a timely manner, there is a risk of non-compliance commencement date (i.e. 1 January 2026).

4. BUSINESS OBJECTIVES

The business objectives outlined below provides the foundation for a successful transition to the DGFC by 1 October 2025. These objectives focus on legal compliance, operational readiness, educator and family support, and long-term service sustainability.

1. Ensure a smooth, timely transition

- Transition to DGFC ahead of the mandated deadline, allowing time to test systems and respond to issues.
- Minimise disruption to service delivery by phasing the implementation across clear milestones.

2. Comply with legislative and policy requirements

- Review the legislation to ensure all obligations under Family Assistance Law are met.
- Ensure any updates to invoices and records meet CCS compliance standards.

3. Support educators through the change

- Provide clear guidance, resources, and training to help educators adjust to new communication expectations and systems.

4. Minimise confusion for families and staff

- Develop and deliver a clear communication plan to inform families about the change, how to update their payment details, and what to expect.
- Ensure coordinators and administration staff are confident in supporting families and answering queries.

5. Strengthen and streamline fee collection processes

- Centralise all fee collection through the service using secure and compliant software.
- Improve billing consistency, track payment history, and implement appropriate policies and procedures for late/dishonoured payments and debt recovery.

6. Review and update service policies and agreements

- Update enrolment forms, update all care arrangements including CWAs, educator agreements, and fee collection policies to reflect DGFC requirements.
- Ensure alignment with CCS compliance requirements and clear documentation for audits.

7. Build long-term sustainability

- Use the transition as a strategic opportunity to review and modernise financial systems, internal procedures, and governance practices.
- Evaluate financial implications (e.g., insurance, levies, software fees).

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5. SUPPORT & RESOURCES

Below is a list of the key resources, contacts, and tools we will use to support the successful implementation of the DGFC.

Resource	Purpose/How it will be used
Updated service policies and procedures (fee collection, educator payments, debt recovery, complaints, privacy).	Ensure the service's practices align with DGFC requirements and provide clear guidance for educators and families.
Service email and dedicated transition contact for educator/family enquiries.	Streamline communication and provide a consistent point of contact for support during the transition.
Implementation team point-of-contact list.	Identify internal staff responsible for various aspects of DGFC planning and rollout.
FDCA Resource: Provider Checklist: Transitioning to Direct Gap Fee Collection	Used to assess readiness and track key tasks across planning, implementation, and review phases
FDCA Resource: Communications Plan Template	Used to support message consistency and planning for communication with educators and families.
Family and Educator Information Sheets and FAQs	Downloadable resources to explain DGFC to families and educators in plain language. Link: Direct Gap Fee Collection Resources
FDCA Sector Support – Enquiries (enquiries@fdca.com.au / 1800 658 699)	Direct contact for tailored advice and support related to DGFC transition, compliance and family/educator engagement.
Third-party CCS Software Provider Support	Contacts for training, technical queries, invoice testing, and family portal integration.
Department of Education Guidance on Managing Fees and Gap Collection	Official reference for interpreting compliance under Family Assistance Law. Link: https://www.education.gov.au/early-childhood
Connections with other providers in our area who have already transitioned.	Practical insights or tips to help navigate common challenges and lessons learned.

6. IMPLEMENTATION PLAN

Please note: The following implementation plan is provided as an example only and reflects the structure of a larger family day care service. It includes role titles and responsibilities that may not be applicable to all services. We acknowledge that some services operate with fewer staff and may not have dedicated personnel for each function (e.g., Compliance Officer, Communications Officer, Financial Coordinator). When using the blank template to develop your own plan, consider how these responsibilities apply to your service and reassign or combine tasks as needed. The role titles in this example can be used as labels for key tasks that may be allocated to staff within your own structure.

The below plan provides a step-by-step roadmap of how we will transition to DGFC by 1 October 2025. It details the sequence of actions, assigns roles and responsibilities, sets key milestones and timelines, and identifies the resources required to ensure successful execution. This plan remains a live document and will be used in our weekly staff meetings to track how we are implementing the changes required.

Activity	Why	Responsible Person	Due Date	Notes	Status update
Phase 1 – Planning and Preparation					
Establish a transition team, including a point of contact list.	To oversee implementation, this may include staff, parents and educators	Service Manager/Nominated Supervisor	Completed		Completed
Understand DGFC legislation and policy	To ensure the team is clear on legal requirements and implications	Compliance Officer/Approved Provider	Completed	Used FDCA factsheets and Department of Education guidance	Completed
Consult with key staff members and educators	To understand what changes are required for the service – refer to FDCA Checklist for things to consider at this step.	Service Manager/Nominated Supervisor	Completed	Used FDCA checklist to guide conversation and inform this plan.	Completed
Engage software provider	To confirm payment functionality, invoicing requirements and support options, refer to FDCA Checklist for key aspects to consider when engaging with software providers.	Administration Lead	30 July 2025	Request demo/training on gap fee features	The meeting is booked for 4 July.
Assess administrative hours required for the transition	To allow you to define and allocate staffing arrangements.	Administration lead	30 July 2025		Spreadsheet developed to assess
Review financial considerations	To determine financial implications and put in processes as required.	Financial coordinator	8 August 2025		Review of potential financial considerations is underway, using the FDCA checklist.
Update policies and enrolment docs	To reflect new payment responsibilities and compliance with Family Assistance Law. Refer to FDCA checklist on potential policy updates that may be required.	Approved Provider/Service Manager	22 August 2025	Includes CWAs, fee collection, complaints, privacy etc.	Have met with another provider who has already updated theirs, they will share their updates for us to look at.
Develop communications plan	To communicate changes and impacts to staff, educators and families.	Service Manager/Nominated Supervisor	Completed	Used FDCA communications template	Developed using FDCA template and ready to roll out when required.
Set up a FAQ tracker	To capture the frequently asked questions coming through	Administration Lead	Ongoing		
Phase 2 – Implementation					
Roll out educator and family communications	To build awareness and support understanding of changes	Administration Lead	25 August 2025	Begin roll out of communications plan – Use email, SMS, website, and family info sessions	
Family info night (online)	Share details of updated policies and procedures	Coordinator (all)	29 August 2025	Send SMS reminders 1 week prior	

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Test internal workflows and systems	To ensure smooth fee collection, accurate invoicing, and reliable reporting	Admin/Finance Lead in collaboration with software provider	1 September 2025	Trial sample invoices with 2-3 families	
Conduct small pilot (if applicable)	To identify issues early and trial family communications in a controlled setting	Program Coordinator	8 September 2025	Select 2-3 educators to trial DGFC rollout	
Provide training and Q&A sessions	To prepare educators and admin staff for new systems and policies	Team Lead	Throughout September	Use FAQs, scripts, live online sessions	
DGFC Transition Start Date with changes	Switch over to the new processes and system changes	Entire service and educators	1 October 2025		
Phase 3 – Evaluation and Review					
Gather feedback from educators/families	Improve clarity and measure satisfaction See section 5 of this plan for evaluation questions.	Communications Officer	13 October 2025	Use surveys and informal interviews	
Review and adjust systems/processes	To fix any problems that emerged during rollout	Administration Team	31 October 2025	Monitor recurring issues via CCS software reports	
Monitor admin and billing issues	To ensure compliance, minimise debt, and reduce errors	Finance Officer	Ongoing	Review fortnightly reports for gaps/errors	
Share learnings with others	Connect with services in our area to share learnings	Service Manager/Nominated Supervisor	Ongoing		

7. EVALUATION

To ensure the transition to DGFC is effective, we will evaluate implementation using both feedback and performance indicators. Evaluation will focus on communication success, operational readiness, and compliance outcomes.

Key Evaluation Questions:

1. **Are policies updated and shared with families?**
 - Check that all updated policies, CWAs, and enrolment documents are distributed and acknowledged.
2. **Are educators confident using the new process?**
 - Collect feedback during training sessions and informal follow-ups.
 - Track the number and type of questions educators continue to ask post-transition.
3. **Are questions from families decreasing or becoming more informed?**
 - Use a FAQ tracker to identify trends in queries over time.
 - Aim for a decrease in basic “What is DGFC?” type questions.
4. **Are payment errors or delays being reduced?**
 - Review reports from the CCS software system to identify late payments, dishonour rates, or inconsistencies.
 - Monitor how often follow-up contact is needed with families regarding payments.
5. **Are debt management processes working effectively?**
 - Review internal procedures for handling missed payments.
 - Track how many payment plans are established and successfully completed.
6. **Have communication tools and sessions been effective?**
 - Conduct short surveys or gather informal feedback from families and educators.
 - Check attendance at info sessions or open rates on emails/SMS communications.