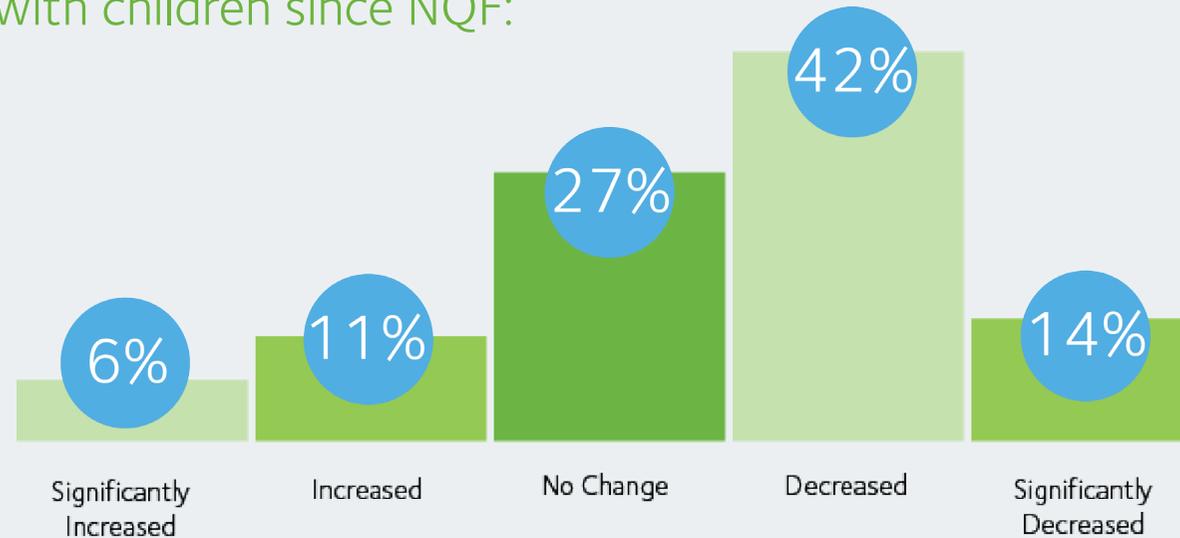


HOW THE NQF IS IMPACTING YOUR CENTRE



How the NQF has impacted Childcare centres

Educator's time with children since NQF:



The Australian Childcare Alliance spoke to 362 Childcare centres across Australia about the National Quality Framework and how it is affecting centres and staff. The results clearly suggested centres were increasing their time spent on compliance with only marginal increases in quality outcomes for the children.

- 56% of providers believe that since the introduction of the NQF, educators' time with children has decreased
- 65% of providers indicated their 'business health' in 2014 would range from very poor to average, highlighting ongoing concerns regarding viability issues.
- 31% indicated that NQF resulted in changes to the number and/or mix of children in their service.

Increasing costs: Not in line with industry growth

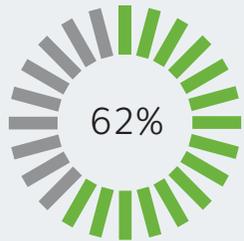
The cost of Childcare is set to increase 12.8% by 2016



66% of centres indicated that they have passed additional costs from the NQF to families in the form of higher fees



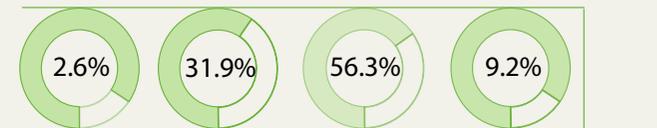
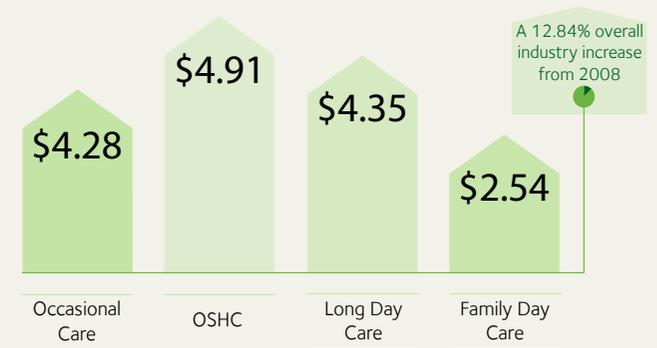
52% indicated that price competition with other providers prevents them from investing in initiatives to improve quality



Childcare centres indicated that 62% of their turnover can be attributed to wages/salaries

Cost vs Revenue

2016 Predicted hourly costs to attend childcare



2013 Share of Industry Revenue

Long Day Care has the largest market share due to parents working with below school aged children

Price is a key factor

The results from the Australian Childcare Alliance survey indicate that price is still a key factor for centres. The increase in fees is leading to a rise in parents struggling to pay. There has been an increase in price competition that centres need to combat.

66% of centres compete with services in their local area based on price

Reduce Centre Hopping

Centre hopping is when late payers switch centres with unpaid bills. Solutions such as direct debit, can have an immediate and positive effect on eliminating centre hoppers.

84%

Of respondents said they had been affected by parents who 'centre hop' to avoid paying fees

81%

Indicated that up to 40% of families attending their service experienced difficulties in paying their fees during 2013

85%

Believe that price competition has at some time prevented the passing on of increased costs

Parents prefer direct debit

Our research shows those most open to direct debit are 18-40 year olds who have grown up with technology, value the convenience of the process, are time poor and do not feel they have relinquished control of payments. They tend to not go looking for direct debit but are more likely to use it over other methods when it is on offer.

**USING THIS INFORMATION YOU MAY BE ABLE TO
ATTRACT NEW FAMILIES**

Those most opposed to direct debit tend to be from older age groups as they have grown up with a distrust of banks. However, they are more than likely already paying for a high value service by direct debit in other areas of their life. While this group consider themselves opposed to direct debit as a payment option, this resolve may be weakened by addressing their concerns through communicating the benefits of this hassle free option.



Spend your quietest days growing your business, not on admin

This table shows the vacancies as a percentage for each age group over each day.

DAY	0-2 yrs	2-3 yrs	3-5 yrs	AVG
MONDAY	32%	32.9%	37.2%	34%
TUESDAY	25.7%	25.5%	28.9%	26%
WEDNESDAY	26%	26.8%	27.6%	26.8%
THURSDAY	25.1%	25.7%	27.4%	26.1%
FRIDAY	30.4%	30.3%	33.3%	31.3%

How to make the most of your time on Monday and Friday

Delegate to non-reporting staff

We know you are spending more money on staff as a result of the NQF's increased staff ratios. So, you don't want those extra staff stuck in the office running reports, making phone calls and other administrative tasks.

Consider which of these jobs could be delegated to more junior staff so your hands-on staff can be used where they are best qualified – with the children.

Set aside time each week for reporting

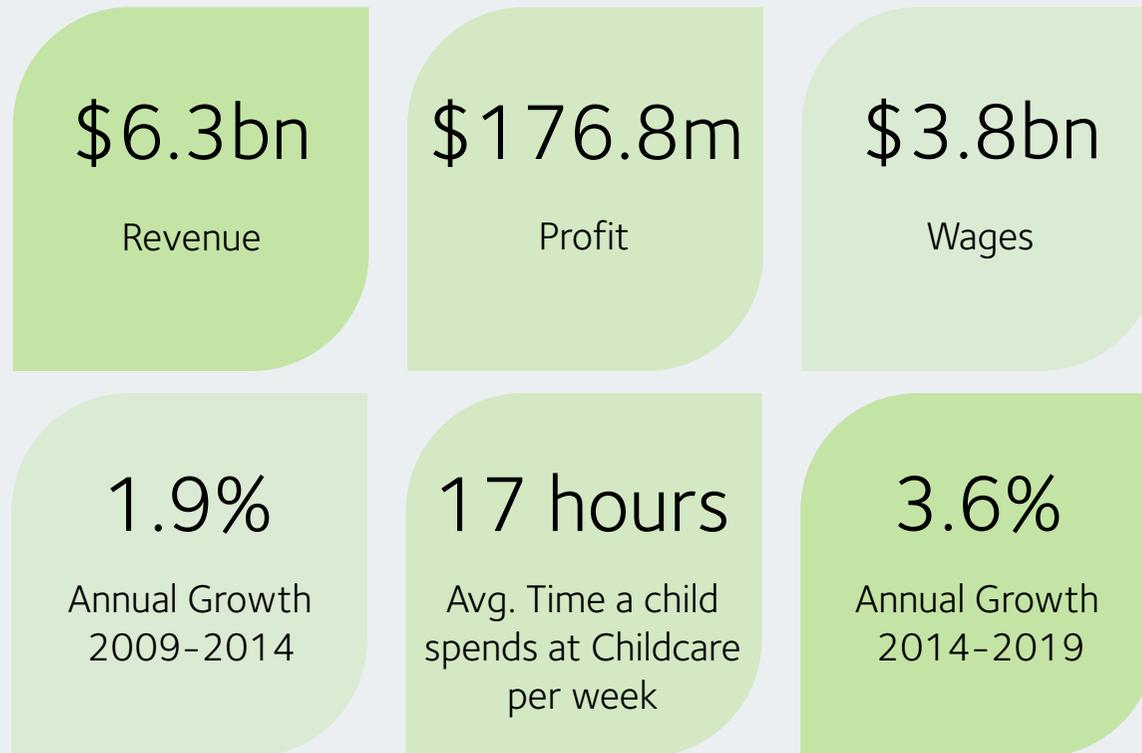
Childcare centre clients tell us that since the introduction of the NQF, they are spending more time dealing with more decision makers and more government bodies as they strive to meet national quality standards and maintain accreditation. All of these added compliance and reporting structures take time, and time costs money!

Try scheduling an appointment with yourself for reporting each week. Keep this appointment as a priority, turn off your phone and don't let yourself be interrupted during this time. This will help you to stay ahead of the reporting demands and decrease 'deadline stress' at the same time.

National Quality Framework: Year in review

The National Quality Framework (NQF) was introduced in 2012 and has had a significant impact on the Childcare industry. The framework, which aims to take a unified approach and provide better educational and developmental outcomes for children using education and care services, has created quite a stir in the Childcare industry.

Childcare industry snapshot 2013 - 2014



How one Ezidebit customer is making it work

See how Karen Coyne at Morningside OSHC is saving time.



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1300 763 256

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