



Australian Government

V E T
FEE-HELP

VET Provider Handbook

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VET Provider
Handbook

VET PROVIDER HANDBOOK

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1 GENERAL INFORMATION

1.1 Introduction

This *VET Provider Handbook* (the Handbook) has been developed by the Department of Education, Employment and Workplace Relations (DEEWR) to help Registered Training Organisations (RTOs) seeking approval as Vocational Education and Training (VET) providers (providers) and those approved as providers to interpret and implement the policies for VET FEE HELP that are enacted under the *Higher Education Support Act 2003* (HESA) and associated guidelines.

This Handbook explains the rules and procedures associated with administering VET FEE-HELP. It is not however, an exhaustive summary of all obligations which apply to providers or prospective providers. Therefore, providers and prospective providers must also carefully consider the requirements of HESA, any guidelines and determinations made under HESA and should not solely rely on this Handbook.

This Handbook should be read in conjunction with HESA (especially Schedule 1A), the guidelines and any determinations (list provided at **Appendix A**) for VET FEE-HELP. These are the primary sources of the requirements with which providers must comply. Relevant sections and clauses of HESA, the guidelines and determinations are referenced throughout the Handbook. However, if there is any inconsistency between the content of this Handbook and the provisions of HESA or the guidelines, the provisions of HESA and the guidelines (which prescribe the applicable requirements) take precedence to the extent of the inconsistency.

This Handbook uses the terminology of HESA and the guidelines. Many of the terms defined under HESA and the guidelines that relate specifically to VET FEE-HELP are prefaced with 'VET', to distinguish the requirements for VET FEE-HELP from the higher education FEE-HELP requirements. For ease of reading within this Handbook, 'VET' is often dropped from many of the terms defined under HESA and the guidelines that relate to VET FEE-HELP.

For queries regarding the information in the Handbook, contact the student and VET provider enquiry line (see **Appendix A**). **Appendix A** contains contact details and useful links. A list of acronyms and definitions used in the Handbook is at **Appendix B**.

1.2 Registered Training Organisations (RTO)

Any organisation wishing to deliver nationally recognised and accredited training and assessment services must be or become an RTO. To register as an RTO, an organisation must:

- apply to the appropriate state or territory registering authority; and
- demonstrate compliance with the nationally agreed standards set out in the Australian Quality Training Framework (AQTF).

RTOs are recognised as providers of quality assured and nationally recognised training and qualifications. Only RTOs can:

- deliver nationally recognised courses and qualifications that are accredited under the AQTF;
- apply for Australian, State and Territory government funding to deliver vocational education and training (VET);
- create new accredited VET courses in response to specific demands; and
- register on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) to provide VET courses to overseas students studying in Australia.

A provider must operate and continue to operate at an appropriate level of quality and meet the AQTF requirements [\[HESA Schedule 1A clause 17\]](#).

In addition to any requirements and responsibilities which may arise under the AQTF, to be approved as a VET provider (that is, a body approved to offer courses for which VET FEE-HELP assistance is available) and to maintain that approval, an RTO must be willing and able to meet the quality and accountability requirements for VET FEE-HELP [\[HESA Schedule 1A clause 6\(f\)\]](#).

1.3 Third Party Arrangements

Where a provider enters into an arrangement with another organisation (including a wholly owned subsidiary of the provider or another RTO) for the delivery of some or all of a course and the provider is to grant the VET award, the provider remains responsible as the student's provider for continuing to meet all provider obligations in respect of VET FEE-HELP. The provider must assume full responsibility for all aspects of delivery of the course, including ensuring quality and standards, teaching by qualified staff, providing adequate resources and facilities, and implementing adequate measures to protect the welfare of students.

The provider will be required to continue complying with all the VET FEE-HELP requirements in HESA including the:

- VET quality and accountability requirements (see **Part 3**);
- determination and charging of tuition fees and the determination of census dates for units of study (see **3.5.2** and **1.12**); and
- publishing and reporting requirements (see **Part 6** and **Part 7**).

The provider is also responsible for considering applications for the re-crediting of a student's FEE-HELP balance in respect of the units that form part of the course (see **Part 12**).

1.4 VET FEE-HELP legislation

The legislative authority for the VET FEE-HELP Assistance Scheme is the *Higher Education Support Act 2003* (HESA). HESA provides for further detail on aspects of VET FEE-HELP to be specified separately in guidelines made under HESA rather than in HESA itself. Those guidelines are the:

- VET Provider Guidelines;
- VET FEE-HELP Guidelines; and
- VET Administration Guidelines.

The guidelines are legislative instruments and use the language of HESA in order to avoid any misinterpretation or inconsistency with the Act.

1.5 VET FEE-HELP policy intent

VET FEE-HELP is an extension of the higher education FEE-HELP arrangements to VET. The requirements and arrangements that an RTO must comply with in order to be approved as a VET provider and to maintain its approval are limited to students or persons that are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of HESA, and courses which are eligible under subclause 45(1) of Schedule 1A of HESA. That is, the legislative requirements for VET FEE-HELP apply only to those students and persons that are accessing VET FEE-HELP assistance or would be entitled to access this assistance if they applied. The arrangements that RTOs and providers must have in place for VET FEE-HELP only apply in relation to those students or persons described above.

The guidelines have been written consistent with the policy intent of VET FEE-HELP. This Handbook has also been written on that basis. For ease of reading, in the Handbook where the terms:

- “students” and “persons” is used, this is a reference to those students and persons that are or would be entitled to VET FEE-HELP assistance;
- “courses of study” or “courses” is used, this is a reference to VET diploma, advanced diploma, graduate certificate and graduate diploma courses that meet the course eligibility requirements for VET FEE-HELP assistance; and
- “units of study” or “units” is used, this is a reference to units undertaken as part of an eligible course of study for VET FEE-HELP assistance.

1.6 VET FEE-HELP

VET FEE-HELP is an income contingent loan scheme for the VET sector that is an extension of FEE-HELP, part of the Higher Education Loan Program (HELP).

VET FEE-HELP assists eligible students to pay for all or part of their VET tuition fees at approved VET providers when studying one or more of the following VET accredited courses of study:

- diploma*;
- advanced diploma*;
- graduate certificate; and
- graduate diploma. [[HESA Schedule 1A, clause 43\(e\) and Schedule 1](#)]

*In most circumstances, these courses must have an approved VET credit transfer arrangement to a Bachelor degree with a higher education provider (HEP - a higher education institution approved to offer FEE-HELP to its students), unless the provider meets the criteria for an exemption [[VET FEE-HELP Guidelines 2.5](#)]. See **Part 4** on **VET Credit Transfer Requirements**.

The underlying principle on which HELP is based is that it removes the major financial barrier to entry to higher education allowing students to defer the majority of costs of further study (their tuition fees) through a loan that is offered on favourable terms compared to commercial loan arrangements.

The Australian Government pays the amount of the loan direct to a student’s provider. Students repay their loan through the Australian taxation system once their repayment income is above the minimum income threshold level for compulsory repayment, which for 2010-11 is \$44,911.

Detailed information on **VET FEE-HELP Assistance** is provided at **Part 5**.

1.7 VET course of study

Only VET courses at the diploma, advanced diploma, graduate certificate and graduate diploma level are eligible VET courses of study [[HESA Schedule 1A, clause 43\(e\)](#)]. To be an eligible course for which students can access VET FEE-HELP assistance, the course must also meet the VET credit transfer requirements set out in the VET FEE-HELP Guidelines [[HESA Schedule 1A clause 45\(1\)\(a\)](#)]. In most circumstances, diploma and advanced diploma courses must have in place approved VET credit transfer arrangements [[VET FEE-HELP Guidelines Chapters 2 and 3](#)].

RTOs approved to offer VET FEE-HELP (VET providers) that have credit transfer arrangements for their diploma and advanced diploma courses that are at or above the former AQFAB best practice benchmark credit transfer levels, are required to submit, as a minimum, these credit transfer arrangements for approval in order for the courses to be eligible for VET FEE-HELP assistance (see **4.5** on **VET credit transfer arrangements**).

1.7.1 Specialisations or streams within a course

Streams within a course are considered the same course for the purposes of VET FEE-HELP, if they lead to the same award. If the stream leads to a separate award, then it is considered a separate course of study for the purposes of VET FEE-HELP. This is important for diploma and advanced diploma qualifications, as courses at this level require an approved VET credit transfer arrangement in most circumstances.

For example, if the following streams lead to the same Diploma of Information Technology award, they are treated as one course of study for the purposes of VET FEE-HELP and will generally require, as a minimum, only one approved VET credit transfer arrangement, which would encompass the different streams:

- Diploma of Information Technology
- Diploma of Information Technology (Software Development)
- Diploma of Information Technology (Networking)

If these streams lead to separate awards, they must be treated as separate courses of study and in most circumstances, each course will require, as a minimum, one approved VET credit transfer arrangement for each diploma or advanced diploma course [\[VET FEE-HELP Guidelines Chapters 2 and 3\]](#).

1.8 VET unit of study

A VET unit of study means a subject or unit that a student may undertake with a provider as part of a VET course of study in which the student may access VET FEE-HELP to pay for all or part of their tuition fees for that unit [\[HESA Schedule 1 clause 1\]](#). If a provider offers the same unit in different periods, the unit is taken to be a different unit of study in each period [\[HESA Schedule 1A subclause 67 \(1\)\]](#).

A provider can only set and charge students tuition fees for VET units of study (as opposed to complete VET courses of study).

1.8.1 Eligible VET unit of study

An eligible VET unit of study is a unit undertaken in a VET course of study (diploma, advanced diploma, graduate certificate or graduate diploma) that meets the course requirements for VET FEE-HELP assistance through an approved VET provider [\[HESA Schedule 1 clause 1\]](#).

In most circumstances, a provider must have an approved VET credit transfer arrangement with a higher education provider (HEP) for VET diploma and VET advanced diploma courses for students enrolled in those courses to be able to access VET FEE-HELP assistance [\[HESA Schedule 1A clause 45\(1\) and VET FEE-HELP Guidelines paragraph 2.5.10 and chapter 3\]](#).

1.8.2 Course structure

It is up to an RTO to determine how it divides up its courses into units of study. A provider may decide that a particular course will consist of only one unit of study or it may consist of a number of units of study. However, in deciding how to structure a course into units of study, a provider should be aware that, for VET FEE-HELP, students do not incur a liability for a unit of study until after the census date for that unit. This applies to all students whether they pay their tuition fees up-front or seek VET FEE-HELP assistance. A census date can be set no earlier than 20 per cent of the way through a unit of study [\[HESA Schedule 1A clause 67\(2\)\]](#).

In deciding how to structure a course into units of study, a provider should consider the financial risks of students withdrawing before the census date and not being liable to pay any tuition fees for those units (such as in the case of having only one or a small number of units), compared to any

increased administrative issues associated with having numerous units of study, and therefore lots of census dates very close together.

1.9 Unit of competency

A unit of competency is a specification of industry knowledge and skill and the application of that knowledge and skill to the standard of performance expected in the workplace that is part of a nationally endorsed training package or an accredited course. Units of competency may comprise a number of smaller elements of competency. Training packages specify the competencies and qualifications used to recognise and assess the skills and knowledge people need to perform effectively in the workplace.

A unit of study is therefore likely to contain a number of units of competency. For the purposes of VET FEE-HELP, the number of competencies and units of competencies do not need to be considered and have no meaning. It is only for units of study that a provider can set and charge students tuition fees, and for which eligible students can access VET FEE-HELP assistance for their tuition fees for those units.

1.10 Eligible students

Certain eligible State government subsidised students enrolled in an eligible course, in addition to full fee-paying students, now have access to VET FEE-HELP assistance through approved VET providers.

1.10.1 Full fee-paying students

A full fee-paying student is a student enrolled in a VET course of study for which the provider does not receive any funding from a State, Territory or the Commonwealth in relation to the student's enrolment in that course. Entitlement to VET FEE-HELP assistance is restricted to those students who are enrolled in units of study on a full fee-paying basis or to certain government subsidised students. [\[VET FEE-HELP Guidelines Chapter 2\]](#).

1.10.2 Government subsidised students

A subsidised student is a student enrolled with a VET provider in a VET course of study, for whom the VET provider receives funding from a State or Territory in relation to the student's enrolment in a VET course of study and the student is determined to be a subsidised student by the subsidising State or Territory [\[VET FEE-HELP Guidelines Chapter 2\]](#).

A subsidised student is only entitled to VET FEE-HELP assistance for a VET unit of study if the unit:

- forms part of a VET course of study that leads to an award of VET diploma or VET advanced diploma; and
- the student is enrolled in the unit in the Subsidising State or Territory; and
- the Subsidising State or Territory is a *Reform State or Territory* [\[VET FEE-HELP Guidelines Chapter 2\]](#).

[Note: For the meaning of *Reform State or Territory* please see VET Provider Guidelines Chapter 1]

1.10.3 Nesting of qualifications

To be entitled to VET FEE-HELP assistance a student must meet the residency requirements and be enrolled in a VET unit of study that forms a part of a VET diploma, VET advanced diploma, VET graduate diploma or VET graduate certificate. A student will not be entitled to VET FEE-HELP

assistance for VET units of study where the student is enrolled in a non-VET course of study, such as a certificate I, II, III or IV level course.

In addition, a student is not entitled to VET FEE-HELP assistance for a VET unit of study where undertaking that VET unit of study would involve the student doing more than he or she needs to do to be awarded the relevant qualification [HESA Schedule 1A clause 45(A)].

It is for VET providers to determine the content of VET courses of study in accordance with training package requirements set by relevant State or Territory Training Authorities. However, nesting lower level qualifications within a diploma or above level course should not be used as a means of creating an entitlement to VET FEE-HELP assistance for students where it may not otherwise exist.

VET providers should contact their State or Territory Training Authority for more information regarding the arrangements which govern the nesting of qualifications in each State or Territory.

1.11 VET FEE-HELP liability

VET FEE-HELP eligibility and liability occurs on a unit of study basis [HESA Schedule 1A clause 52].

Under HESA, students do not incur a liability for a VET unit of study (VET tuition fees) until after the census date, which can be set no earlier than 20 per cent of the way through a unit. This applies to all students and persons who are, or would be, entitled to VET FEE-HELP assistance, whether they pay their tuition fees up-front or seek VET FEE-HELP assistance.

VET FEE-HELP loans are paid to the provider on behalf of the student by the Australian Government against outstanding tuition fees for each unit of study the student is enrolled in at the end of the census date.

1.12 Census date

The census date for a unit of study is the closing date for a student to apply for VET FEE-HELP assistance for that unit. A provider must set a census date for each unit of study it provides or intends to provide during a year [HESA Schedule 1A clause 67(1), VET Administration Guidelines 3.5].

A census date can be set no earlier than 20 per cent of the way through a VET unit of study [HESA Schedule 1A clause 67(2)]. The period of time during which the unit of study is undertaken should include any normal study breaks, assessment or examination periods (except supplementary examinations as these are not normally undertaken by all the students in the unit of study). If a provider does not know the date for the final examination for a unit, the last day of the examination period is to be used as the end of the study period. If a unit does not include a final examination, an examination period should not be included. A census date calculator is available to assist VET providers at: www.deewr.gov.au/vetfeehelp.

1.12.1 Length of units and census dates

It is up to a provider to decide the length of each VET unit of study, which will then determine the minimum time for setting the census date for the unit. A unit of study can only have one census date. In the case of a full-year unit of study spanning different teaching periods, the unit would have only one census date and not separate dates for each teaching period (semester, term, etc.).

A provider may have common census dates for units as long as the 20 per cent requirement is complied with for each unit.

Because a unit must have only one census date, where a unit is offered at different times, it will constitute a separate unit for the purposes of VET FEE-HELP.

Example

Roslyn is a VET provider who is determining the census date for her first unit in a Graduate Diploma in Accounting. The unit start date is 2 February 2009 and the end date is 2 October 2010. If Roslyn sets the unit census date 20 per cent of the way through the unit (as a minimum) the unit census date would be 3 June 2009.

If using a Microsoft Excel workbook, the formula $=((B1-A1)*0.2)+A1$ can be used. The commencement date is entered into the column A and the completion date is entered into the column B.

1.12.2 Can a provider set common census dates for units?

Yes. A provider may have common census dates for units as long as the 20 per cent rule is complied with for each unit.

Example

Eileen is a VET provider who wishes to set common census dates for her units for the Diploma of Massage Therapy. The diploma has 3 units of study. These can all have the same census dates and still be separate units. For example:

<i>Unit 1</i>	<i>Start date=</i>	<i>02/02/2009</i>
	<i>End date=</i>	<i>30/06/2010 (earliest allowable census date=15/05/2009)</i>
<i>Unit 2</i>	<i>Start date=</i>	<i>02/04/2009</i>
	<i>End date=</i>	<i>02/04/2010 (earliest allowable census date=14/06/2009)</i>
<i>Unit 3</i>	<i>Start date=</i>	<i>02/03/2009</i>
	<i>End date=</i>	<i>02/06/2010 (earliest allowable census date=01/06/2009)</i>

Applying the 20 per cent rule, all of these units could have separate census dates. However, if you apply a common census date for all 3 units, it would be the later of the 3 census dates i.e. 15/06/2009

1.12.3 Publishing census dates

A provider must publish the census date for each unit of study that it provides or intends to provide by the date identified, and in the manner specified in, the VET Administration Guidelines [\[HESA Schedule 1A clause 67\(3\), VET Administration Guidelines Chapter 3\]](#).

1.13 Student load

A student load relates to the contact hours for a VET student, VET unit of study, VET course of study or VET provider. It is usual for students to be able to study a course under varying student loads, such as part-time or full-time. It is up to VET providers to determine whether students can undertake a course on a full-time and/or part-time basis.

For reporting purposes (see **7.3.3**) and estimating advance payments (see **8.1**), VET providers need to work out the equivalent full-time student load (EFTSL) for each course and for each unit of study.

1.13.1 What is EFTSL?

EFTSL is an equivalent full-time student load that is used in data reporting via HEPCAT (see **Part 7**) and payment estimates (see **Part 8**). It is a measure of the study load, for a year, of a student undertaking a course of study [HESA, s 73-10]. A typical full-time student would have an EFTSL of 1.0 (or above 1.0 under certain accelerated pathways: this is an exception rather than the rule). A part-time student undertaking part of the full-time student load would incur an EFTSL less than 1.0. For example, an EFTSL for a student undertaking half of the full-time student load of 0.5, quarter of the full-time student load of 0.25 and so on.

1.13.2 Determining EFTSL values for VET units of study

It is a VET FEE-HELP requirement that a VET provider determines the EFTSL value for units of study it offers when reporting data to DEEWR [Ministerial determination under HESA Schedule 1A clause 24]. If the unit can form part of more than one course of study, the provider can determine different EFTSL values for the unit for each course of study.

- Study load for a unit of study is expressed as a proportion of the standard study load for one full-time year of the course of study of which the unit forms part of. This is determined by a provider.
- Aggregated EFTSL values for units of study undertaken by a full-time student doing a standard study load for one year of a course of study would normally add to 1.0
- Standard annual study load for a course of study is a sequence of units of study which a student would undertake full-time in a full year at a pace which would enable the student to complete the course in a standard timeframe as determined by the provider. This can mean that two identical courses comprising the same units undertaken at two different providers can have different annual standard full-time study loads and therefore, different EFTSL values for the units of study.

1.13.3 Calculating EFTSL

The EFTSL value of a unit of study is determined by calculating the unit's proportion of the annual standard full-time study load as specified by the provider in that course of study.

Example

A Diploma of Management undertaken with Provider X consists of eight units of study of equal value and takes one year of standard full-time study to complete. The EFTSL value of each unit of study would be $1/8 = 0.125$.

Course: Diploma of Management

Unit of study	Commencement Date	Completion Date	Census Date	Vet Tuition Fee	EFTSL
Semester 1					
<i>Economics</i>	1/3/09	20/6/09	20/4/09	\$500	0.125
<i>Accounting 1</i>	1/3/09	20/6/09	20/4/09	\$500	0.125
<i>Accounting 2</i>	2/3/09	20/6/09	20/4/09	\$500	0.125
<i>Problem Solving</i>	4/3/09	20/6/09	20/4/09	\$500	0.125
Semester 2					
<i>Business Law</i>	10/7/09	20/12/09	10/9/09	\$500	0.125
<i>Computer Applications</i>	10/7/09	20/12/09	10/9/09	\$500	0.125
<i>Strategic Management</i>	11/7/09	20/12/09	10/9/09	\$500	0.125
<i>Leadership Development</i>	12/7/09	20/12/09	10/9/09	\$500	0.125
					1.0

The same Diploma of Management undertaken with Provider Y consists of eight units of study of equal value and takes six months of standard full-time study to complete. The EFTSL value of each unit of study is half of $1/8 = 0.0625$. Note that EFTSL is the equivalent 'full-time' student load. Therefore, the aggregated EFTSL for the eight units of study should equal 0.5 (half of one year's full-time study).

Nominal Hours

Where VET providers use nominal hours, the nominal hours for a unit of study should include both supervised and unsupervised learning or training deemed necessary by providers to cover the educational material associated with the delivery and assessment of a unit of study. If relevant, these hours must include the time spent in work experience, industry placement or field placement.

Example

An Advanced Diploma of Tourism undertaken with Provider X consists of 4 units of study of equal value and takes 1 year of standard full-time study to complete. The EFTSL value of each unit of study would be $1/4 = 0.250$.

The same Advanced Diploma of Tourism undertaken with Provider Y consists of 8 units of study of equal value and takes 6 months of standard full-time study to complete. The EFTSL value of each unit of study would be half of $1/8 = 0.0625$.

The same Advanced Diploma of Tourism undertaken with Provider Z consists of 8 units of study of equal value, but the provider does not specify a timeframe for completion of any unit or the course.

For VET FEE-HELP assistance, Provider Z needs to determine the duration of each unit of study and when it would be undertaken so that a census for each unit could be set (see 1.12). Provider Z considers that the minimum standard timeframe to complete the course would be 18 months.

The EFTSL value of each unit of study would be $1/8 \times 1.5 = 0.1875$.

Example

A provider offers a Diploma of Visual Art and Design Practice (with an approved credit transfer arrangement) consisting of 6 units of study at a total of 1050 nominal hours.

The provider considers that the minimum annual study load which would enable completion of the course in the standard number of years, or timeframe, on a full-time basis is 700 hours.

The EFTSL values for each unit of study would be calculated as follows:

Unit of Study	Nominal Hours	EFTSL Calculation	EFTSL value
Unit A	100	$100/700 =$	0.14286
Unit B	150	$150/700 =$	0.21429
Unit C	150	$150/700 =$	0.21429
Unit D	200	$200/700 =$	0.28571
Unit E	200	$200/700 =$	0.28571
Unit F	250	$250/700 =$	0.35714
Total	1050	Total	1.5

Where a provider allocates credit points to units of study, the provider must determine the annual standard full-time study load in credit points to determine the EFTSL value for each unit of study. The annual standard full-time study load in credit points may be different for each course.

Example

A provider offers a Diploma of Children's Services (with an approved credit transfer arrangement) requiring 36 credit points for completion. Students must complete units A-F and can then choose from a range of electives to complete their course.

The provider considers that the annual full-time study load is 18 credit points.

The EFTSL values for the following units of study are:

Unit of Study	Credit Points	EFTSL Calculation	EFTSL value
Unit A	3	$3/18 =$	0.16667
Unit B	3	$3/18 =$	0.16667
Unit C	3	$3/18 =$	0.16667
Unit D	3	$3/18 =$	0.16667
Unit E	6	$6/18 =$	0.33333
Unit F	6	$6/18 =$	0.33333
Elective	3	$3/18 =$	0.16667
Elective	6	$6/18 =$	0.33333
Elective	3	$3/18 =$	0.16667
Total	36	Total	2.0

The calculation of the EFTSL value for a unit of study is to be undertaken using whatever number of decimal places is required to enable the aggregated EFTSL values for all units of study for a full-time year of study to add as close as possible to 1.0. In reporting data to DEEWR, it may be necessary to round or truncate the results of some calculations.

Calculating EFTSL for RPL VET units of study

The EFTSL value for an RPL VET unit of study should reflect the amount of time/effort required from the student and should be proportional to non-RPL units. For example, if an RPL unit involves a week's worth of assessment for the student compared with 8 weeks of tuition and assessment for a standard unit then the RPL unit should have an EFTSL value that is 1/8 of the EFTSL assigned to the standard unit.

In some cases, the amount of time/effort required to undertake an RPL VET unit of study may vary from student to student. In these situations, VET providers should decide on a single EFTSL value which is the average amount of time/effort required to undertake the unit.

1.14 VET restricted access arrangements

A restricted access arrangement is an agreement entered into between a provider and an employer or industry body for the provision of a course(s) or places in a course(s) in which enrolment is limited or restricted to employees of the employer or affiliates of the industry body. [\[HESA Schedule 1\]](#)

Restricted access arrangements provide greater flexibility for providers to meet the specific training needs of employers and industry bodies, while still permitting eligible students to access VET FEE-HELP assistance. There is no requirement to publish and make publicly available schedules of tuition fees and census dates for units of study only offered under restricted access

arrangements, allowing providers to protect commercial-in-confidence information (see **Part 6 on Publishing Requirements**).

If requested by DEEWR, a provider must be able to produce evidence of the arrangement and details of the nature of the limitation or restriction on enrolment.

1.15 Publish and publicly available

A number of arrangements and procedures that a provider must have in place under VET FEE-HELP are to be published and made publicly available. A provider can decide on a method (or methods) of publication it wishes to use, except where specifically required under HESA or the guidelines. The methods may include:

- as part of printed handbooks;
- on the provider's website; or
- any other method determined by the provider which will bring the information to the attention of students and prospective students.

1.16 Higher education provider

A higher education provider (HEP) includes public and private universities and those private higher education institutions that have been approved under Part 2-1 Division 16 of HESA. A full list of higher education providers can be viewed on the higher education *Going to Uni* website (www.goingtouni.gov.au).

1.17 Information on VET providers and VET FEE-HELP

Information on VET providers and VET FEE-HELP is contained on the DEEWR website at www.deewr.gov.au/vetfeehelp.

2 VET PROVIDER

2.1 Definition of a VET provider

A VET provider (provider) is a body corporate that has been approved by the Minister to offer VET FEE-HELP assistance to its students [HESA Schedule 1A clause 4 and subclause 5(1) and clause 6].

2.2 Definition of a body corporate

The term 'body corporate' is not defined under HESA and the term has its ordinary meaning.

Generally, a body corporate is an artificial legal entity having a separate legal personality. These entities have perpetual succession. They have the power to act, hold property, enter into legal contracts, sue and be sued in their own name, just as a natural person can.

If an entity is not established under an Act of Parliament, or under a statutory procedure of registration, such as the *Corporations Act 2001* or a State or Territory associations' incorporation Act, it is generally not a body corporate.

Each State and Territory has legislation that allows various kinds of non-profit bodies to become bodies corporate. Bodies incorporated under these Acts are normally community, cultural, educational or charitable type organisations [www.abr.business.gov.au].

It is recommended that RTOs seek legal advice regarding their body corporate status before lodging an application for approval as a VET provider.

2.3 VET provider approval

A body corporate may apply in writing to the Minister for approval as a VET provider in the form approved by the Minister [HESA Schedule 1A clause 9]. See www.deewr.gov.au/vetfeehelp for information on the VET provider application process.

In determining an application, the Minister may seek further information [HESA Schedule 1A clause 10]. The Minister may require a body to give additional written undertakings in order to be satisfied of its willingness to meet the VET quality and accountability requirements as part of the approval process [HESA Schedule 1A clause 11].

The Minister's decision on an application must be made within 90 days after receiving a complete application. If the Minister requests further information, the Minister's decision must be made within 60 days after the end of the period within which the information was required to be provided [HESA Schedule 1A clause 11].

VET provider approvals are legislative instruments subject to a disallowance period. Following approval by the Minister, each notice of approval must be registered on the Federal Register of Legislative Instruments and tabled in both Houses of Parliament. The notice of approval is subject to a disallowance period of 15 sitting days in both Houses of Parliament. The notice of approval as a VET provider comes into effect on the day after the day that the notice is registered on the Federal Register of Legislative Instruments.

Registered Training Organisations not approved as VET providers cannot advertise the availability of VET FEE-HELP assistance to existing and prospective students until the notice of approval as a VET provider takes effect. [Legislative Instruments Act 2003 s42(1) and HESA Schedule 1A subclause 12(2)].

2.4 VET provider eligibility

For an RTO to be approved as a VET provider and maintain approval, it must meet all of the following requirements:

1. must be a body corporate that:
 - is established under the law of the Commonwealth, a State or a Territory; and
 - carries on business in Australia; and
 - has its central management and control in Australia; and
2. its principal purpose is to provide education; and
3. is an RTO as listed on the National Training Information Service (NTIS); and
4. meets the VET tuition assurance requirements or is exempted from those requirements; and
5. offers at least one VET course of study; and
6. applies for approval as required; and
7. is willing and able to meet the VET quality and accountability requirements; and
8. complies with the VET credit transfer requirements as set out in Chapter 2 of the VET Provider Guidelines. [\[HESA Schedule 1A clause 6\]](#)

NOTE: An applicant is required to meet all of the above requirements at the date of application, with the exception of the VET tuition assurance requirements. While an applicant must demonstrate that it has met the VET tuition assurance requirements in order to be approved, applicants have until the end of the VET provider application assessments process to demonstrate they have VET tuition assurance arrangements in place.

2.5 VET tuition assurance requirements

The objective of the VET tuition assurance requirements is to protect students if a VET provider ceases to provide a VET course of study. All eligible students enrolled in the course are able to:

- **enrol in a similar course** with another RTO (second provider) and receive full credit towards the same or a comparable qualification for any successfully completed VET units of study undertaken as part of that course (VET course assurance option); **or**
- **choose to receive a payment** equivalent to any VET tuition fees paid for any undelivered VET unit(s) of study (VET tuition fee repayment option).

A VET provider must comply with the VET tuition assurance requirements. [\[HESA Schedule 1A clause 6, and clause 20\]](#).

In complying with the **VET tuition assurance requirements**, a VET provider must demonstrate that it meets **both** the:

- **VET course assurance** requirements for successfully completed units of study; and
- **VET tuition fee repayment** requirements.

The VET tuition assurance requirements are detailed in Chapter 3 of the VET Provider Guidelines.

2.5.1 Complying with the VET Tuition Assurance Requirements

An RTO/provider can comply with the VET Tuition Assurance requirements through membership of a Tuition Assurance Scheme (VTAS) for VET FEE-HELP that has been approved by the Minister.

Alternatively, an RTO/provider can meet the requirements as follows:

- **VET course assurance** requirements through a legally binding:
 - agreement between one or more RTOs (both will be required to be approved as providers – see **2.5.6**); or
 - guarantee by a separate legal entity which has the financial and administrative resources to fulfil such a guarantee; and

- **VET tuition fee repayment** requirements through:
 - collecting VET tuition fees at the end of each VET unit of study (a VET tuition fees in arrears agreement); and/or
 - a legally binding guarantee by a separate legal entity which has the financial and administrative resources to fulfil such a guarantee.

If an RTO seeking approval as a VET provider is a registered provider within the meaning of the *Education Services for Overseas Students Act 2000*, the VET tuition assurance requirements outlined above do not apply to overseas students enrolled in a course with the provider [VET Provider Guidelines 3.1.15].

2.5.2 VET tuition assurance schemes

The following VET tuition assurance schemes (VTASs) have been approved by the Minister:

- **Australian Council for Private Education and Training (ACPET); and**
- **TAFE Directors Australia (TDA).**

Further information regarding membership requirements are available from the VTAS contacts listed at **Appendix A**.

2.5.3 Ceasing to provide a VET course of study

For the purposes of the VET tuition assurance requirements, a provider (first provider) ceases to provide a VET course of study if:

- the course does not start on:
 - the date the course was scheduled to start; or
 - a later date that has been agreed between the provider and the person enrolled in the course;
 and an arrangement has not previously been made between the provider and the person enrolled in the course to undertake a suitable alternative course; or
- the provider commences providing the course to a person and then, before the person has completed the course, ceases to provide that course (for any reason); or
- the Minister has suspended or revoked approval of the provider as a VET provider under HESA and has not made a determination pursuant to subclauses 35(1) or 37(1) of Schedule 1A of the HESA in respect of that course (which would allow the provider's students to continue to access VET FEE-HELP assistance for their existing courses); or
- notice is served on the provider or proceedings are taken to cancel the provider's incorporation or registration or to dissolve the provider as a legal entity; or
- the provider comes under one of the forms of external administration referred to in Chapter 5 of the *Corporations Act 2001* or equivalent provisions in other legislation, or an order has been made to place the provider under external administration; or
- the provider ceases to be a Registered Training Organisation as listed on the National Training Information Service (NTIS); or
- the Secretary of DEEWR makes a declaration that the provider has ceased to provide the course following consideration of information that:
 - the provider fails to comply with a statutory demand within the meaning of section 459F of the *Corporations Act 2001*; or
 - the provider is unable to pay all of its debts when they become due; or
 - proceedings are initiated to obtain an order for a provider's winding up or any shareholder, member or director convenes a meeting to consider a resolution for the winding up of the provider.

(A provider must notify the Group Manager and its VET tuition assurance administrators if any of the circumstances described above occur.) [VET Provider Guidelines 3.1.25-3.1.35]

2.5.4 VET tuition assurance administrator

A VET tuition assurance administrator includes any of the following:

- a VTAS operator; or
- a second provider (a provider that enters into a legally-binding agreement with the first provider to enrol a student in a similar VET course of study which leads to the same or a comparable qualification where the first provider ceases to provide a VET course of study); or
- a guarantor for VET course assurance or VET tuition fee repayment (a body corporate providing a legally-binding guarantee). [[VET Provider Guidelines 1.1.10](#)]

2.5.5 Corporate separation

The relationship between a provider as the first provider and each of its VET tuition assurance administrators must be such that at all times:

- they are legally separate entities;
- they are not related to each other within the meaning of section 50 of the *Corporations Act 2001*;
- they are not associated entities within the meaning of section 50AAA of the *Corporations Act 2001*;
- they are not in a position where one is able to control the other within the meaning of section 50AA of the *Corporations Act 2001*; and
- they do not have in common one half or more of the persons who are directors or officers of either entity, where the terms “**director**” and “**officer**” have the meanings given to them in section 9 of the *Corporations Act 2001*.

If at any time the relationship between a first provider and any of its VET tuition assurance administrators does not meet the above requirements, then the provider must immediately notify the Group Manager to that effect in writing. The provider must include with that notification either a proposal for changed VET tuition assurance arrangements which meet the corporate separation requirements, or a proposal which is additional to the existing VET tuition assurance arrangements for the Group Manager’s approval. Further details of what should be included in the additional proposal are listed at paragraph 3.2.5 of the VET Provider Guidelines. [[VET Provider Guidelines 3.2](#)]

2.5.6 VET course assurance requirements

A provider can meet the VET course assurance requirements through one or more of the following arrangements:

- membership of a VTAS;
- a legally-binding agreement with one or more other providers (second providers); or
- a legally-binding guarantee by a legal entity that is a body corporate which has the financial and administrative resources to fulfil such a guarantee and make all necessary arrangements to ensure a student is enrolled in a similar VET course of study [[VET Provider Guidelines 3.3.1](#)].

If a provider ceases to provide a VET unit of study as a result of ceasing to provide the VET course of study of which the unit formed part, and if a student chooses the VET course assurance option, and not the VET tuition fee repayment option in respect of the unit, that student:

- must be able to enrol in a similar VET course of study which leads to the same or a comparable qualification with another VET provider (second provider);
- must receive full credit for any successfully completed VET units of study undertaken with the first provider or as much credit as possible if that full credit cannot be arranged because the Group Manager agrees that the course of study is so specialised [[VET Provider Guidelines 2.5.8](#)]; and
- must not be required to pay a VET tuition fee for any replacement unit (either as an up-front VET payment or through VET FEE-HELP assistance) or give a request for VET FEE-HELP assistance regarding any replacement unit [[VET Provider Guidelines 3.3.5](#)].

Where a provider is a member of a VTAS, it is the VTAS operator that is responsible for ensuring these requirements are met. If a provider uses a legally-binding agreement, then these requirements need to be included in the agreement. A course assurance agreement template is available from DEEWR.

2.5.7 Requirements to be a second provider

At the time a provider enters into a legally binding agreement with another provider (second provider) in order to meet the VET course assurance requirements, the second provider must be either a VET provider or it must obtain approval as a VET provider within 12 calendar months after the first provider was approved [\[VET Provider Guidelines 3.3.10\]](#).

2.5.8 Specialised courses

If a provider using a legally-binding agreement considers that a course(s) that it offers is of such a specialised nature, or contains components of such a specialised nature, that full credit transfer cannot be arranged with the second provider, the provider may, as part of its application, seek the Group Manager's agreement that the full credit transfer requirement not apply to such a course(s) [\[VET Provider Guidelines 3.3.5\]](#). The submission to the Group Manager should detail the specialist nature of the course(s), reasons why full credit transfer cannot be arranged, the alternative course(s) and the provider(s) and how much credit is possible.

Under the statement of VET tuition assurance which a provider must publish for all enrolling students, details of the qualification and the amount of credit must be listed for each course if the student were to choose the VET course assurance option [\[VET Provider Guidelines 3.5.1.15\]](#).

2.5.9 VET tuition fees at alternative courses

It is possible that the VET tuition fees at alternative courses will be different to the VET tuition fees that the student would have paid at the first provider. Providers are required to advise students of this possibility as part of the statement of VET tuition assurance which a provider must publish for all enrolling students [\[VET Provider Guidelines 3.5.1.15\]](#).

2.5.10 VET tuition fee repayment requirements

A provider can meet the VET tuition fee repayment requirements through either of the following arrangements:

- membership of a VTAS; or
- collecting VET tuition fees at the end of each VET unit of study (a VET tuition fees in arrears agreement) and a legally binding guarantee by a legal entity that is a body corporate which has the financial and administrative resources to fulfil such a guarantee [\[VET Provider Guidelines 3.4.1\]](#).

If a provider ceases to provide a VET unit of study as a result of ceasing to provide the VET course of study of which the unit formed part, and if a student chooses the VET tuition fee repayment option in respect of the unit, then within 20 business days (or longer if agreed in writing by the Group Manager) after receiving notification of that choice, the provider must:

- re-credit the student's FEE-HELP balance for that unit; and
 - notify its VTAS operator or guarantor [\[VET Provider Guidelines 3.4.5\]](#)
- (The Secretary can re-credit the student's FEE-HELP balance if the provider is unable to do so.)

Within 10 business days of being notified by the provider (or the Secretary) as prescribed above, the VTAS operator or guarantor must:

- pay the student any up-front VET payments paid for the VET unit of study; and

- pay the Commonwealth any amounts paid to the provider in discharge of the student's VET tuition fee liability for the unit [[VET Provider Guidelines 3.4.10](#)].

2.5.11 Application for re-crediting of FEE-HELP balance

Students can apply for re-crediting of their FEE-HELP balance under special circumstances for replacement units with a second provider as if the student was undertaking the unit(s) with the first provider. Where this occurs, the second provider must:

- immediately notify the first provider and the Group Manager of the application;
- ensure that up-to-date information is kept;
- deal with the application as if it were a first provider; and
- notify the first provider and the Group Manager of the outcome of the application [[VET Provider Guidelines 3.4.15](#)].

If the application is successful, then the second provider must liaise with the first provider and Group Manager to ensure that the student's FEE-HELP balance is re-credited within 20 business days after the first provider has been notified and, once effected, the first provider must notify its VTAS or repayment guarantor. The Secretary can re-credit the student's FEE-HELP balance if the provider is unable to do so [[VET Provider Guidelines 3.4.20](#)].

See **12.2.3** for further details on **special circumstances**.

2.5.12 Statement of VET tuition assurance

Providers (first providers), other than those exempted from the VET tuition assurance requirements, are required to:

- publish to all students a 'statement of VET tuition assurance' explaining the VET tuition assurance requirements and the method by which the requirements have been met for each course; and
- inform students on enrolment about the statement(s) and where it may be obtained.

The statement of VET tuition assurance must explain:

- that the provider must meet the VET tuition assurance requirements;
- the nature of the VET tuition assurance arrangement(s);
- the student will have a choice of either the VET course assurance option or VET tuition fee repayment option and what each option means; and
- if a student chooses the VET course assurance option:
 - the nature of the similar VET course of study;
 - the name of the second provider that would be providing this similar course;
 - the qualification and how much credit the student would receive for completed VET units of study (noting that this would be full credit unless otherwise approved by the Group Manager);
 - the second provider might have different VET tuition fees; and
 - that students are not obliged to enrol in the course offered with the second provider, but if they enrol with any other provider there is no obligation on that provider to offer the full amount of credit or to offer a replacement unit free of charge. [[VET Provider Guidelines 3.5.1](#)]

2.5.13 Statement of VET tuition assurance exemption

A provider that is exempt from part or all of the VET tuition assurance requirements is required to:

- publish to all students a 'statement of VET tuition assurance exemption' explaining the exemption(s) that have been granted and what this means in the event that it ceases to provide the course(s) concerned; and
- inform students on enrolment about the statement(s) and where it may be obtained [[VET Provider Guidelines 3.5.1.5-10](#)].

2.5.14 Enrolment information

A provider must keep up-to-date enrolment information which is accessible by the Commonwealth and its VET tuition assurance administrators. This information must include:

- each student's/person's name and contact details;
- the name of the course and the unit(s) in which the person is currently enrolled;
- the amount and nature of the tuition fees for each unit in which the person is currently enrolled (up-front payments and/or VET FEE-HELP assistance); and
- details of units completed [VET Provider Guidelines 3.5.5].

Where students have chosen the VET course assurance option and enrolled with a second provider, in addition to the above, second providers must also keep details of credits granted.

2.5.15 Activation of VET tuition assurance arrangement (written VET tuition assurance offer)

In the event that a VET tuition assurance arrangement has been activated, for the affected course(s), each VET tuition assurance administrator must:

- immediately obtain the above enrolment information from the provider, or if such information is not readily available, make all reasonable efforts to fulfil its obligations;
- within 20 business days after it knows, or should know by reasonable enquiries that the VET tuition assurance arrangement has been activated, provide each student with written advice that they may choose either the VET course assurance option or VET tuition fee repayment option ('Written VET tuition assurance offer') which:
 - refers to and encloses a copy of the first provider's statement of VET tuition assurance;
 - refers to www.comlaw.gov.au from which an electronic copy of the VET provider guidelines can be obtained;
 - includes contact details of the first provider's personnel from whom a copy of the guidelines can be obtained;
 - includes directions that the student must follow to notify the first provider, the administrator(s) and the Group Manager of the option they have chosen for each unit;
- for second providers, make a direct offer of enrolment;
- name the course(s) and second provider(s) the student may choose (for VTAS operators and VET course assurance guarantors); and
- make a direct offer of repayment (for VTAS operators and VET repayment guarantors) [VET Provider Guidelines 3.5.15].

2.5.16 Exemptions

If an RTO or provider considers that it has adequate grounds to be exempted from the VET tuition assurance requirements for either the VET course assurance requirements or the VET tuition fee repayment requirements, or both parts, it may apply to the Minister in writing setting out those grounds. [HESA Schedule 1A clause 8 for RTOs seeking exemption from the VET tuition assurance requirements during VET provider approval or clause 20 for VET providers, VET Provider Guidelines 3.6.1]

Any RTO or provider which considers it may have a case for exemption should explain the following points clearly:

- whether the exemption sought is for the VET course assurance requirements, the VET tuition fee assurance requirements, or both;
- the reason the exemption is being sought; and
- if the application relates to an inability to meet the requirements, information about how the RTO/provider has tried to meet the options available and why it has been unable to do so. Where possible, documentary evidence should be provided.

This will allow the Minister to make an informed decision on this matter.

2.5.17 Exempt providers

Exempt providers must keep up-to-date enrolment information as if they were first providers [[VET Provider Guidelines 4.10.1](#)].

3 VET QUALITY AND ACCOUNTABILITY REQUIREMENTS

The VET quality and accountability requirements include:

- the VET financial viability requirements;
- the VET quality requirements;
- the VET fairness requirements;
- the VET compliance requirements;
- the VET fee requirements; and
- other requirements for VET quality and accountability set out in the VET Provider Guidelines [\[HESA Schedule 1A clause 13\]](#).

3.1 VET financial viability requirements

A provider must be financially viable and must be likely to remain financially viable [\[HESA Schedule 1A clause14\]](#).

To assist the Minister or the Minister's delegate in making this decision as part of the VET provider approval process, each RTO that applies to become a VET provider must submit to DEEWR (on a commercial-in-confidence basis), information about its financial position along with an opinion from an independent auditor as to the RTO's financial viability risk. It is expected that the Minister or Minister's delegate will regard only RTOs that are considered to present no more than a low or negligible risk of becoming financially unviable will have met the financial viability requirements for approval as VET providers.

The financial viability assessment aims to provide a consistent approach for both the VET and higher education sectors. It has been based upon DEEWR's existing financial viability assessment model for HEPs and is consistent with the policy intent of VET FEE-HELP being an extension of FEE-HELP arrangements.

The approach comprises three phases utilising the services of independent qualified auditors. The approach requires that RTOs provide audited financial statements for the financial viability assessment (the minimum requirement being that the most recent set of financial statements be audited). This requirement utilises and builds on the existing professional and ethical obligations of auditors in preparing the statements.

The three phase model is designed to provide evidence to DEEWR to allow an assessment that an RTO meets the legislative requirements for financial viability whilst keeping the financial and administrative burden on participating RTOs and DEEWR to a minimum. The approach seeks to identify those potential applicants for VET provider approval whose financial viability represent an acceptable risk for the Australian Government.

There are guidelines (*VET FEE-HELP Financial Viability Assessment Auditor Guidelines*) and an Excel Workbook (*VET FEE-HELP Financial Ratio Analysis Workbook*) that independent qualified auditors must follow when assessing an RTO's financial viability risk (see **Appendix A** for a details of how to access the Auditor Guidelines and Excel Workbook).

RTOs applying for approval as VET providers are required to submit the auditor's certification and the *VET FEE-HELP Financial Ratio Analysis Workbook* to the Department together with their financial statements (including any auditor's reports relating to those statements). DEEWR will review financial viability assessments provided by RTOs' nominated auditors. This review process will assist the Minister (or Minister's delegate) in making the decision in relation to whether the body meets the financial viability requirements under HESA. The Minister (or Minister's delegate)

may also require additional written undertakings on financial viability requirements as part of the VET provider approval process [HESA Schedule 1A clause 11].

3.1.1 Independent qualified auditor

An independent auditor is:

- the Auditor-General of a State, of the Australian Capital Territory or of the Northern Territory; or
- a person registered as a company auditor or a public accountant under a law in force in a State, the Australian Capital Territory or the Northern Territory; or
- a member of the Institute of Chartered Accountants in Australia, or of the Australian Society of Certified Practising Accountants .

The VET FEE-HELP Financial Viability Assessment Auditor Guidelines set out certain additional requirements in relation to an auditor's independence.

If a conflict of interest situation would exist as a result of an auditor undertaking a financial viability assessment on a particular RTO, then the auditor would not meet the independence requirements for the purpose of the Auditor Guidelines. For example, it is unlikely that a financial viability assessment could be undertaken by an RTO's internal auditor or a principal, member, shareholder, officer or employee of the RTO (the RTO holding company or a subsidiary of the RTO or a subsidiary of the RTO holding company).

Where applicable, an RTO may wish to consider using the auditor who undertook the most recent audit of its financial accounts as the independent qualified auditor for undertaking the financial viability assessment, as this is likely to be more cost effective.

The use of independent qualified auditors for the financial viability assessment provides the following benefits:

- streamlined process – RTOs are able to select qualified auditors of their choice. It is envisaged that most RTOs will have a pre-existing relationship with an auditor who is familiar with their business and its financial arrangements; and
- transparent – publicly available Financial Viability Assessment Auditor Guidelines make the assessment process clear and transparent to potential applicants. Combined with the three phase approach, these arrangements provide RTOs with a mechanism to undertake a preliminary self assessment before investing resources in seeking a formal financial viability assessment.

3.1.2 Assessment process

In order to keep the process of assessing financial viability as simple and cost effective as possible, DEEWR has developed a three phased approach. Each phase is based on analysis of up to four consecutive years of financial statements, the most recent of which must be audited. Analysis is based on the application of financial ratios. The outcome of this preliminary analysis, the period of financial history upon which the ratios are based and any qualifications provided in relation to the accounts by auditors, will determine whether more in-depth analysis is required.

The initial phase of assessment requires the lowest commitment of resources and the process is structured so that the number of RTOs considering applying for VET provider approval requiring a more thorough analysis should decline through progressive phases.

A phase 1 assessment involves an analysis of financial statements for the past four annual reporting periods with a minimum requirement that the most recent of these financial statements must be audited and unqualified. Audit reports pertaining to the earlier reporting periods must also be unqualified where the corresponding financial statements have been audited. Analysis involves

the calculation and comparison of a number of financial ratios against particular thresholds (as detailed in the table below).

Calculation of financial ratios need to take account of any abnormal items relating to the financial statements and the statements adjusted to reverse the effects of abnormal items prior to applying the ratio calculations.

Assessment Criteria	Threshold
Net Profit Ratio: Operating Profit after Tax / Total Revenue	>0
Profit Growth: Net Profit Ratio has increased or has not significantly decreased over the past four annual reporting periods	Subjective judgement of auditor
Liquidity: Current Assets / Current Liabilities	>1
Debt to Equity Ratio: Total Liabilities / Total Equity	<1
Net Tangible Assets: Net Tangible Assets exceed Total Liabilities for each of the last four annual reporting periods	>1

Where financial ratios derived from the RTO's financial statements do not meet the above thresholds, a Phase 2 or Phase 3 assessment is required. A Phase 2 assessment will apply where non-compliance with the thresholds is not considered significant. This phase may allow the independent auditor to certify that the RTO's current and future financial viability represents a low or negligible risk notwithstanding the non-compliance with the thresholds.

A Phase 3 assessment involves a more detailed analysis of the RTO's financial affairs and is required where:

- non-compliance with the above thresholds is considered significant; or
- audited financial statements have been qualified (and qualification(s) are considered material to assessment of financial viability risk); or
- the RTO is unable to provide financial statements for the last four annual reporting periods.

The specific requirements of each phase of the financial viability assessment are contained in the Auditor Guidelines.

The diagram on **page 32** of this Handbook illustrates the three phase assessment process.

3.1.3 Higher education providers (HEPs)

As HEPs have been assessed for financial viability under HESA as part of their HEP approval and their ongoing financial viability is assessed annually by DEEWR, DEEWR will request that the Minister (or Minister's delegate) have regard to existing HEP status (which will have required existing financial viability) as evidence of financial viability in support of an application by a HEP for approval as a VET provider.

If approved as a (VET) provider, a HEP must continue to meet financial viability requirements under HESA, including any written undertakings required by the Minister to maintain approval as a (VET) provider.

However, where the RTO seeking approval as a provider is a separate but related body corporate to the HEP (e.g. a wholly or partially owned subsidiary of a HEP), the RTO will need to undertake a financial viability assessment and submit the auditor's certification to DEEWR together with their financial statements (including any auditor's reports relating to those statements) and the *VET FEE-HELP Financial Ratio Analysis Workbook*.

This is on the basis that the Minister (or Minister's delegate) could not be satisfied that a separate body corporate (e.g. a wholly or partially owned subsidiary of a HEP) is necessarily financially viable purely on the basis that its parent company (the HEP) has already been assessed as being

financially viable. In order to meet the requirements of HESA, the Minister (or Minister's delegate) would need to have regard to the financial viability of the subsidiary and the information provided by the subsidiary in its financial statement(s) [\[HESA Schedule 1A clause 15-16\]](#).

This requirement would still apply even if the parent (the HEP) provided a deed of guarantee for the subsidiary (although that may assist in bolstering the subsidiary's claim of financial viability). This is because the subsidiary can incur its own debts separate to the parent, and the subsidiary would not automatically have recourse to the assets of the parent in the event of financial difficulties.

3.1.4 Ongoing financial viability

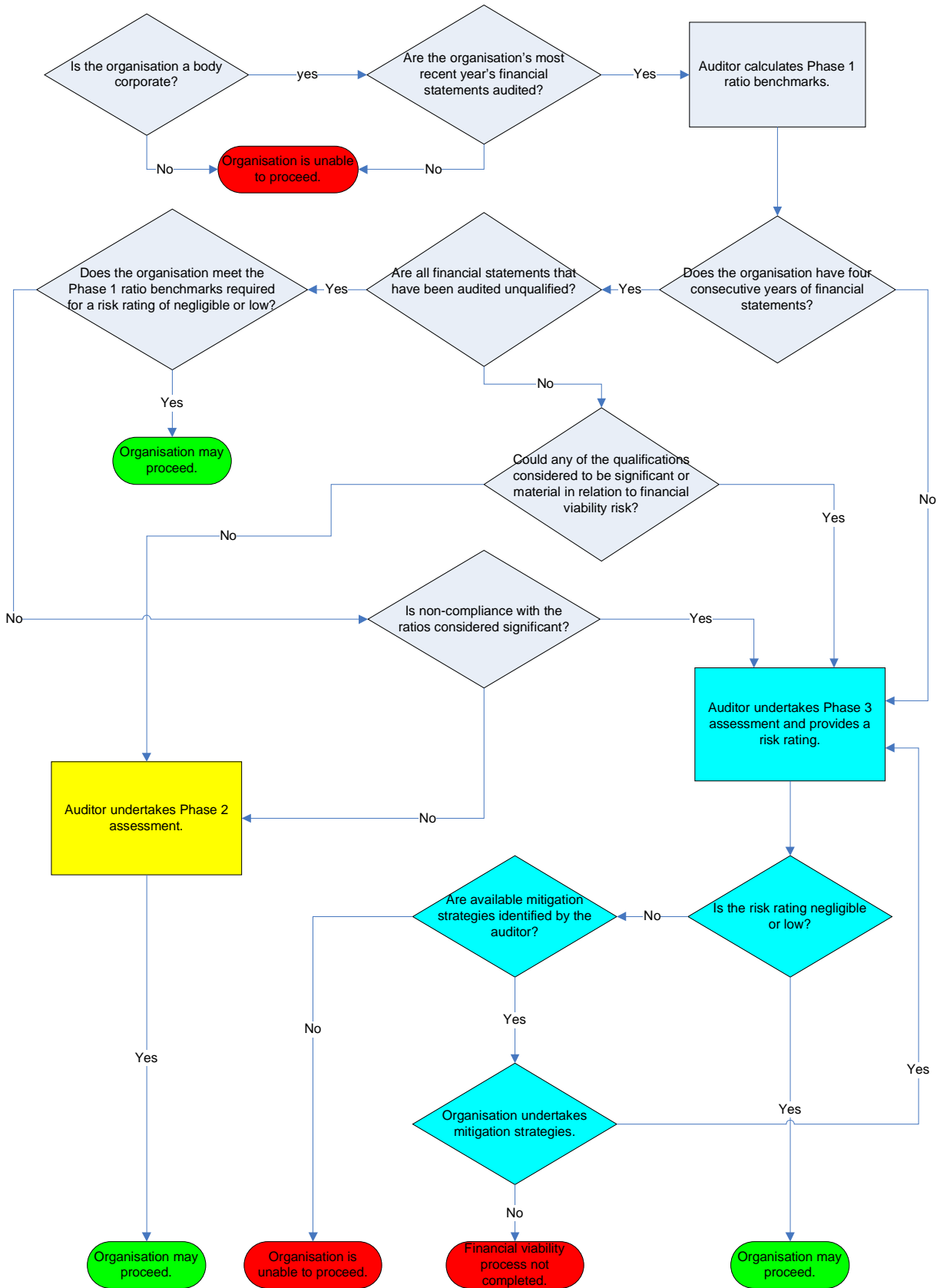
Providers need to meet ongoing financial viability requirements including any written undertakings required by the Minister.

A provider must provide the Minister with annual audited financial statements and an updated *VET FEE-HELP Financial Ratio Analysis Workbook* within 6 months after the end of the provider's annual financial reporting period. The *VET FEE-HELP Financial Ratio Analysis Workbook* may be downloaded from the "Other Useful Publications" section of the DEEWR website at www.deewr.gov.au/vetfeehelp.

The requirement to update the *VET FEE-HELP Financial Ratio Analysis Workbook* is the subject of a Ministerial determination under paragraph 15(2)(a) of schedule 1A of HESA dated 12 May 2010 and applies to all VET providers submitting audited financial statements after that date. This determination is available for download from the DEEWR website.

The financial statements must be provided in the form approved by the Minister and the Minister must have regard to any financial statements provided [\[HESA Schedule 1A clause15-16\]](#).

Three Phase Financial Viability Assessment Process Flowchart



Legend Phase 1 Phase 2 Phase 3

3.2 VET quality requirements

A provider must operate and continue to operate at an appropriate level of quality and meet the AQTF requirements [HESA Schedule 1A clause 17]. In addition to any requirements and responsibilities which may arise under the AQTF, a provider must comply with the quality and accountability requirements for VET FEE-HELP; noting that the VET FEE-HELP requirements detailed in the VET Provider Guidelines only apply to those persons or students who are or would be entitled to VET FEE-HELP assistance and eligible courses in which those students are or could be enrolled.

3.3 VET fairness requirements

The VET fairness requirements include:

- equal benefits and opportunities [HESA Schedule 1A subdivision 4-D generally and VET Provider Guidelines Chapter 5];
- student grievance procedures [HESA Schedule 1A clause 19];
- student review procedures [HESA Schedule 1A clause 19];
- VET tuition assurance (see 2.5) [HESA Schedule 1A clause 20];
- requirements to appoint review officers [HESA Schedule 1A clause 21-22]; and
- personal information procedures [HESA Schedule 1A clause 23].

3.3.1 Fair treatment

A provider must treat fairly all of its students (who are or would be entitled to VET FEE-HELP assistance) and all of the persons seeking to enrol with the provider [VET Provider Guidelines 5.5]. This requirement is a basic underlying principle of HESA's quality and accountability requirements for providers.

A provider must publish and make publicly available its fairness procedures [VET Provider Guidelines 5.15].

3.3.2 Equal benefits and opportunities

A provider must have open, fair and transparent procedures that, in the provider's reasonable view, are based on merit for making decisions about students undertaking, and persons applying for, courses [VET Provider Guidelines 5.10.1].

Application of merit

The application of merit in decision-making processes would generally be expected to involve a provider considering each application on a case by case basis and not applying inflexibly policies that preclude eligible applicants from having their application to enrol in a VET unit of study being considered.

Educational disadvantage

When making decisions about the selection of students, a provider is able to take educational disadvantages that a particular student has experienced into account [VET Provider Guidelines 5.10.5]. DEEWR would expect that this would involve consideration of the actual disadvantages that a particular student has experienced.

DEEWR would expect that a provider should not use 'proxy indicators' of educational disadvantage in the absence of clear evidence that all students in such a group necessarily suffered educational disadvantage. DEEWR believes that such proxy indicators should not be used because they assume that all people who satisfy the proxy condition (e.g. being from a low income group or being from a rural area) have necessarily experienced educational disadvantage. A provider is

required to consider a particular student's specific circumstances before making a decision about whether the student has actually suffered educational disadvantage.

Restricted access arrangement

When making decisions about the selection of students, a provider is able to take into account students that are enrolled under a restricted access arrangement [VET Provider Guidelines 5.10.5]. A restricted access arrangement is an arrangement entered into between a provider and an employer or industry body for the limitation or restriction of places in a course(s). [HESA Schedule 1]

A provider must publish and make publicly available its equal benefits and opportunity procedures [VET Provider Guidelines 5.15].

3.3.3 Student grievance procedures

All providers must have student grievance procedures for dealing with complaints about academic and non-academic matters by students and persons who seek to enrol with the provider [VET Provider Guidelines 6.10.1].

Under the AQTF, RTOs are required to address complaints and appeals efficiently and effectively. The student grievance procedures required under VET FEE-HELP are in addition to other requirements or responsibilities that a provider may be required to have in place [VET Provider Guidelines 6.5.5].

Academic matters

Academic matters include those matters which relate to student progress, assessment, curriculum and awards in a VET course of study [VET Provider Guidelines 1.1.10].

Non-academic matters

Non-academic matters includes those matters which do not relate to student progress, assessment, curriculum and awards in a VET course of study and includes complaints in relation to personal information that the provider holds in relation to the student [VET Provider Guidelines 1.1.10]. Non-academic grievances tend to arise from events occurring at a provider or from decisions made by a provider and will cover issues such as harassment, vilification, discrimination, financial matters, fines and payments, application procedures, exclusions from events and facilities and the use or misuse of personal information.

It is up to providers to determine whether the same document will cover both academic and non-academic matters or whether these matters will be detailed under separate student grievance procedures.

Requirements

A provider must have arrangements for handling complaints that:

- are easily accessible to students entitled to VET FEE-HELP assistance;
- are provided at no cost, or at a reasonable cost to those students and which encourage timely resolution of complaints;
- include provision for independent internal investigation of complaints which remain unresolved;
- include provision for independent external review of decisions made following any internal investigation and a mechanism for considering any recommendations arising from external review;
- are complete, unambiguous and are agreed to and ratified by the provider's governing body;
- do not discriminate or victimise;

- are communicated to staff and staff are trained in their application;
- specify reasonable timelines for responses;
- allow third party representation;
- if requested, provide reasons and a full explanation in writing of decisions and actions taken;
- keep accurate records of all grievances for at least 5 years and allow parties to the complaint appropriate access to those records; and
- ensure that records of grievances are treated as confidential [\[VET Provider Guidelines 6.10.5, 6.10.10\]](#).

Students or those persons seeking to enrol with a provider are entitled to access the student grievance procedures, regardless of the location of the campus at which the grievance has arisen, the student's place of residence or the mode in which they study [\[VET Provider Guidelines 6.10.15\]](#).

A provider must publish and make publicly available its student grievance procedures [\[VET Provider Guidelines 6.10.10\]](#).

Privacy complaints and advice

Student grievance procedures should extend to complaints about breaches of personal information by the provider (including its officers, employees and those who perform services by or on behalf of the provider) relating to information obtained by the provider for the purposes of VET FEE-HELP assistance and repayment of HELP loans.

3.3.4 Student review procedures

A person has the right to apply for a review of a decision by a provider not to re-credit their FEE-HELP balance (reviewable VET decisions). A provider must have student review procedures for reconsidering such decisions.

The minimum requirements for a provider's student review procedures are that they should inform students how to submit a valid request for review and provide details of the letters, including the required content of the letters, that providers are required to send to a person who has requested the review of a decision to not re-credit their FEE-HELP balance.

A provider must acknowledge receipt of an application for review of a decision to not re-credit or remit their FEE-HELP balance in writing, and inform the applicant that, if the reviewer has not advised the applicant of a decision within 45 days of receiving the application for review, the reviewer is taken to have confirmed the original decision [\[VET Provider Guidelines 6.15.5\]](#).

A provider must publish and make publicly available its student review procedures in relation to VET FEE-HELP assistance under Schedule 1A of the HESA [\[VET Provider Guidelines 6.15.15\]](#).

See **Part 13 (Review of Decisions)** for detailed requirements regarding reviewable VET decisions.

3.3.5 Review officers

A provider must appoint a review officer to undertake reviews of decisions (reviewable VET decisions) made by the provider relating to VET FEE-HELP assistance. A review officer must not be the same officer who made the original decision, and must occupy a position that is senior to that occupied by the original decision-maker [\[HESA Schedule 1A clause 21-22\]](#).

See **Part 13 (Review of Decisions)** for detailed requirements regarding reviewable VET decisions.

3.3.6 Personal information procedures

A provider must comply with the information privacy principals (specified in section 14 of the *Privacy Act 1988*) relating to information obtained by the provider for the purposes of VET FEE-HELP assistance and repayment of HELP loans (see **Part 9 on Privacy Requirements**). A provider must have a personal information procedure which allows students to apply for and receive VET personal information that the provider holds about them [\[HESA Schedule 1A clause 23\]](#).

3.4 VET compliance requirements

3.4.1 Provision of information

A VET provider must give to the Minister such statistical and other information that the Minister, by notice in writing, requires and in the form approved by the Minister, in relation to the provision of vocational education and training by the provider and also in relation to the provider's compliance with Schedule 1A of HESA generally (see **Part 7 on Data Reporting**) [\[HESA Schedule 1A clause 24\]](#).

This includes:

- Data files and elements (see **7.3**);
- Schedule of VET tuition fees (see **6.1**); and
- Any event that may affect a providers quality and accountability requirements (see **3.4.2**).

3.4.2 Provider advice

A VET provider must inform the Minister, in writing, of any event that may significantly affect the provider's (or a related body corporate of the provider) capacity to meet the VET quality and accountability requirements [\[HESA Schedule 1A clause 25\]](#). An example of when a VET provider should submit advice is when there is a change of Directors or persons in positions of authority.

3.4.3 Compliance audit

A VET provider may be audited against its compliance with one or more of the following VET quality and accountability requirements:

- the VET financial viability requirements;
- the VET fairness requirements;
- the VET compliance requirements;
- the VET fee requirements; and
- other requirements for VET quality and accountability set out in the VET Provider Guidelines.

The Minister will determine the body to conduct the audit, the timing and the manner of the audit. The provider must fully co-operate with the auditing body and pay for the costs of the audit [\[HESA Schedule 1A clause 26\]](#).

3.5 VET fee requirements

The VET fee requirements include:

- determining VET tuition fees (tuition fees) [\[HESA Schedule 1A clause 27\]](#);
- schedules of tuition fees [\[HESA Schedule 1A clause 28\]](#); and
- fees related to units, courses or matters or things for which fees may be charged [\[HESA Schedule 1A clause 27A\]](#).

3.5.1 VET tuition fees

The tuition fee is the fee that a provider charges for each unit of study. VET FEE-HELP can only be used to pay for tuition fees. There are no minimum or maximum tuition fee requirements for VET FEE-HELP.

A provider may levy other charges or fees on students provided the fees or charges are permissible under HESA and the guidelines (see **3.5.3** on **VET fees**).

A provider may advertise or list the total fee for a course of study, being the sum of the tuition fees for each unit. However, the total fee for a course must not exceed the sum of the student's tuition fees for all of the units undertaken by the student to meet the award requirements as part of that course [VET Provider Guidelines 8.15]. That is, the fee for a course cannot include fees other than the tuition fees for the units contributing to the award for that course.

3.5.2 Determining VET tuition fees

A provider must determine one or more tuition fee for each unit of study (within a VET course of study) it offers in a year [HESA Schedule 1A clause 27(2), VET Provider Guidelines 7.10]. This requirement applies to units in all courses that meet the course requirements, irrespective of whether the provider expects to enrol students who are or would be eligible for VET FEE-HELP in the course(s) (and units) or not. The same applies whether the unit (course) is being taught onshore in Australia or offshore or the method of delivery (distance education, on-line, on-campus, remote location or through a third party arrangement).

What factors can be considered in determining VET tuition fees?

In determining more than one tuition fee for a unit of study, a provider may have regard to any matters the provider considers appropriate, but must not have regard to the manner or timing of payment of the tuition fee by the student or the Commonwealth to the provider (such as whether students pay up-front, with a VET FEE-HELP loan or by partial payments) [HESA Schedule 1A clause 27(3), VET Provider Guidelines 7.15].

Example

A VET provider determines the VET tuition fee for Bookkeeping 010 to be \$600 in 2009.

The provider determines that for students undertaking Bookkeeping 010 by distance education the tuition fee will be \$500.

In determining more than one tuition fee, providers need to comply with the fairness provisions which require that a provider must treat fairly all of its students and all persons seeking to enrol [VET Provider Guidelines 5.5].

Charging and publishing VET tuition fees

Students must be charged the tuition fee determined by the provider that is applicable to them.

The tuition fees determined by the provider must be published (see **Part 6** on **Publishing Requirements**) with sufficient information so that students are able to determine the tuition fee that applies to them (schedule of tuition fees). Where more than one tuition fee is determined for a unit there must be sufficient information for a student to be able to determine which tuition fee applies to them [HESA Schedule 1A clause 28(2)].

The exception is where units are offered under restricted access arrangements, in which case, there is no requirement to publish and make publicly available the schedule of tuition fees for these units. However, students enrolled and those eligible to enrol in units offered under restricted access arrangements must be provided with the tuition fee information for that unit on request and without charge [HESA Schedule 1A clause 28(2B)]. The provider must give to the Minister a schedule of tuition fees proposed for those units offered under restricted access arrangements [HESA Schedule 1A clause 28(2A)].

Withdrawals on or before the census date

Where a student withdraws from a unit of study on or before the census date for that unit, the provider must repay to the student any payment of his or her tuition fee made on or before that date. The exception is where VET tuition assurance has been activated because the provider at the time ceased to provide the unit and the student has chosen the VET course assurance option in relation to that unit [VET Provider Guidelines 8.20].

3.5.3 VET fees

DEEWR expects that students eligible to apply for VET FEE-HELP assistance generally must be able to complete the requirements of their course of study without the imposition of fees that are additional to tuition fees, as access to the Scheme is intended to remove the financial barriers to further study.

A VET fee includes any:

- tuition fee, examination or other fee payable to a provider by a student enrolled or person seeking to enrol with the provider; and
- any fee payable to the provider in respect of the granting of a VET award at the diploma, advanced diploma, graduate certificate or graduate diploma level [VET Provider Guidelines 8.5.1].

A VET fee does not include a fee that is payable in respect of:

- an organisation of students, or of students and other persons (student unions or guilds); or
- the provision to students of amenities or services that are not of an academic nature (student amenities fees); or
- residential accommodation; or
- a special admissions test; or
- fees that are incidental to studies [VET Provider Guidelines 8.5.5].

Limits on VET fees

A provider must not charge a person or student a VET fee for a course of study that exceeds the sum of tuition fees for all the units undertaken with the provider as part of that course [VET Provider Guidelines 8.15].

Special admissions tests

A provider that conducts a special admissions test for judging the suitability of a person seeking admission into a specialist course may charge a fee for that test. This may include specialist auditions, tests or interviews which form an important component of the enrolment requirements for entry into courses conducted by performing arts institutions/faculties or where special expertise is required to conduct interviews and make recommendations on the suitability of applicants for admission [VET Provider Guidelines 1.1.10, 8.5.5(d)]. A special admissions test would be over and above normal admissions services for which a provider must not charge a fee.

If requested by DEEWR, a provider must be able to justify a fee for special admissions test.

Incidental fees

Providers are able to charge for certain incidental fees. The criteria for deciding if a fee is incidental to studies are if the fee is a:

- charge for a good or service that is not essential to the course of study;
- charge for an alternative form or alternative forms of access to a good or service that is an essential component of a course of study, but is otherwise made readily available at no additional fee by the provider;
- charge for an essential good or service that the student has the choice of acquiring from a supplier other than the provider and is for:
 - equipment or items that become the physical property of the student and that are not used during the course of study; or
 - food, transport and accommodation costs associated with the provision of field trips that form part of the course of study; or
- fine or a penalty, provided it is imposed principally as a disincentive and not in order to raise revenue or cover administrative costs [VET Provider Guidelines 8.10].

Circumstances in which a provider may levy incidental fees

In accordance with Chapter 8 of the VET Provider Guidelines, a provider may charge a student for a good or service related to the provision of their course if one of the following criteria applies. Without limiting what DEEWR would consider as permissible, the following examples are charges which DEEWR would consider as being within the respective permissible incidental fee types listed.

- The fee is a charge for a good or service that is not essential to the course of study.

For example:

- *access to internet and computer facilities (except where these are required as part of a course);*
- *printing of notes from the internet or disks; and*
- *graduation ceremonies in cases where students are not required to attend the ceremony in order to obtain their award.*

- The fee is a charge for an alternative form, or alternative forms, of access to a good or service that is an essential component of a course of study, but is otherwise made readily available at no additional fee by the provider.

For example:

- *lecture notes or tapes, provided that lectures are made readily available to students free of charge;*
- *electronic provision of essential information if the information is also made readily available free of charge in another form (eg. in the university library); and*
- *reading material, such as anthologies of required readings, provided that these texts are also made readily available free of charge.*

- The fee is a charge for an essential good or service that the student has the choice of acquiring from a supplier other than the provider and is for:
 - (i) equipment or items that become the physical property of the student and that are not consumed during the course of study; or
 - (ii) food, transport and accommodation costs associated with the provision of field trips that form part of the course of study.

For example:

- Artwork supplies;
- fabric for sewing class;
- musical instruments;
- protective clothing or footwear;
- stethoscopes;
- dance shoes; and
- reference texts.

- The fee is a fine or a penalty, provided it is imposed principally as a **disincentive** and not in order to raise revenue or cover administrative costs.

For example:

- fines or penalties for late enrolments, late variations to enrolments, late withdrawals from a course, and late payment of charges, student contribution amounts and tuition fees;
- review of grade if a student has already passed the subject, but is seeking to improve their grade; and
- a charge for an assessment of prior learning in circumstances where a person has not applied for entry to the provider.

Circumstances in which a provider must not levy fees

A provider must not charge students for a good or service that is required for a course of study unless that good or service, or an alternative to it, is also made readily available to students at no additional charge [VET Provider Guidelines 8.10.1(b)].

For example:

- course materials, such as:
 - subject outlines;
 - reading lists;
 - tutorial or seminar topics and problems;
 - assignment and essay questions; and
 - requirements and guidelines for the presentation of work;
- access to library books, periodicals and manuals;
- clinic, laboratory or workshop materials such as anaesthetics, chemicals, filters, fuel, fertilisers, animal feed or crops used in practical sessions or research;
- access to computers or other on-line resources;
- recognition of prior learning (RPL) if the student is enrolled with the provider or the student is applying for enrolment;
- equipment and manuals which a professional in the field would not be required to own, such as:
 - fixtures in a clinic, laboratory or workshop; or
 - large items of equipment and relevant workshop manuals required for their use;
- admissions services including application fees (except for special admissions tests);
- examinations or assessments, including practical assessment, for example, which requires the services of musical accompanists;
- reassessment of results where a student has failed an assessment and thereby failed a subject or unit;
- mailing charges associated with distance education; and
- course notes provided as part of distance education.

Bonds and deposits

Providers cannot charge for or require bonds and/or deposits, whether refundable or not, on the basis that the Higher Education Loan Program (HELP), which includes VET FEE-HELP, ensures

that there are no financial barriers for entry to further education for those students unable to pay up-front for the cost of their tuition.

Recognition of prior learning (RPL)

Recognition of prior learning (RPL) for the purposes of the VET FEE-HELP Assistance Scheme, is defined as the recognition of a person's skills and knowledge acquired through previous training, work or life experience, which may be used to grant status or credit in a VET unit of study.

The granting of status or credit by an institution or training organisation to students for existing qualifications or units of competency completed or previously formally recognised at the same or another institution or training organisation (direct credit transfer) does not constitute RPL under the VET FEE-HELP Assistance Scheme.

Charging a fee for RPL

VET providers should not charge students an incidental fee for RPL. If a VET provider chooses to charge a fee for RPL, it should be on the basis that the RPL is a VET unit of study, for which a VET tuition fee has been determined. This allows students to defer the cost of RPL through VET FEE-HELP assistance, and is consistent with the policy intent of the Higher Education Loan Program which helps to remove some of the financial barriers to further education.

Best practice for setting tuition fees for RPL involves the determination of a separate VET unit of study for RPL (as part of a specific VET course of study).

Refund policies

Students do not incur a liability for a unit of study until after the census date, which can be set no earlier than 20 per cent of the way through a unit [[HESA Schedule 1A clause 67](#)]. This applies to all students whether they pay their tuition fees up-front or seek VET FEE-HELP assistance. A provider is required to refund a student any tuition fees the student has paid for a unit if they are no longer enrolled in that unit at the end of the census date. The exception is where VET tuition assurance has been activated because the provider at the time ceased to provide the unit and the student has chosen the VET course assurance option in relation to that unit [[VET Provider Guidelines 8.20](#)].

A provider may set an 'administrative date' earlier than the census date by which students are required to pay their tuition fees or lodge a *Request for VET FEE-HELP assistance* form. A provider may also set a 'withdrawal date' before the census date, after which students who withdraw from a unit of study may receive a fail grade.

A provider may also impose a fine or penalty on students who undertake actions after the administrative and withdrawal dates if the fine or penalty is imposed principally as a disincentive and not in order to raise revenue or cover administrative costs. However, an earlier administrative or withdrawal date does not override the census date in terms of students incurring a liability for a unit of study.

A provider must treat all of its students and those seeking to enrol with the provider fairly [[VET Provider Guidelines 5.5](#)]. DEEWR considers that setting an administrative or withdrawal date before or very early after the commencement of a unit would be unlikely to be consistent with the fairness provisions, especially in light of the HESA requirement that a census date be no earlier than 20 per cent of the way through the period during which a unit is undertaken.

DEEWR also considers that setting different fines or penalties or having a policy of varying refunds depending on the timing of students' withdrawal from a unit of study would be likely to amount to revenue raising and/or covering administrative costs, which is not permissible [[VET Provider Guidelines 8.10](#)].

4 VET CREDIT TRANSFER REQUIREMENTS

4.1 Undergraduate courses

RTOs

The credit transfer arrangements require an RTO that only offers diploma and/or advanced diploma courses and no graduate courses, must have at least one approved credit transfer arrangement in place for at least one of those courses to be approved as a provider [[HESA Schedule 1A clause 6](#), [VET Provider Guidelines subsection 2.5.1](#)]. That is, an RTO which only offers diploma and/or advanced diploma courses and no graduate courses, must as part of the provider approval process, have a credit transfer arrangement for at least one of those courses approved in order to be eligible for approval as a provider.

Certain bodies corporate are exempt from meeting the VET credit transfer requirements in order to be eligible for approval as a VET provider [[VET Provider Guidelines Chapter 2](#)]. In order for a body corporate to be exempt from the requirement to have in place at least one VET credit transfer arrangement for its diploma and/or advanced diploma courses, it must:

- Have Registration in a Reform State or Territory and offer, in accordance with its Scope of Registration, at least one of its diploma or advanced diploma courses in a Reform State or Territory; or
- Have Registration managed by the National Audit and Registration Agency of Technical and Vocational Education and Training (TVET) Australia Limited and offers, in accordance with its Scope of Registration, at least one of its diploma and advanced diploma courses in a Reform State or Territory.

VET Providers

To be an eligible course of study for VET FEE-HELP assistance, VET providers must ensure that they have met the basic requirement for each diploma and advanced diploma that they provide or propose to provide, and have at least one approved VET credit transfer arrangement in place. The approval is provided by DEEWR (Group Manager). [[VET FEE-HELP Guidelines Chapter 2](#)].

Certain VET providers are exempt from meeting the basic requirement to have a VET credit transfer arrangement in place. Where a provider offers, in accordance with its Scope of Registration, a diploma or an advanced diploma course in a Reform State or Territory, the VET provider is exempt from meeting the VET credit transfer requirements for students in that State or Territory.

4.2 Graduate courses

Graduate certificate and graduate diploma courses do not require an approved credit transfer arrangement. That is, once approved as a provider, graduate courses are automatically eligible courses of study for VET FEE-HELP assistance and VET FEE-HELP must be offered [[HESA Schedule 1A clause 45\(1\)](#), [VET FEE-HELP Guidelines 3.5](#)].

4.3 Credit levels

DEEWR (Group Manager) will assess each credit transfer arrangement using the following credit levels as a guide:

- 50% credit for an advanced diploma when linked to a 3 year Bachelor degree;
- 37.5% credit for an advanced diploma when linked to a 4 year Bachelor degree;
- 33% credit for a diploma when linked to a 3 year Bachelor degree; and

- 25 % credit for a diploma when linked to a 4 year Bachelor degree [VET Provider Guidelines 2.5, VET FEE-HELP Guidelines 3.5].

The suggested levels of credit transfer are the best practice benchmark levels that were approved by the former Australian Qualifications Framework Advisory Board and are listed in its 'National Guidelines on Cross-Sector Qualifications Linkages'.

4.4 Assessment against credit levels

Credit transfer arrangements that meet or exceed the above credit levels will be approved (provided they meet all other requirements – see 4.5).

The credit levels are based on diplomas and advanced diplomas that respectively are at least 12 months and 18 months in duration. Where the sector standard or accreditation for certain diplomas and advanced diplomas to be undertaken and completed is in a shorter timeframe, it would be unrealistic to expect that such courses would meet the above credit levels as this would require those courses to obtain credit for a Bachelor degree of greater than 100 per cent of the length of the course.

Diplomas and advanced diplomas that do not meet the above credit levels will be assessed against existing sector best practice arrangements for those courses or qualifications. That is, where a diploma or advanced diploma does not meet or exceed the above credit levels, it will be assessed against the existing sector best practice arrangements for that course or qualification and must meet that credit level to be approved.

Diplomas and advanced diplomas without credit transfer arrangements (where no credit is provided to a Bachelor degree with a HEP) will be assessed as not meeting the credit transfer requirements and therefore will not be eligible courses for VET FEE-HELP assistance. Such courses will not meet the minimum requirements for credit levels (see below).

4.4.1 Minimum requirements

As a minimum, credit transfer arrangements for diplomas and advanced diplomas must provide a guaranteed level of credit. That is, the diploma or advanced diploma must provide at least 6 months credit or equivalent.

Example

A Bachelor of Agricultural Science at a HEP requires the completion of 32 credit points and the standard duration for the course is 4 years full-time with an annual full-time study load of 8 credit points.

The minimum credit transfer arrangement for a diploma or advanced diploma course into the Bachelor of Agricultural Science would be 4 credit points (i.e. 6 months credit = half of annual 8 credit points).

However, if the sector best practice credit transfer arrangement with a HEP (not necessarily the same HEP as in this example) for the same diploma or advanced diploma qualification is the equivalent of 6 credit points, then this level would be the minimum requirement. This is also on the basis that no provider can meet the benchmark of 8 credit points (i.e. 25% of 32 credit points) for the diploma and 12 (i.e. 37.5% of 32 credit points) for the advanced diploma.

The State, Territory and Australian Governments are examining ways of improving credit transfer systems between the higher education and VET sectors as part of an integrated tertiary sector. It is likely that for certain diplomas and advanced diplomas, the benchmarks for sector best practice arrangements will change (increase) over time as RTOs/providers and HEPs focus greater attention on developing and improving arrangements for credit transfer in response to student demand and trends associated with an integrated tertiary sector.

Any increase in the credit transfer benchmarks for sector best practice arrangements for certain diplomas and advanced diplomas (that are still below the credit levels listed above) would require future applications for approval of a course credit transfer arrangement to meet the increased benchmarks.

4.4.2 Specialist courses

If a provider considers that the diploma or advanced diploma it offers, which has credit to a Bachelor degree with a HEP meets the minimum requirements and is:

- of such a specialised nature; or
- contains components of such a specialised nature; and
- no other course or qualification exists which could be considered the same and it would not be justifiable for the assessment to be based on existing sector best practice arrangements for similar courses or qualifications;

then the provider may:

- outline the reasons why the course content should be considered a specialist course;
- detail the specific components of the course that should be considered specialised;
- list the reasons why the amount of credit obtained should be considered sector best practice; and
- list the reasons why it would not be justifiable for the assessment to be based on existing sector best practice arrangements for similar courses or qualifications.

The provider may attach further evidence such as responses from HEPs on reasons why the level of credit was the maximum that could be granted.

Diplomas and advanced diplomas without credit transfer arrangements (where no credit is provided to a Bachelor degree with a HEP) will be assessed as not meeting the credit transfer requirements and therefore will not be eligible courses for VET FEE-HELP assistance. Such courses will not meet the minimum requirements for credit levels. That is because a VET credit transfer arrangement must provide a guaranteed level of credit (for a VET diploma or VET advanced diploma) towards a higher education award of Bachelor degree [[VET Provider Guidelines 2.5.10](#), [VET FEE-HELP Guidelines 3.5](#)].

4.5 VET credit transfer arrangements

A credit transfer arrangement must be a written document endorsed by both parties (provider and HEP) which sets out for **each** diploma or advanced diploma:

- the HEP and the higher education award (Bachelor degree);
- the guaranteed amount of credit; and
- the expiry date (if any) of the VET credit transfer arrangement [[VET Provider Guidelines 2.5.15](#), [VET FEE-HELP Guidelines 3.5.5](#)].

A provider that is also a HEP can have an internal credit transfer arrangement but which will still require DEEWR's approval as a credit transfer arrangement where applicable to a diploma or advanced diploma.

4.5.1 Policy requirement

It is a policy requirement that RTOs and providers submit for approval all credit transfer arrangements for diploma and advanced diploma courses that meet or exceed the above credit levels that are listed under **4.3**.

4.5.2 Variations

A provider may vary a credit transfer arrangement, but must seek the approval of DEEWR (Group Manager) before it undertakes any variation and provide a copy of the proposed variation for approval [VET FEE-HELP Guidelines 3.5.10-15].

4.5.3 Publication requirements

A provider must publish and make publicly available details of all approved credit transfer arrangements (including approved variations) [VET FEE-HELP Guidelines 3.5.15].

4.5.4 Expiry of a credit transfer arrangement

Where an approved credit transfer arrangement expires, a provider must:

- immediately notify DEEWR (Group Manager) via email to vetfeehelp@deewr.gov.au;
- immediately notify the students enrolled in the affected course; and
- attempt to negotiate another credit transfer arrangement and seek approval of that arrangement as a matter of priority [VET FEE-HELP Guidelines 3.5.10].

Students already enrolled in the affected course may continue to access VET FEE-HELP assistance for units that form part of that course [VET FEE-HELP Guidelines 3.10.1]. However, the course will not be an eligible course for VET FEE-HELP assistance for students that enrol in the course after the date on which the credit transfer arrangement expires. The course will be an eligible course for these students (who have not already enrolled in the course) once another credit transfer arrangement has been approved [HESA Schedule 1A clause 45(1)].

5 VET FEE-HELP ASSISTANCE

5.1 Introduction

VET FEE-HELP provides an income contingent loan to eligible students to pay for all or part of their tuition fees for units of study undertaken with an approved VET provider under HESA.

Over their lifetime, a student will be able to borrow up to the amount of the FEE-HELP limit (see **5.10**). Repayments do not reset the maximum that can be borrowed. Students repay their loan through the Australian taxation system once their repayment income is above the minimum income threshold level for compulsory repayment (see **5.25.1**).

5.2 VET FEE-HELP liability

VET FEE-HELP eligibility and liability occur on a unit of study basis [HESA Schedule 1A clause 43 and 52].

Under HESA, students do not incur a liability for a unit of study (VET tuition fees) until after the census date, which can be set no earlier than 20 per cent of the way through a unit [HESA Schedule 1A, clause 67]. This applies to all students who are, or would be, entitled to VET FEE-HELP assistance, whether they pay their tuition fees up-front or seek VET FEE-HELP assistance.

VET FEE-HELP loans are paid to the provider on behalf of the student by the Australian Government against outstanding tuition fees for each unit of study the student is enrolled in at the end of the census date.

5.3 At which Registered Training Organisations (RTOs) are students eligible for VET FEE-HELP?

RTOs that have been approved by the Australian Government Minister for Education as VET providers under HESA are eligible to offer their students VET FEE-HELP. As these RTOs are approved as VET providers, they will be listed on the DEEWR website at www.deewr.gov.au/vetfeehelp. See **Appendix A** for contact details on where to obtain information on how to become an approved provider.

5.4 What can VET FEE-HELP cover?

VET FEE-HELP provides a loan for tuition fees only [HESA Schedule 1A clause 52]. For information on VET tuition fees (see **3.5.1**). A lesser amount may be payable should a student's FEE-HELP balance be insufficient (see **5.10**).

5.5 Student eligibility requirements

To be eligible for VET FEE-HELP assistance for a unit of study, the student must:

- be a full fee-paying student [HESA Schedule 1A clause 43(i), VET FEE-HELP Guidelines 2.10]; **or**
- be a government subsidised student in a diploma or advanced diploma course, subsidised by a Reform State or Territory [HESA Schedule 1A clause 43(j), VET FEE-HELP Guidelines 2.10.10]; **and**
- meet the citizenship or residency requirements [HESA Schedule 1A cl43(a), cl44];
- have a FEE-HELP balance greater than zero. That is, not have exceeded his or her FEE-HELP limit [HESA Schedule 1A clause 43(b) and HESA Schedule 1A cl54];
- be enrolled in a unit that meets the course requirements [HESA Schedule 1A clause 43(d), cl45];
- be enrolled in the unit on or before the census date for the unit and remain so enrolled at the end of the census date [HESA Schedule 1A clause 43(f)];

- meet the tax file number (TFN) requirements [\[HESA Schedule 1A clause 43\(g\)\]](#);
- have completed, signed and given to an appropriate officer of the provider a *Request for VET FEE-HELP assistance* form on or before the census date [\[HESA Schedule 1A clause 43\(h\)\]](#).

Each of these requirements is detailed in the following sections.

5.6 Determining eligibility

Determining student eligibility for VET FEE-HELP is the responsibility of the provider. In determining a student's eligibility for VET FEE-HELP, a provider should collect sufficient information from the student to be satisfied that the student meets the requirements for entitlement to VET FEE-HELP assistance. In some cases, this may mean that students provide additional documentation subsequent to their initial course enrolment.

A provider must comply with privacy requirements (see **Part 9**) when handling students' personal information.

Where a provider has determined that a student is eligible for VET FEE-HELP and this subsequently turns out not to be the case, the provider may be required to repay the amount of any VET FEE-HELP assistance provided to the student back to the Commonwealth.

5.7 Eligible students

Certain eligible State government subsidised students enrolled in an eligible course, in addition to full fee-paying students, now have access to VET FEE-HELP assistance through approved VET providers.

5.7.1 Full fee-paying student

A full fee-paying student is a student enrolled in a course of study for which the provider does not receive any government subsidies. That is, the provider does not receive any funding from a State or Territory Government or the Australian Government in relation to the student's enrolment in that course [\[VET FEE-HELP Guidelines 2.10\]](#).

Full fee-paying students and certain government subsidised students are eligible to receive VET FEE-HELP assistance. However, in a course of study, a provider may enrol full fee-paying students, government subsidised students, international and publicly supported (non-eligible) students. Within different states and territories, full fee-paying students may be known as fee-for-service students.

5.7.2 Government subsidised students

Certain government subsidised students are eligible to receive VET FEE-HELP assistance. A subsidised student is entitled to VET FEE-HELP assistance where:

- the student is enrolled with a VET provider in a VET course of study; and
- the VET provider receives funding from a State or Territory (the Subsidising State or Territory) in relation to the student's enrolment in that VET course of study; and
- the student is determined to be a subsidised student by the Subsidising State or Territory; and
- the VET unit of study forms part of a VET course of study that leads to an award of VET diploma or VET advanced diploma; and
- the student is enrolled in the VET unit in the Subsidising State or Territory; and
- the Subsidising State or Territory is a *Reform State or Territory*.

5.8 Citizenship or residency requirements

To be eligible for VET FEE-HELP assistance for a unit of study, a person must be:

- an Australian citizen (see below); or
- the holder of a permanent humanitarian visa who will be resident in Australia for the duration of the unit (see **Appendix D on Permanent humanitarian visa subclasses**) [[HESA Schedule 1A clause 44\(1\)](#)].

In determining whether a holder of a permanent humanitarian visa will be resident in Australia for the duration of their unit, providers must disregard any periods spent outside of Australia if they:

- cannot be reasonably regarded as indicating an intention to reside outside of Australia for the duration of the unit; or;
- are required for the purpose of completing the requirements of that unit [[HESA Schedule 1A clause 44\(2\)](#)].

Holders of permanent visas and New Zealand citizens who do not meet these criteria are **NOT** eligible for VET FEE-HELP assistance (see **Appendix D on Permanent visa subclasses** and **Appendix G on New Zealand citizens**). The Minister has no discretion regarding the citizenship requirements.

Once a person obtains Australian citizenship, they may access VET FEE-HELP assistance (if they meet all the other eligibility criteria) for those units they have yet to complete. This could include units in which they are currently enrolled where the census dates for those units have yet to pass.

5.8.1 Australian citizenship

A person may automatically be an Australian citizen by birth or adoption, or after applying for Australian citizenship by descent or conferral. If a person is over 16 years at the time they make their application for citizenship by conferral, they will obtain Australian citizenship only after they have made the pledge of commitment and have been issued with Evidence of Australian Citizenship from the Department of Immigration and Citizenship (DIAC).

5.9 Course requirements

A unit of study is eligible for VET FEE-HELP assistance if:

- it is, or is to be, undertaken as part of a course of study that leads to a VET award at the diploma, advanced diploma, graduate certificate and graduate diploma level with an approved VET provider;
- the course meets any requirements relating to credit transfer arrangements set out in the VET FEE-HELP Guidelines [[HESA Schedule 1A clause 45\(1\)\(a\)](#), [VET FEE-HELP Guidelines 2.5](#)]; and
- the course or the provider of the course are not subject to a Ministerial determination excluding the course from VET FEE-HELP assistance [[HESA Schedule 1A clause 45\(1\)](#)].

Diploma and advanced diploma courses are required to have approved credit transfer arrangements unless the provider is exempt from meeting the basic VET credit transfer requirement as set out in the [[VET FEE-HELP Guidelines chapter 2](#)].

5.10 FEE-HELP limit and balance

Over their lifetime, students are able to use VET FEE-HELP (and FEE-HELP) to pay tuition fees up to the amount of the FEE-HELP limit, which is \$83,313 in 2009 (indexed in subsequent years), except for medicine, dentistry and veterinary science courses (that lead to initial registration as practitioners in those fields) where the limit is \$104,142 in 2009 (indexed) [[HESA s104-20](#)].

The FEE-HELP limit for a particular year is published by DEEWR at www.deewr.gov.au/vetfeehelp and in the VET FEE-HELP (and FEE-HELP) information booklet for students for that year. Students may access up to the FEE-HELP limit for the year in which study is undertaken. Repayments do not reset the maximum that can be borrowed.

A person's FEE-HELP balance is the amount of the FEE-HELP limit they have not used. It is the sum of the amount of FEE-HELP assistance **AND** VET FEE-HELP assistance that is used to calculate a person's FEE-HELP balance [HESA s104-15]. Any VET FEE-HELP assistance used by a student, will reduce the amount of FEE-HELP assistance available for use at a HEP to undertake a higher education award as a full fee-paying student (and vice versa).

Any loan fee amounts (see **5.18**) or indexation of outstanding debts (see **5.25.4**) are not included in a person's FEE-HELP balance.

Students may access information on their FEE-HELP balance through the *Going to Uni* website at: www.goingtouni.gov.au (see **10.3**).

5.10.1 What if the tuition fees for a unit exceed a person's FEE-HELP balance?

If a student is enrolled in a unit of study where the tuition fee exceeds the student's FEE-HELP balance, the student will only receive VET FEE-HELP assistance equal to the FEE-HELP balance [HESA Schedule 1A, clause 54]. Providers are responsible for collecting the remainder of the person's tuition fee for the unit.

Example

Betty is a full fee paying student who has a FEE-HELP balance of \$2,000. She enrolls in 4 units with the same census date. The VET tuition fee for each unit is \$600. The total amount of VET FEE-HELP assistance to which Betty is entitled for the units is \$2,000, even though the total amount of VET tuition fees for the units is \$2,400.

Betty would need to pay the balance of \$400 as an up-front payment to her VET provider.

5.10.2 What if the student is enrolled with more than one provider?

Students who are approaching their FEE-HELP limit, and who are enrolled with more than one provider, must notify each provider of how much VET FEE-HELP assistance they wish to receive for each unit [HESA – s107-10(3)-(4) and clause 54(3)]. This requirement also applies if the student, in addition to being enrolled with a provider, is enrolled with a HEP(s) and/or Open Universities Australia and is eligible for FEE-HELP assistance for units of study being undertaken with those organisations.

In cases where a student is enrolled in more than one unit on the same census date, does not have enough FEE-HELP balance to cover all the units, and fails to notify their providers, the units for which they will receive VET FEE-HELP assistance will be determined according to an order of precedence based on census dates (see **10.4.1**). Where a student does not have enough FEE-HELP balance to cover a unit of study, DEEWR will notify the affected provider via an exception report (see **10.5.1**). Providers are responsible for recovering any outstanding tuition fees from students in accordance with the provider's own procedures. The Commonwealth can only pay the provider VET FEE-HELP assistance (and/or FEE-HELP assistance) up to the amount of the student's FEE-HELP balance.

5.10.3 How will a provider know the amount of a person's FEE-HELP balance?

Commencing students

A commencing student's FEE-HELP balance will be provided at the same time as the student's Commonwealth Higher Education Student Support Number (CHESSN) (see **10.6**).

Continuing students

For continuing students, DEEWR will provide a report to providers that includes all students enrolled with the provider who have less than 40 per cent of their FEE-HELP balance remaining. The balance will be based on the data submitted by all providers and will take into account duplicate CHESSNs.

Providers should note that there will be a delay between a student having their FEE-HELP balance reduced and DEEWR being able to report this reduction. Providers may, at any time, request a student's FEE-HELP balance by sending a request through to VET FEE-HELP Help Desk at vetfeehelpdesk@deewr.gov.au.

5.11 Census date requirement

A student must be enrolled in the unit on or before the census date for the unit and must remain enrolled in the unit at the end of the census date [HESA Schedule 1A clause 43(f)]. A census date can be set no earlier than 20 per cent of the way through a unit (see **1.12**) [HESA Schedule 1A clause 67(2)].

5.12 Tax file number requirements

A student meets the tax file number (TFN) requirements for VET FEE-HELP assistance if:

- the student notifies his or her TFN to an appropriate officer of the provider and the provider is satisfied that the number is a valid TFN; or
- the student provides a *Certificate of Application for a TFN*; and
- this information is provided on or before the end of the census date for the unit [HESA Schedule 1A clause 80].

5.12.1 Who is required to provide a TFN?

All students who wish to obtain a loan under VET FEE-HELP are required to provide their tax file number (TFN) on their request for Commonwealth Assistance Form (see **5.13**). Students who do not have a TFN should apply for one by completing a *Tax file number application or enquiry for an individual* form available from the Australian Tax Office (ATO) [HESA –Schedule 1A, paragraph 43(g) and clause 80]. A sample *Certificate of Application for a TFN* is provided at **Appendix E**.

5.12.2 By when must a TFN be provided?

Students are required to provide their TFN, or a certificate from the Commissioner of Taxation stating that they have applied for one (see **Appendix E**), on or before the census date for the unit of study for which they wish to obtain a VET FEE-HELP loan [HESA Schedule 1A, subclause 80(2a)].

5.12.3 How does a student provide a TFN?

Students should provide their TFN on a *Request for VET FEE-HELP assistance form* (see **5.13**).

If a student does not provide their TFN on the form or a *Certificate of Application for a TFN* on or before the census date for that unit (that is, by the end of the census date), they are not eligible to receive VET FEE-HELP assistance for the unit [HESA Schedule 1A clause 43(g) clause 80(2A)]. Students may also provide these electronically in accordance with Chapter 4 of the VET Administration Guidelines (see **Part 11** on **Electronic Communications**).

5.12.4 Notification if a student does not provide a TFN

If a student does not provide a TFN on their form and the student intends to take out a VET FEE-HELP loan, the provider must notify the student, in writing, within 7 days of receiving the form (or before the census date if earlier), that the student's TFN or a *Certificate of Application for a TFN* from the ATO is required on or before the census date (in the case of VET FEE-HELP assistance [HESA Schedule 1A, subclauses 88(1) and (2)]).

The provider is not obliged to provide this notice if the student is not eligible for the assistance [HESA Schedule 1A, subclause 88(4)].

5.12.5 What happens if a student does not have a TFN?

Students who do not have, or cannot remember, their TFN, or who have applied to the ATO but have not yet received a TFN, must contact the ATO to acquire their TFN or to obtain a *Certificate of Application for a TFN*. A sample *Certificate of Application for a TFN* is provided at Appendix E.

As a TFN is usually provided within 28 days of application, it is essential for students to apply early to ensure they have their TFN on or before the census date. If a student applies for a TFN less than 1 month before the relevant census date, the student should request the ATO to issue them with a *Certificate of Application for a TFN*.

If a student has not received their TFN within 10 days before the census date, the student should provide this certificate to their provider as proof of having applied. The student must quote their TFN within 21 days from the day the ATO issues the student a *Tax file number Advice* [HESA Schedule 1A, paragraph 82(a)]. The provider must be satisfied (in accordance with the *Tax file number guidelines for higher education providers, Open Universities Australia, and VET providers*) that the TFN quoted by the student is a valid TFN [HESA Schedule 1A clause 80, clause 82(b)].

What if a student has provided a Certificate of Application for a TFN but has failed to quote their TFN within 21 days of issue by the ATO?

Students who provide a *Certificate of Application for a TFN* should notify their provider of their TFN within 21 days of receiving it from the ATO. However, to assist with administrative arrangements for those students who do not advise their TFN, providers can ask the ATO for TFNs over the phone in accordance with the *Tax file number guidelines for higher education providers, Open Universities Australia, and VET providers*.

TFNs can be obtained by phoning the Higher Education Loan Accounts (HELA) unit of the ATO on **1300 650 225** between 8.00am and 6.00pm (Eastern Standard Time), Monday to Friday. This service is available from June for the first half-year data and from November for the second half-year data.

To enable the ATO to provide a TFN over the phone providers must nominate a contact officer(s). The contact officer(s) will be the only person(s) authorised to receive a student's TFN over the phone. The nomination should be on the provider's official letterhead, include the name, title and contact details of the nominated officer(s) and sent to the provider's higher education contact officer at:

Higher Education Loan Accounts unit
Australian Taxation Office
PO Box 9977
Chermside QLD 4032

If providers have any questions about the nomination process they can phone **1300 650 225**.

5.12.6 What happens if a student fails to provide a TFN?

If a student who is seeking VET FEE-HELP assistance does not provide a TFN or a *Certificate of Application for a TFN* on or before the census date, the Australian Government will not be liable to provide a loan for the tuition fees. The provider must reduce the student's debt for that unit to zero and repay that amount to the Commonwealth. For information on how to vary a student's debt, (see **7.3.4**).

Where a student is ineligible for VET FEE-HELP assistance, it is a matter between the provider and student as regards alternative arrangements other than via VET FEE-HELP assistance for the student to pay their tuition fees.

5.12.7 Validation of TFNs

Students are eligible for a HELP loan only if they provide a valid TFN. A provider must validate and record TFNs for inclusion in information on students' debts in the *HELP Due File* and for inclusion in the *Electronic Commonwealth Assistance Form File (E-CAF File)*. A provider must:

- visually check that each TFN has 9 digits. No TFN can be comprised of the same digit. For example, 111 111 111 is not a valid TFN;
- in the case of the *E-CAF*, ensure that the '00999999999' code (for students who supply a *Certificate of Application for a TFN* from the ATO) is not used as this is not a valid TFN for a form that is submitted electronically; and
- use the algorithm that the ATO provides to validate the TFN.

The *Tax file number guidelines for higher education providers, Open Universities Australia, and VET providers* specify the circumstances in which a provider is to be satisfied that a number is a valid TFN.

5.12.8 What happens if a student has not provided a valid TFN?

If a student has not provided a valid TFN, the provider must notify the student, in writing, within 7 days of receiving the *Request for VET FEE-HELP assistance* form (or on or before the census date), that the student:

- has not provided a valid TFN; and
- how the student can meet the TFN requirements by providing either a TFN or *Certificate of Application for a TFN* on or before the census date for the unit [[HESA Schedule 1A clause 88\(2\)](#)].

A provider can notify the student using electronic means if it complies with the *Electronic Transactions Act 1999* (ETA) and Chapter 4 of the VET Administration Guidelines (see **Part 11**).

5.12.9 TFNs and the electronic submission of forms

Students who fill out an electronic form, and who are required to provide a TFN, must have a **valid TFN**. A provider cannot use the '00999999999' code as a valid TFN for electronic forms.

A provider may incorporate an electronic prompt that informs these students that they cannot complete the form electronically because they have not provided their TFN. Students who do not submit a valid TFN must continue to use the paper form.

A provider may allow students who have submitted a paper form, and who subsequently obtain a TFN on or before the census date, to complete an electronic form. This electronic form would override the previously submitted paper form.

5.12.10 ATO to provide information on TFNs

The ATO may give the provider notice of the following twice yearly (by late February and July each year) [\[HESA Schedule 1A Subdivision 15-C\]](#):

- a student's TFN where:
 - the student provided a *Certificate of Application for a TFN* on or before the census date and a TFN has been issued; or
 - a student provided a valid TFN that has since been cancelled, withdrawn, or is otherwise wrong, but the student has a new valid TFN or if a new TFN has been issued to the student; and
- information on students who do not have a TFN because the:
 - ATO is unable to identify the student correctly;
 - ATO is not satisfied that the student has a TFN;
 - TFN given by a student is not the student's TFN;
 - ATO has refused to issue a TFN to the student because the student already has a TFN; or
 - ATO has cancelled the student's TFN.

Sample letters from the ATO are in **Appendix H**.

When the ATO advises a provider of a student's TFN, the provider must record it for the student in order for DEEWR to be satisfied that the student was eligible for VET FEE-HELP assistance. If a provider is unable to satisfactorily match the student details, the provider must contact the ATO on **1300 650 225**, in accordance with the *Tax file number guidelines for higher education providers, Open Universities Australia, and VET providers*, to resolve the issue before recording the TFN.

5.12.11 What happens if the ATO notifies a provider that a student does not have a TFN?

If the ATO notifies a provider that a student does not have a TFN and, at the end of 28 days after the provider receives this notice, the provider has not been notified of a number that the provider is satisfied is a valid TFN, the Commonwealth will not be liable to provide a loan for the tuition fees due to the student's ineligibility for VET FEE-HELP [\[HESA Schedule 1A paragraph 43\(g\) and clauses 88 and 89\]](#).

The provider must reduce the student's debt for that unit of study to zero, if necessary re-credit the student's FEE-HELP balance [\[HESA Schedule 1A clause 47 and clause 89\]](#) and repay that amount to the Commonwealth. For information on how to vary a student's debt (see **7.3.4**).

Where a student is ineligible for VET FEE-HELP assistance, it is a matter between the provider and student as regards alternative arrangements other than via VET FEE-HELP assistance for the student to pay their tuition fees(s).

5.12.12 Retention and disposal of TFNs

For DEEWR to be satisfied that the student met the TFN eligibility criteria for payment of VET FEE-HELP assistance, providers must retain TFNs until such time as the provider is satisfied that the calculation of the final unit of study debt for the course of study for which the student has

sought VET FEE-HELP assistance has been completed, the student's account with the provider is finalised, and the ATO has been notified of the final debt.

In keeping with the Privacy Commissioner's *Tax file number Guidelines*, any disposal of TFN information must be by appropriately secure means (see **Appendix A** for the link to the guidelines).

5.12.13 Confidentiality

The law prohibits:

- the disclosure of students' TFNs;
- providers' use of TFNs for any purpose other than processing a HELP debt;
- use of TFNs as a means of identifying students;
- any unauthorised request for a student to provide a TFN; and
- any unauthorised recording of a TFN.

A provider must take reasonable precautions to prevent unauthorised access to VET FEE-HELP (and HELP) related information, including students' TFNs. A provider must comply with the rules for handling TFNs in the Privacy Commissioner's *Tax file number Guidelines 1992*.

5.12.14 Provision of TFN if student enrolls in a new course of study

If a student cancels his or her enrolment in a course of study and enrolls in a different course, providers are not permitted to transfer a student's TFN to the records or documentation for the new course. A student must separately meet the TFN requirements for each unit of study they enrol in [[HESA Schedule 1A clause 80\(2\)](#)].

5.13 Request for VET FEE-HELP assistance

Students seeking VET FEE-HELP assistance must complete a request for Commonwealth assistance that is in the form approved by the Minister [[HESA Schedule 1A clause 88\(3\)](#)]. Students request VET FEE-HELP assistance by completing, signing and submitting a *Request for FEE-HELP assistance* form to the appropriate officer at their provider on or before the census date for the unit [[HESA Schedule 1A clause 43\(h\)](#)].

5.13.1 Request for VET FEE-HELP assistance form- paper and electronic

The *Request for VET FEE-HELP assistance* form (**paper form**) must be completed and returned to an appropriate officer of the VET provider by all students who wish to access VET FEE-HELP assistance. Providers should ensure that students are made aware of these requirements.

Where a provider allows for the **electronic submission** of a *Request for VET FEE-HELP assistance* form, it must follow the approved form format (see **5.13.7**).

A picture of this form is at **Appendix C**.

5.13.2 Provision of VET FEE-HELP information booklets

In order for a student to be eligible for VET FEE-HELP assistance, a VET provider will need to ensure that students who are issued the *Request for VET FEE-HELP assistance* form are also provided with the *VET FEE-HELP information* booklet for students for the relevant year. Students will need to have received this booklet before they submit their *Request for VET FEE-HELP assistance* form. That is because the form requires students to declare that they have read the booklet.

Copies of the booklet can be obtained from DEEWR (see **Appendix A** for contact details). Continuing students should also be provided with the *VET FEE-HELP information* booklet for each year of their enrolment.

A VET provider may choose to supply an electronic version of the *VET FEE-HELP information* booklet to students who submit their *Request for VET FEE-HELP assistance* form electronically.

5.13.3 Can a VET provider pre-print student details on the form?

A VET provider may pre-print the *Request for VET FEE-HELP assistance* form with the personal details of the student (excluding their TFN) or incorporate those details on a label to be attached to the form.

5.13.4 Request for VET FEE-HELP assistance paper form submission to a VET provider by a student

In order to be eligible for VET FEE-HELP students seeking VET FEE-HELP assistance must submit the completed *Request for VET FEE-HELP assistance* form on or before the census date of the first unit of study for which they are seeking VET FEE-HELP assistance [[HESA Schedule 1A clause 43\(h\)](#)]. A provider may set an earlier date for submission of the forms for administrative purposes but, in doing so, must ensure that students are treated fairly.

5.13.5 Where does a VET provider send the ATO copy of a student's completed Request for VET FEE-HELP assistance paper form?

The ATO Copy (original copy) of the *Request for VET FEE-HELP assistance* paper form completed by students on or before the census date are sent by the VET provider to the ATO. The postal address is as follows:

Higher Education Loan Accounts unit
Australian Taxation Office
PO Box 9977
Chermside QLD 4032

5.13.6 Can the form be completed and submitted electronically?

A VET provider may enable students to complete and submit the *Request for VET FEE-HELP assistance* form electronically [[HESA Schedule 1A Division 13](#)]. In doing so, the provider must meet the requirements in chapter 4 of the VET Administration Guidelines. See **11.2.7** for more information on the electronic provision of the *Request for VET FEE-HELP assistance* form. An electronic form is an approved form if it is a replica of the approved hard-copy form. A date field must be included in the *E-CAF File* (see **11.2.7**) as this represents the submission date.

5.13.7 Who is permitted to sign a form?

Generally, only the student receiving the Commonwealth assistance (VET FEE-HELP assistance) is permitted to sign the *Request for VET FEE-HELP Assistance* form. However, a provider may accept a form that has been signed by a person who is exercising a legal power of attorney on behalf of the student.

Whether or not a student is a minor does not affect his or her ability to sign the form.

5.13.8 Checking the form and correcting errors

A provider should ensure that students have completed the form correctly, including the selection of all relevant boxes.

A provider should be satisfied the details provided on the form are the same as details provided on other enrolment documents lodged by the student. If, for some legitimate reason, the details are not identical but the provider is satisfied that the details are correct, the form should be annotated accordingly. Electronic forms cannot be annotated. The *E-CAF File* (see **11.2.7**) has no scope for annotations and so records on this file should be as submitted by the student and fully accurate.

If a provider is not satisfied that the details on the form are correct, it should attempt to resolve the differences. If this is not possible, the provider should reject the form and advise the student that it has not been submitted.

There may be rare cases where it is acceptable for a provider to ask the student to complete another form after the census date. For example, where incorrect information is provided on the original form submitted **on or before the census date** and, even though the student has advised the provider that such advice is incorrect, there is insufficient time on or before the census date to process that request.

5.13.9 Distribution of the form

Original

All forms that contain the student's TFN must be sent to the ATO by 1 June (for forms completed in the first half year) and 1 December (for forms completed in the second half year). For details on where to send the forms, see **Appendix A**. The forms containing a TFN must be sent to the ATO regardless of whether the student has incurred a VET FEE-HELP debt.

Forms that do not include the student's TFN must be retained by the provider (see **5.13.11**).

Copies

The provider should retain the first copy and give the second copy to the student.

5.13.10 Retention of the form

The form is a Commonwealth record and is subject to the *Archives Act 1983*. A provider must comply with the *Archives Act 1983*, and any disposal authorities issued by the National Archives of Australia to DEEWR from time to time, in the preservation of the form as notified to providers by DEEWR.

A provider must retain a copy of forms that do not include the student's TFN on behalf of the Commonwealth for a minimum period of 7 years after the student has completed his or her course of study. Where state or territory legislation requires a provider to retain documentation for a specified time, a provider should act in accordance with that legislation, providing the form is retained for at least 7 years following completion of the course.

If a student cancels his or her *Request for VET FEE-HELP assistance* form (see **5.13.12**), the provider must still retain a copy of the form given that it is a Commonwealth record and the student has the option of reactivating the request at a later date.

Storage of forms in an electronic format

VET providers should in the first instance maintain original paper documentation of the *Request for VET FEE-HELP assistance* form, but may also retain paper forms for storage in an electronic format. Current arrangements do not allow for the destruction of the source document (the original paper form) by VET providers. VET providers must therefore retain original paper *Request for VET FEE-HELP assistance* forms in accordance with the requirements of the *Archives Act 1983*.

In accordance with the *Electronic Transactions Act 1999*, VET providers must ensure that if they have created an electronic copy of a Commonwealth record, that it is a clear and accurate representation of what the student signed and an unadulterated version of the original paper form.

5.13.11 Cancellation and validity of a form

A *Request for VET FEE-HELP assistance* form is valid for the duration of the person's enrolment in the course of study.

Students accessing VET FEE-HELP assistance are not required to cancel their form if they subsequently choose to pay their tuition fees up-front. If full payment is made on or before the census date for the unit of study, a student will not incur a VET FEE-HELP debt for that unit.

Students may choose to cancel their request at any time in writing on or before the census date for the unit of study. Students may choose to cancel their request for any reason (eg. the organisation of alternative payment methods). Students can subsequently reactivate their *Request for VET FEE-HELP assistance* form by submitting a request to their provider in writing.

A provider should determine its own mechanisms for recording written cancellations and reactivations of the form.

5.13.12 Completion of a new form or multiple forms

Enrolment in a new course of study

Students who change their course of study are required to complete a new *Request for VET FEE HELP assistance* form if they wish to seek VET FEE-HELP assistance for that course [[HESA Schedule 1A clause 43\(h\)](#)].

Enrolment in more than one course of study

Students who enrol in more than one course of study must complete a separate form for each course [[HESA Schedule 1A clause 43\(h\)](#)].

Enrolment at more than one provider

If a student enrolls with more than one provider, a separate form must be completed for each enrolment and each form must be submitted to the relevant provider [[HESA Schedule 1A clause 43\(h\)](#)].

5.14 Allocation of a CHESSN

DEEWR allocates CHESSNs to all students who request VET FEE-HELP assistance (see **10.6**) through a provider or apply for a place through a tertiary admission centre. This will enable the monitoring of students' use of Commonwealth assistance.

5.15 Calculating the amount of VET FEE-HELP assistance

A student can borrow up to the amount of the tuition fee for the unit being charged by their provider, so long as this amount does not result in the student exceeding their FEE-HELP balance (see **5.10**). Students have the option of paying part of their tuition fee for the unit up-front to their provider on or before the census date and obtaining FEE-HELP assistance for the remainder [HESA Schedule 1A clause 52].

The amount of VET FEE-HELP assistance for a unit of study is the difference between the tuition fee for the unit and the sum of any up-front payments the student has made on or before the census date [HESA Schedule 1A clause 52]. This amount should be calculated immediately after the census date for the unit. A student's FEE-HELP balance will be reduced by this amount.

Providers will report to DEEWR a student's VET FEE-HELP assistance through the Higher Education Internet Management System (HEIMS) when they submit their quarterly data (see **Part 7**) and the Commonwealth will pay the VET FEE-HELP assistance amount to the provider (see **Part 8**) [HESA Schedule 1A clause 55].

5.16 Student study load

A student's study load is irrelevant for VET FEE-HELP assistance. The minimum requirement is that a student is enrolled in at least one eligible unit of study at the end of the census date (and has met all the other requirements for access to VET FEE-HELP assistance). That is, a student can be part-time or full-time. The upper limit to the number of units that a student may request VET FEE-HELP assistance for is determined by:

- the number of units needed to complete the requirements of the course; and
- the student's FEE-HELP balance.

Example

Students are required to complete 10 units (from a list of 14 units) to be awarded the Diploma in Business Studies.

Linda is enrolled in the Diploma of Business Studies and is an eligible student for VET FEE-HELP assistance. She successfully completes 10 units to be awarded a Diploma in Business Studies.

Linda's FEE-HELP balance at the end of the 10 units is \$68,000 and she decides to enrol in 2 more units in the Diploma of Business Studies course. Linda wishes to use VET FEE-HELP to pay for VET tuition fees for those units.

While Linda has sufficient FEE-HELP balance available, she has already completed the requirements for the Diploma of Business Studies course and is not eligible for VET FEE-HELP assistance for those 2 units. Linda would need to be enrolled in the units on a non-award basis.

If Linda enrolled in another eligible VET course of study which included those units, she could access VET FEE-HELP assistance (after filling in a new Request for VET FEE-HELP assistance form for that course).

5.17 VET FEE-HELP debt

A student incurs a VET FEE-HELP debt for the amount of VET FEE-HELP assistance loaned to them by the Commonwealth to pay for part or all of their tuition fees for each unit at the end of the census date [HESA s137-18(1), 137-18(3)]. The Commonwealth pays this amount directly to the provider on the student's behalf [HESA Schedule 1A clause 55].

5.18 VET FEE-HELP loan fee

A loan fee of up to 20 per cent applies to all VET FEE-HELP loans except for those applicable for students identified as subsidised by a Reform State or Territory and enrolled in a VET unit of study as part of a VET diploma or advanced diploma, from 1 July 2009 [HESA s 137-18(2)VET FEE-HELP Guidelines 4.1.1]. The FEE-HELP limit does not include the loan fee.

5.19 Loan fee and amount of VET FEE-HELP debt

The amount of the VET FEE-HELP debt is the amount of the loan (the VET FEE-HELP assistance provided) plus a VET FEE-HELP loan fee of up to 20 per cent if applicable to that student.

The amount of VET FEE-HELP debt for students identified as subsidised by a Reform State or Territory*, enrolled in diploma or advanced diploma courses from 1 July 2009 is the amount of the loan (the VET FEE-HELP assistance provided) only, and no loan fee is charged to these students [HESA s 137-18(2)VET FEE-HELP Guidelines 4.5.1].

The amount of the VET FEE-HELP debt for students not identified as subsidised by a Reform State or Territory* (full fee paying students) is the amount of the loan (VET FEE-HELP assistance provided) plus a VET FEE-HELP loan fee of 20 per cent. The VET FEE-HELP loan fee is not included in a person's FEE-HELP balance but is included in a person's VET FEE-HELP debt (**see 5.10**).

The amount of VET FEE-HELP debt is incurred by every student immediately after the census date for the unit [HESA s137-18(2)-(3)].

*Victoria is currently the only Reform State/Territory for the purposes of the VET FEE-HELP scheme.

Example

Adam is enrolled in an eligible VET course of study and has requested VET FEE-HELP assistance for the course. Adam's VET tuition fees for the units he is currently enrolled in total \$2,000 and he has paid \$1,000 up-front to his VET provider and deferred the remainder to VET FEE-HELP.

The amount of Adam's VET FEE-HELP assistance is \$1,000 and this is the amount by which his FEE-HELP balance is reduced. If he is a full fee-paying student, the amount of Adam's VET FEE-HELP debt will be $\$1,000 \times 1.2 = \$1,200$. This is the amount he will be required to repay through the ATO.

*If Adam is enrolled in an eligible course of study which is a VET diploma or advanced diploma and he is subsidised by a Reform State or Territory consistent with the requirements of Chapter 2 subsection 2.10.10 and 2.10.15 of the VET FEE-HELP Guidelines, then the amount of Adam's VET FEE-HELP assistance and debt will be only **\$1,000** as he will not incur the loan fee. This is the amount by which his FEE-HELP balance is reduced and the amount he will be required to repay through the ATO.*

5.20 Commonwealth Assistance Notice

Providers are required to issue each student who has requested VET FEE-HELP assistance with a Commonwealth Assistance Notice (CAN) [[HESA Sch 1A clause 64](#); [VET Administration Guidelines Chapter 2](#)].

5.20.1 Who must receive a CAN?

The CAN must be sent to all students who have requested VET FEE-HELP assistance after each census date, even if a student has made a full up-front payment of their tuition fees and therefore has not incurred a VET FEE-HELP debt on that census date [[HESA Schedule 1A clause 64\(1\)](#) and [VET Administration Guidelines Chapter 2](#)].

5.20.2 What must the CAN contain?

The CAN must set out the information outlined in section 2.10 of the VET Administration Guidelines for each unit of study [[HESA Schedule 1A clause 64\(2\)](#)]. It is important to note that the VET Administration Guidelines only require information to be provided in the CAN **as or if applicable** to a particular student's enrolment.

A CAN must contain the title 'Commonwealth Assistance Notice' and include the following information, as applicable, to the person's enrolment at the census date for the VET unit(s) of study to which the CAN applies:

- the person's name;
- the name of the VET provider;
- the person's student identification number as issued by the VET provider;
- the person's Commonwealth Higher Education Student Support Number (CHESSN);
- the course(s) of study in which the person is enrolled with the provider for which a tuition fee(s) is recorded at the census date(s) contained in the CAN;
- the total amount of up-front payment;
- the total amount of VET FEE-HELP assistance;
- the total amount of the VET FEE-HELP loan fee unless the student is a government subsidised student in a reform State or Territory and is exempt from the loan fee (subject to legislation); and
- the total amount of VET FEE-HELP debt [[VET Administration Guidelines 2.10.1-5](#)].

For each VET unit of study, the CAN must include the following information, as applicable, to each person's enrolment:

- the unit of study identification code;
- the census date;
- the VET tuition fee amount;
- the amount of up-front VET payment;
- the amount of VET FEE-HELP assistance;
- the amount of the VET FEE-HELP loan fee unless the student is a government subsidised student in a reform State or Territory and is exempt from the loan fee (subject to legislation); and
- the amount of VET FEE-HELP debt [[VET Administration Guidelines 2.10.10](#)].

Where the census date and tuition fee amount are identical in respect of all the units of study listed on a CAN, that information may be provided as a whole on the CAN [[VET Administration Guidelines 2.10.15](#)]. That is, listed once on the CAN, provided that it is clear that this information applies to all the units on the CAN.

A provider may issue separate CANs for units of study with different census dates.

A CAN must have the following statements prominently displayed:

“It is your responsibility to ensure that you have sufficient FEE-HELP balance to cover the VET FEE-HELP amounts indicated in this notice. You are eligible for the amounts of VET FEE-HELP assistance contained in this notice only if you have sufficient FEE-HELP balance to cover those amounts.”

and

“The information regarding Commonwealth assistance contained in this notice is correct only insofar as you have correctly advised this VET provider of your entitlement to that assistance under the *Higher Education Support Act 2003*.” [VET Administration Guidelines 2.10.20]

The CAN may contain other information, as determined by the provider [VET Administration Guidelines 2.10.30].

A CAN must include information on the person’s right to request the correction of information contained in the CAN (see **5.20.5**) [VET Administration Guidelines 2.10.25].

5.20.3 When must the CAN be given?

A CAN must be given within 28 days of the earliest census date indicated in the CAN [HESA Schedule 1A clause 64(3), VET Administration Guidelines 2.15].

5.20.4 Electronic issue

A provider may issue the CAN electronically (see **Part 11**).

5.20.5 Incorrect CAN

When a provider believes a CAN to be incorrect

If the provider, after issuing the CAN, believes that the information is incorrect, or has ceased to be correct, the provider must issue a new CAN to the student with the correct information [HESA Schedule 1A clause 65(1)].

Student request for correction of CAN

When a student believes that the information on the CAN is incorrect, the student may, within 14 days of the CAN being given (or longer if the provider allows), ask in writing for the CAN to be corrected [HESA Schedule 1A clause 65(2)-(3)]. This request may be made electronically as long as the provider complies with chapter 4 of the VET Administration Guidelines (see **Part 11**).

The student’s request should specify the particular information the student considers is incorrect and the reasons why it is considered incorrect [HESA Schedule 1A clause 65(4)]. Making the request does not affect the liability of the student to pay the tuition fee, or the student’s entitlement to VET FEE-HELP assistance [HESA Schedule 1A clause 65(5)].

A provider should consider the request as soon as possible, and notify the student, in writing, of its decision. If the provider finds that the information on the original CAN was incorrect, or has ceased to be correct, the provider must issue a new CAN to the student with the correct information [HESA Schedule 1A clause 65(6)]. The provider should also correct its records and data sent to DEEWR accordingly.

5.21 Withdrawals on or before the census date

Students who withdraw from their unit of study or course of study on or before the census date will not incur a VET FEE-HELP debt.

Students do not incur a liability for a unit of study until after the census date, which can be set no earlier than 20 per cent of the way through a unit. This applies to all students whether they pay their tuition fees up-front or seek VET FEE-HELP assistance. A provider is required to refund a student any tuition fees the student has paid for a unit if they are no longer enrolled in that unit at the end of the census date. The exception is where VET tuition assurance has been activated because the provider, at the time, ceased to provide the unit and the student has chosen the VET course assurance option in relation to that unit [\[VET Provider Guidelines 8.20\]](#).

A provider may set an 'administrative date' earlier than the census date by which students are required to pay their tuition fees or lodge a *Request for VET FEE-HELP assistance* form. A provider may also set a 'withdrawal date' before the census date, after which students who withdraw from a unit of study may receive a fail grade.

A provider may also impose a fine or penalty on students who undertake actions after the administrative and withdrawal dates if the fine or penalty is imposed principally as a disincentive and not in order to raise revenue or cover administrative costs. However, an earlier administrative or withdrawal date does not override the census date in terms of students incurring a liability for a unit of study.

A provider must treat all of its students and those seeking to enrol with the provider fairly [\[VET Provider Guidelines 5.5\]](#). Setting an administrative or withdrawal date before or very early after the commencement of a unit would not be consistent with the fairness provisions, especially in light of the HESA requirement that a census date be no earlier than 20 per cent of the way through the period during which a unit is undertaken.

Setting different fines or penalties or having a policy of varying refunds depending on the timing of students' withdrawal from a unit of study would amount to revenue raising and/or covering administrative costs, which is not permissible [\[VET Provider Guidelines 8.10\]](#).

It is a provider's responsibility to ensure that the information it gives to DEEWR is accurate and that students who have formally withdrawn from a unit or course on or before the census date do not incur a VET FEE-HELP debt for those studies.

5.22 Withdrawals after the census date

Students who have requested VET FEE-HELP assistance who withdraw from a unit of study or course of study after the census date will incur a VET FEE-HELP debt for any unpaid tuition fees (up to their FEE-HELP balance).

Students may apply to their provider to have their FEE-HELP balance re-credited (and thus their VET FEE-HELP debt remitted) in special circumstances (see **Part 12 on Re-crediting and Remission**) [\[HESA Schedule 1A clause 46\(2\), cl48\]](#).

5.23 Cancellation of units of study after the census date

If a unit becomes unavailable after the census date, wherever possible, the provider should attempt to make suitable arrangements for the affected students to complete the unit or a comparable unit. In making these arrangements, the provider must treat students fairly [\[VET Provider Guidelines 5.5\]](#). If arrangements cannot be made for a student with which the student is satisfied, the provider should

advise the student of their entitlements under the provisions for re-crediting and remission (see **Part 12**) [HESA Schedule 1A clause 51] and also any entitlements under tuition assurance arrangements that the provider is required to have in place under Chapter 3 of the VET Provider Guidelines (see 2.5).

See 7.3.4 for information on reporting changes to enrolment after the census date.

5.24 Tax deductibility of tuition fees paid through VET FEE-HELP

Students may be entitled to a tax deduction for the amount of their tuition fees for which they receive a VET FEE-HELP loan if the study meets the requirements for self-education expenses. However, the loan fee of up to 20 per cent is not tax deductible. Students should contact the ATO or their tax adviser for further advice on the tax deductibility of tuition fees (see **Appendix A** for contacts and links).

5.25 Repayment of VET FEE-HELP debts and indexation arrangements

A person's VET FEE-HELP debt is part of their accumulated HELP debt recorded by the ATO. People repay their accumulated HELP debt through the taxation system once their income exceeds the minimum threshold for compulsory repayment (see 5.25.1). They may also make voluntary repayments to the ATO.

5.25.1 Compulsory repayments

A person becomes liable to make a compulsory repayment towards their HELP debt when their repayment income is above the minimum repayment income for the income year [HESA s 154-1]. These repayments are made to the ATO.

From the 2009-10 income year, a person's repayment income for an income year is the sum of:

- the person's taxable income; plus
- total net investment losses (which includes net rental losses); plus
- reportable fringe benefits; plus
- reportable super contributions; plus
- exempt foreign employment income amounts. [HESA – Subdivision 154-5]

The minimum income threshold level for repayment for 2010-11 is \$44,911.

The percentage of a person's repayment income they will be required to repay for a particular year is published by DEEWR at www.deewr.gov.au/vetfeehelp, on the *Going to Uni* website (www.goingtouni.gov.au - see loan repayments) and included in the information booklets for students for that year [HESA s154-20].

5.25.2 Voluntary repayments

A person can make a voluntary repayment towards their HELP debt at any time to the ATO [HESA s 151-1].

If a person makes a voluntary repayment of \$500 or more, they will receive a bonus of 10 per cent [HESA s 151-5]. This means their account will be credited with an additional 10 per cent of their payment. The bonus is 10 per cent of the payment that they make, not 10 per cent of the outstanding debt. They will not receive a bonus on repayment amounts that are more than the balance of their account.

Example

*Belinda owes \$5,250 and she wants to make a \$2,500 voluntary repayment. With the 10 per cent **bonus**, the value of Belinda's repayment is: \$2,750 (\$2,500 x 1.10).*

Belinda's total debt is reduced to: \$2,500 (\$5,250 – \$2,750)

Belinda's bonus amount is: \$2,750 - \$2,500 = \$250.

If a person wishes to pay off their total debt, the amount of the repayment is their total debt divided by 1.10. If they pay off their total debt with a voluntary repayment of less than \$500 they may be entitled to the 10 per cent bonus. Students need to be aware that if they have any HELP debts that have not been reported to the ATO at the time of the payment, the bonus may be reversed once those debts are transferred to their account.

5.25.3 Tax deductibility of repayments

Repayments of HELP debts by students or someone other than their payer (employer) are not tax deductible. If a student's payer makes repayments for the student, the payer may be able to claim a tax deduction. However, they may also be liable for fringe benefits tax (FBT) on the repayments.

5.25.4 Indexation of outstanding HELP debts

HELP debts are indexed annually [HESA s1140-1(2)(8), 140-5(1) and 140-10] to maintain their real value, by adjusting them in line with changes in the cost of living (as measured by the Consumer Price Index (CPI)), but are otherwise interest free. The indexation figure is calculated each year after the March CPI is released.

Indexation is applied by the ATO on 1 June each year to the portion of debt which has remained unpaid for more than 11 months.

Example

On 1 June 2011, all debts incurred between January and June 2010 will be indexed and become part of the accumulated HELP debt. Debts incurred between July and December 2010 will also become part of the accumulated HELP debt, but will not be indexed until 1 June 2012.

5.25.5 Death and HELP debts

A HELP debt is taken to have been paid by the death of a person [HESA s137-20]. A trustee or executor needs to lodge all outstanding income tax returns on behalf of a deceased person, up to the date of a person's death. Any compulsory repayment included on an income tax notice of assessment relating to the period before the person's death must be paid from the estate, but the remainder of the debt is cancelled. Neither the deceased person's family nor the trustee is required to pay the remainder of the accumulated HELP debt.

5.25.6 Bankruptcy

HELP debts and accumulated HELP debts are not provable under the *Bankruptcy Act 1966* and the debts have to be paid as if the person had not been declared bankrupt.

6 PUBLISHING REQUIREMENTS

6.1 Schedule of VET tuition fees

A VET provider must determine a schedule of VET tuition fees for all units of study that it provides or proposes to provide (see **3.5.1**) [HESA Schedule 1A clause 27(2)]. The schedule must contain enough information to enable a person to work out the tuition fee for each unit that the provider provides or proposes to provide [HESA Schedule 1A clause 28(2)(a), clause 28(2B)(a)]. Where more than one tuition fee has been determined for a unit, the Schedule must contain sufficient information to enable a person to work out which tuition fee applies to them [HESA Schedule 1A clause 27(3), 28(2)(a) and clause 28(2B)(a)].

6.2 Requirements and examples

A schedule of VET tuition fees must:

- identify and group VET units of study in accordance with the relevant VET course of study for which they form a part; and
- for each VET unit of study, identify the:
 - VET course of study name;
 - VET unit of study name;
 - VET unit of study code;
 - Equivalent Full Time Study Load (EFTSL);
 - delivery location; and
 - delivery mode; and
- identify which period(s) as specified in the *VET Provider Guidelines* is (are) the period(s) for which the schedule applies; and
- identify the proposed commencement, census and completion dates for each VET unit of study; and
- in relation to subsidised students as defined in the *VET FEE-HELP Guidelines*:
 - identify a VET tuition fee for each VET unit of study either by:
 - (i) specifying a fixed amount for each VET unit of study; or
 - (ii) specifying the maximum possible tuition fee per hour of tuition, the number of hours of tuition in each VET unit of study, and the resulting maximum amount payable by a subsidised student who is entitled to VET FEE-HELP assistance under subsection 2.10.15 of the *VET FEE-HELP Guidelines*;
 - include detailed information that:
 - (i) makes it clear to students that the actual tuition fee payable for a VET unit of study will be subject to the application of the maximum allowable annual student contribution amount; and
 - (ii) enables each student to understand any other circumstances or factors that affect the actual tuition fee that is payable by him or her for each VET unit of study [Ministerial determination under HESA Schedule 1A clause 28(1)(a)].

Example 1

Name of Course: Diploma of Management

Delivery location(s): Melbourne, Essendon and Distance campuses

Delivery mode(s): On-site or distance

Unit of study	Unit of study code	Comm date	Census date	Comp date	EFTSL	Tuition fee On-site	Tuition fee Distance
Term 1							
Bookkeeping	B101	3 March	20 April	15 July	.25	1000	600
Leadership development	L101	3 March	20 April	15 July	.25	1000	600
Accounting 1	ACC101	3 March	20 April	15 July	.125	500	300
Term 2							
Accounting 2	ACC102	5 Aug	18 Sept	20 Dec	.125	500	300
Economics	ECO101	5 Aug	18 Sept	20 Dec	.25	1000	600

Example 2

Name of Course: Diploma of Management

Delivery location(s): Melbourne, Essendon and (Distance) campuses

Delivery mode(s): On-site or distance

Unit of Study Name	Unit of Study Code	EFTSL	Comm Date	Census Date	Comp Date	Nominal Hours	Maximum tuition fee per hour	Maximum Tuition Fee On-site	Maximum Tuition Fee Distance
Term 1									
Bookkeeping	BAK001	0.25	3-Mar	20-Apr	15-Jul	153	\$3.25	497.25	300
Leadership Development	LDT001	0.25	3-Mar	20-Apr	15-Jul	153	\$3.25	497.25	300
Term 2									
Accounting	ACC001	0.25	5-Aug	18-Sep	20-Dec	153	\$3.25	497.25	300
Economics	ECO001	0.25	5-Aug	18-Sep	20-Dec	153	\$3.25	497.25	300

6.3 Publication Requirements

A VET provider must publish its schedule of VET tuition fees for the units it provides or proposes to provide by:

- **1 April** for units with a census date in the same year between 1 July and 31 December; and
- **1 October** for units with a census date in the subsequent year between 1 January and 30 June of that year [[HESA Schedule 1A clause 28\(2b\)](#), [VET Provider Guidelines 7.10](#)].

For new VET providers, estimates need to be submitted as soon as possible for the remainder of that calendar year.

6.3.1 Restricted Access

The exception to the publication requirement is where units are offered only under a restricted access arrangement. In this situation there is no requirement to publish and make publicly available the schedule of VET tuition fees for these units [HESA Schedule 1A clause 28(2B)]. Where tuition fees have been determined for a unit that includes students enrolled under 'normal' and restricted access arrangements, then a provider is still required to publish the tuition fees for units that relate to students enrolled under 'normal' enrolment arrangements.

6.4 Access to the schedule of VET tuition fees

A VET provider must ensure its schedule of VET tuition fees is available to all students and persons seeking to enrol with the VET provider on request and at no charge [HESA Schedule 1A clause 28(2)(c)]. Students enrolled or eligible to be enrolled in units that are offered under restricted access arrangements must be provided with the tuition fee information for the relevant unit on request and at no charge [HESA Schedule 1A clause 28(2B)(b)].

6.5 Providing the schedule of VET tuition fees to the Minister

A VET provider must forward a copy of their schedule of VET tuition fees to the Minister by the publication deadlines for tuition fees, except for tuition fees for units that are offered under restricted access arrangements. The deadlines for forwarding copies of the schedule of VET tuition fees are:

- **1 April** for units with a census date in the same year between 1 July and 31 December; and
- **1 October** for units with a census date in the subsequent year between 1 January and 30 June of that year.

A VET provider must give the Schedule to the Minister by:

- posting the Schedule on the VET provider's website; and
- attaching the Schedule to, or entering a URL (uniform resource locator) link to the Schedule on the VET provider's website in, the VET FEE-HELP IT System (under the provider's user account), provided that:
 - if the Schedule is provided by way of a URL link, when printed, the schedule must identify the date on which it came into effect; and
 - the URL link is one or more URL links that originate from and link to web pages on a VET provider's principal website. The links taken together must provide sufficient information to enable a person to work out the person's VET tuition fee for each VET unit of study the provider provides or is to provide [Ministerial determination under HESA Schedule 1A clause 28(1)(b), clause 28(2A)(b)].

Where a VET provider **submits a link** to its website it must maintain a printable record of the published tuition fees that applied at the particular time including enough information to respond to student queries or provide the information to DEEWR upon request [Ministerial determination under HESA Schedule 1A clause 28(1)(b), clause 28(2A)(b)].

There are no formatting requirements for the schedule of VET tuition fees posted on the website, so a VET provider may use active links and references to other areas of the website.

If the Schedule is **not** provided by way of a URL link, it must be in a form that allows it to be printed. It must not contain links or references to information not contained within that schedule.

6.5.1 Restricted Access Arrangements

A VET provider must forward the Minister the schedule of VET tuition fees (**Schedule**) for units that are offered under restricted access arrangements within five business days after the commencement of the units.

The Schedule must:

- list and group VET units of study under the relevant VET course of study; and
- identify which period(s) as specified in the VET Provider Guidelines is the period(s) for which the Schedule applies.

The Schedule must be in the following manner:

- in the same manner that the VET provider uses or intends to use to inform, and make available, the VET tuition fees for each VET unit of study provided for in the Schedule to each student who is enrolled in, or eligible to enrol in, that VET unit; and
- by attaching the Schedule to, or entering a URL (uniform resource locator) link to the Schedule if posted on the VET provider's website in, the VET FEE-HELP IT System (under the provider's user account), provided that:
 - where provided by URL link, that when printed, the printed version of the Schedule must identify the dates on which it applied; and
 - the URL link must be one or more URL links that originate from and link to web pages on a VET provider's principal website and which, taken together, fulfil the requirements of paragraph 28(2B)(a) of Schedule 1A of the Act; and
 - if access to the URL link provided by the VET provided under subparagraph (1)(b) of this determination is limited or restricted by way of password or any other means, the VET provider must provide the password or any required means to access the URL in a manner that will allow access to the Schedule by officers of the Higher Skills Branch of the Department of Education, Employment and Workplace Relations. The password can be forwarded to the email address vetfeehelp@deewr.gov.au; or
- where the Schedule is not provided by way of an URL link under subparagraph (1)(b) of this determination, the Schedule must be in a printed form or in a form that allows it to be printed [Ministerial determination under HESA Schedule 1A clause 28(2A)(b)]

There are no formatting requirements for the schedule of VET tuition fees posted on the website, so a provider may use active links and references to other areas of the website.

If the Schedule is **not** provided by way of a URL link, it must be in a form that allows it to be printed. It must not contain links or references to information not contained within that schedule.

6.5.2 Restricted access arrangements (Census Dates)

A provider must inform and make available to each student enrolled in a unit under a restricted access arrangement, the census date for the unit within 5 business days after the commencement of the unit [VET Administration Guidelines 3.10.10].

6.6 Changes to the schedule of VET tuition fees and census date information

Once a VET provider has published its schedule of VET tuition fees census date information it can vary the information only in accordance with the requirements in the *VET Provider Guidelines* (for tuition fees) [[VET Provider Guidelines Ch 7](#)] or the *VET Administration Guidelines* (for census dates) [[VET Administration Guidelines Ch 3](#)].

Depending upon the nature and timing of the variation, a VET provider may advise DEEWR of its intention to vary a VET tuition fee or census date without Ministerial approval, or request Ministerial approval where required in accordance with the Guidelines.

6.7 Changes that do not require Ministerial approval

The provisions that allow a VET provider to vary a published VET tuition fee or vary a census date do not change a VET provider's obligation to publish the information by the publication date.

6.7.1 Variations to published VET tuition fees or census dates more than two months before the commencement of the unit

Published VET tuition fees and census dates can be varied without Ministerial approval where the variation is more than two months before the earlier of:

- the commencement of the unit; or
- the date that a student can enrol in the unit of study without incurring a late enrolment fee [[VET Provider Guidelines 7.20](#), [VET Administration Guidelines 3.15](#)].

A VET provider may only vary VET tuition fees or census date information if:

- the reason did not exist when originally published; or
- to correct an administrative error [[VET Provider Guidelines 7.25.1\(a\)](#), [VET Administration Guidelines 3.20.1\(a\)](#)].

Notification of Variation

In the situations described above, a VET provider must advise DEEWR of its intention to vary its published VET tuition fees or census date information in writing to vetfeehelp@deewr.gov.au at least five working days before making the variation [[VET Provider Guidelines 7.25.1\(b\)](#), [VET Administration Guidelines 3.20.1\(b\)](#)]. A VET provider should clearly state in its written advice to DEEWR that it intends to vary its schedule of VET tuition fees or published census date(s) without the Minister's approval, in accordance with the *VET Provider Guidelines* or the *VET Administration Guidelines* and provide the following information:

- the reason for the variation;
- the affected VET unit(s) of study name(s) and code(s);
- the VET course(s) of study to which the VET units of study relate;
- details of the nature of the variation (what charges are to be made);
- the commencement date(s) for the VET unit(s) of study; and
- the census date(s) for the VET unit(s) of study.

DEEWR will acknowledge your intention in writing and confirm the date by which you can make the variation in accordance with the *VET Provider Guidelines* and *VET Administration Guidelines*.

After five working days of notifying DEEWR of its intention to make a variation, a VET provider is required to:

- submit a revised schedule of VET tuition fees or a URL of the revised schedule, that incorporates your variation to vetfeehelp@deewr.gov.au; and
- publish your revised schedule of VET tuition fees on your website.

Once DEEWR has confirmed the changes have been made, the VET provider will be required to attach the Schedule to, or enter a URL (uniform resource locator) link to the Schedule on the VET provider's website in, the VET FEE-HELP IT System (under the provider's user account).

A varied published census date must be published no later than 10 working days after making the variation [VET Administration Guidelines 3.25.5].

6.7.2 Variations to VET tuition fees and census dates less than two months before the commencement of the unit of study

Ministerial approval is **not** required if the variation is made less than two months before the earlier of:

- the commencement of the unit; or
- the date that a student can enrol in the unit of study without incurring a late enrolment fee [VET Provider Guidelines 7.20, VET Administration Guidelines 3.15]; and
- in the provider's reasonable view the variation will not disadvantage a student enrolled or seeking to enrol in the unit of study affected by the variation [VET Provider Guidelines 7.25.1(c), VET Administration Guidelines 3.20.1(c)].

6.7.3 Variations to the schedule of VET tuition fees for restricted access arrangements

The schedule of VET tuition fee information under restricted access arrangements cannot be varied since there is sufficient flexibility already provided in determining this information. The requirement to determine tuition fees and census dates and make this information available to students enrolled and those eligible to enrol in these units is to occur within five business days **after** the commencement of the units and there should be no need to vary the unit of study information for these units.

6.8 Changes that require Ministerial approval

If a VET provider wishes to vary its published VET tuition fees or census date information and the variation cannot be made in accordance with the requirements set out above, it may only do so with the written approval of the Minister.

This may occur because the variation will disadvantage affected student(s) and is later than two months before the commencement of the unit or the last day to enrol without penalty, but may also be a result of the other criteria not being met:

- the reason did not exist when originally published; or
- to correct an administrative error [HESA Schedule 1A clause 27(4)(b), clause 67(4)(b)].

Requests for approval can be made by submitting a request in writing to vetfeehelp@deewr.gov.au. A provider should clearly state that it is requesting Ministerial approval for a variation to its schedule of VET tuition fees or published census date(s) in accordance with the *VET Provider Guidelines* or *VET Administration Guidelines* and provide all details that pertain to the request including:

- the affected VET unit(s) of study name and code(s) (for example, the VET unit(s) of study for which the tuition fee(s) will increase or the census date(s) will be brought forward);
- the VET course(s) of study to which the VET units of study relate;
- when you first became aware of the need to vary the published schedule of VET tuition fees or census date(s);
- details of the nature of the variation;
- details of the nature of the circumstances that made the variation necessary;
- the manner and extent to which students may be disadvantaged;
- the commencement date(s) for the VET unit(s) of study;
- the current census date(s) for the VET unit(s) of study;
- the last day a person can enrol in the VET unit(s) of study without incurring a penalty;
- the number of students who are entitled to VET FEE-HELP assistance who are enrolled in the VET unit(s) of study;
- whether these students have been advised of the possible variation;
- to whom the outcome of the request should be sent; and
- why it would be reasonable for the Minister to approve the change.

DEEWR will contact the provider as soon as a decision has been made. A VET provider who seeks the Minister's approval for a variation of published VET tuition fees or census date information **must not vary** its published information unless it has received that approval.

If the Minister, or the Minister's delegate, gives written approval to vary the VET tuition fees or census date information, the notice of approval will indicate the date by which, and the manner in which, the variation must be published and any other request or recommendations that the Minister or the Minister's delegate deems appropriate.

6.9 Circumstances Where Students May Be Disadvantaged

In varying its schedule of VET tuition fees information, a VET provider must determine whether students will be disadvantaged by the variation.

The circumstances where students will be disadvantaged include, but are not limited to:

- being subject to a higher tuition fee [[VET Provider Guidelines 7.25.5](#)]; or
- an earlier census date [[VET Administration Guidelines 3.20.5](#)]

VET providers are required to consider whether, in their reasonable view, students will be disadvantaged in any other way.

7 DATA REPORTING

7.1 Reporting requirements

A provider must give to the Minister such statistical and other information that the Minister, by notice in writing, requires and in the form approved by the Minister [\[HESA Schedule 1A clause 24\]](#).

7.2 System requirements

In order to provide the required statistical data, providers will need to download Higher Education Provider Client Assistance Tool (HEPCAT) from HEIMSHelp, <http://www.heimshelp.deewr.gov.au/>. The purpose of HEPCAT is to enable VET providers to prepare, validate and transfer data required under the *Higher Education Support Act 2003 (HESA)* to DEEWR. [\[HESA Schedule 1A clause 24\]](#).

HEPCAT is the tool that prepares and validates data submissions and then submits that data to DEEWR's Higher Education Information Management System (HEIMS).

Providers must ensure that complementary operational procedures are in place consistent with the measures that are framed in Standards Australia's "Information Technology – Security Techniques – Code of practice for information security management (AS 27002:2006)

7.2.1 Access to HEPCAT

For optimum performance to use HEPCAT, the following minimum computer configuration is recommended:

Minimum Specification

- A Pentium 4 class processor with 1 GB of Memory.
- 20 GB of disk storage (As a guide, an estimate for a large VET Provider with 4 reporting periods of data of 40 MB each plus a number of reports and exported XML files is approximately 500 MB).
- 768 by 1024 pixel screen resolution.

Recommended Specification

- 1280 by 1024 pixel screen resolution.
- A Pentium 4 class processor with 2 GB memory.
- 50 GB of disk storage (This differs for each VET provider. Smaller providers can manage with the minimum disk storage requirements).

Broadband Requirements

- VET providers will need to have a broadband connection with minimum 512 Kbs upload/download speed.

Software Requirements

- Microsoft Windows XP operating system with Service Pack 2 or above.
- In order to export reports produced by HEPCAT users require Microsoft's Excel version 2003 or above.

Additional Requirements

- Internet Explorer 6 or above to download HEPCAT requisites, application and deployment.
- Microsoft Windows XP with Administrator privileges is required for the initial installation of HEPCAT and the chosen database, and for further HEPCAT upgrades.
- A unique email account capable of receiving external emails; and
- A printer

Notes

- Vista users may experience some problems due to a number of issues that have been identified. Subsequent in-depth testing by DEEWR to address these issues has not taken place.
- Similarly, users of Microsoft Excel version 2000 or 2007 may experience some problems.

7.2.2 Costs

VET providers will be responsible for all purchase costs of any equipment, hardware, software, staff training, telecommunications connections and ongoing charges.

7.2.3 User access

HEIMS Services include HEPCAT and HEIMS Administration (CHESSN and Commonwealth Scholarships).

All approved VET providers require access to HEPCAT for reporting VET FEE-HELP student data to DEEWR and must lodge a signed HEPCAT Application Form (sent to approved VET Providers in the Information Pack) providing the names of individual officers requiring access, and the delegated officer responsible for maintaining the approved VET provider's system account.

DEEWR will issue User IDs and default passwords to officers nominated by the approved VET provider.

The new user will be notified by email of their USER ID and Password. Included in the email will be the link to the HEIMS Administration URL if needed and the URL to the HEIMSHelp Website.

Passwords will need to be changed within a 30 day period and the account will be locked if the password is incorrectly entered 5 times. If this occurs the user has to personally contact the HEIMS Help Desk to have the Password reset. They have to provide their User Id.

The email address of the HEIMS Help Desk is: heims.datacollections@deewr.gov.au

7.2.4 Systems security

Providers must ensure that that they have firewall security and virus protection that is maintained to safeguard their equipment and data integrity.

7.3 Data files and elements

The data files that are required to be submitted to DEEWR via HEPCAT for all students (that is, students who are accessing or entitled to access VET FEE-HELP assistance even if they choose not to access it) are set out in detail in the Notice under subclause 24(1) of Schedule 1A of HESA. This can be located at www.heimshelp.deewr.gov.au/. This section provides a summary of the requirements that are set out in that Notice. VET providers **must** refer to the Notice and ensure compliance with the requirements in the Notice. If there is any inconsistency between the content

of this section and the Notice, the provisions in the Notice take precedent to the extent of the inconsistency. [\[HESA Schedule 1A clause 24\]](#):

- Commonwealth Assisted Students – details on students name, address and TFN;
- Course of Study – Course code, name, study type, study load and field of education;
- Electronic Commonwealth Assistance Form – Student details, TFN etc;
- Student Enrolment File – student demographic information;
- Student Load Liability – unit of study, CHESSN details, EFTSL, tuition fees etc;
- VET Course Completions File;
- Unit of Study Completions File – completion information; and
- Revisions – Revisions of any of the above files.

7.3.1 E-CAF File

A provider that enables students to complete and submit the *Request for VET FEE-HELP assistance* form electronically will need to submit an Electronic Commonwealth Assistance Form File (E-CAF File) to DEEWR. See **11.2.7** for more information on the electronic provision of the *Request for VET FEE-HELP assistance* form.

7.3.2 Data reporting dates

Providers will need to submit the above data files (except the Electronic Commonwealth Assistance Form, VET Course Completions File Unit of Study Completions File) to DEEWR via HEPCAT four times a year by the following dates:

- **31 March** (for units of study with census dates occurring in September-December of previous year);
- **31 May** (for units of study with census dates occurring in January-March);
- **31 August** (for units of study with census dates occurring in April-June); and
- **31 October** (for units of study with census dates occurring in July-August)..

HEPCAT will allow providers to submit files earlier than these dates. However, DEEWR will not accept any files as the final submitted version until the day after the abovementioned dates.

7.3.3 EFTSL

EFTSL is an equivalent full-time student load. It is a measure of the study load, for a year, of a student undertaking a course of study on a full-time basis (see **1.13**).

For VET FEE-HELP data reporting purposes, a provider will need to determine and provide DEEWR with the EFTSL value for each unit of study (within a course of study) as part of the Student Load Liability File (see **1.13.3** for examples on how to **Calculate EFTSL**).

7.3.4 Variations

Variations to a student's VET FEE-HELP debt amounts that occur after the census date due to:

- special circumstances (see **12.2.3**);
- the student's provision of an invalid TFN (see **5.12.8**) or no TFN (see **5.12.11**); or
- administrative error;

must be reported in the Revisions File and in the Revised Student Load Liability File, both of which must be sent to DEEWR. Generally a provider is not required to separately report changes to a student's VET FEE-HELP (HELP) debt to the ATO (see **7.3.5**) for circumstances in which a notification will be made directly to the ATO. DEEWR will send relevant information from the Revisions Files directly to the ATO.

Changes in a student's enrolment due to cancellation of units of study after the census date (see **5.23**) should not be reported to DEEWR. The provider should report to DEEWR as per the provider's enrolment records as at the census date.

7.3.5 A revised HELP debt that is yet to be advised to the ATO.

Some students will have HELP debts recorded on their ATO HELP account that need to be adjusted because the ATO has not received revised debts at a time when a student:

- has been issued with a HELP information statement by the ATO;
- has lodged their income tax return; and
- has received an income tax notice of assessment with a compulsory HELP repayment.

In these cases, the student's account will not reflect a variation or remission that a provider has made. The student will need to confirm with the provider that a revision has been reported to the ATO.

If a student seeks further assistance in relation to these circumstances they should be referred to the Higher Education Loan Accounts (HELA) unit of the ATO on **1300 650 225** for advice.

If the ATO determines that the student's compulsory HELP repayment on their income tax notice of assessment should reflect adjustments due to variations, the ATO will contact the provider's authorised contact officer to request a letter with the following information:

- the student's full name, date of birth and student identification number;
- the student's reported TFN and CHESSN;
- the amount of the original debt;
- the amount of the revised debt;
- the year and half year to which the debt relates (for example, 2009/1);
- the type of HELP debt (that is, VET FEE-HELP debt);
- whether the adjustment is a remission or a variation;
- the Revisions File reference number;
- the date the Revisions File was sent to DEEWR; and
- institution code.

This information should be faxed to the ATO on **1800 245 656**, on official provider letterhead and signed by the authorised officer.

The ATO will alter the student's reported HELP debt and any compulsory HELP repayment based on the above information. The Revisions File should not be altered because the revised debt will be loaded onto the HELP account when the file is received in the ATO.

8 VET FEE-HELP PAYMENTS TO PROVIDERS

8.1 Advance payments

HESA provides that the Secretary, or the Secretary's delegate, may determine that an advance payment of VET FEE-HELP loans may be made to a provider of an amount expected to become payable to the provider [HESA Schedule 1A clause 61(1)].

8.2 Payment and reconciliation arrangements

DEEWR makes payments to providers in advance based on estimates of the amount of VET FEE-HELP loans that a provider expects will be made in a year (for units with census dates that occur between January and December). VET FEE-HELP advance payments are adjusted following mid and end of year reconciliations as described below. They may also be revised on the basis of revisions submitted for prior years.

8.2.1 VET FEE-HELP payment cycle

Date	Action
October	Providers are requested to submit estimated VET FEE-HELP advances for the following year.
November	VET FEE-HELP advances for the following year are calculated by DEEWR. Providers advised of estimated advances and may request a variation.
December	Payments authorised.
January	First VET FEE-HELP advance paid. Future payments are made in instalments throughout the year.
August	End of year reconciliation of VET FEE-HELP paid for the previous year. An additional payment or a recovery is used to resolve variations.
September - October	Review of amount of VET FEE-HELP advances paid for the year based on first half year data. The remaining payments may be adjusted and a lump sum amount may be paid or recovered depending on variation from estimates.

8.2.2 Commencement of VET provider payments

For RTOs whose approval as a VET provider under HESA becomes effective after the first monthly payment date for the year:

The VET provider's status is changed to "approved" in VITS by DEEWR which will then allow the VET provider to enter their estimates into VITS. The estimate should only cover the census date from the time of approval for the remainder of the year.

8.2.3 Variations to Approved Estimates

VET FEE-HELP advance payments are made on the basis of an amount expected to become payable to the VET provider [HESA Schedule 1A clause 61(1)]. When a VET provider becomes aware of the fact that the estimate of amount of the advance payment for the year is significantly incorrect, the provider must contact DEEWR via vetfeehelp@deewr.gov.au to request a variation. This requirement applies whether the yearly estimate is an overestimate or underestimate.

The request to vary estimates must be signed by the Chief Executive Officer or other authorised officer of the VET provider detailing the reason(s) for the request. This must include the following information:

- study period or semester in which the actual VET FEE-HELP liabilities have been incurred;
- the census date(s) for the study period;
- the actual and estimated VET FEE-HELP liabilities for each study period broken down:
 - by course;
 - number of full fee-paying students or in a reform State or Territory – subsidised students;
 - number of VET FEE-HELP students (those students who had and are expect to access VET FEE-HELP assistance); and
 - total amount of VET FEE-HELP liabilities per course by study period;
- revised estimate of yearly VET FEE-HELP liabilities; and if applicable
- reasons for the expected increase between study periods, where VET FEE-HELP assistance is estimated to be higher in later study periods than those for which actual data has been provided,

A VET FEE-HELP payment schedule can be varied by the Secretary's Delegate at anytime. For example, if a VET provider submits evidence in the form of student enrolment data in excess of what was provided at their initial estimate, DEEWR will adjust estimates accordingly.

The most appropriate time to seek a variation is after major census dates. At these times, providers will know actual VET FEE-HELP liabilities and can provide a more informed estimate for the year.

If the variation is approved, a provider's remaining payments will be adjusted. A replacement payment schedule will sent to the VET provider outlining the amended monthly payments for the remainder of the calendar year.

Following receipt of the signed letter of request for a variation, DEEWR will endeavour to action the request by the next scheduled payment date.

8.2.4 Recovery of overpayments

The recovery of overpayments will occur as part of the monthly payment system where the overpayment can be recovered from a provider's next one or two monthly advance payments. If the size of the overpayment is larger that what can be recovered within two monthly advance payments, a provider will be sent a debt notice advising that the overpayment is required to be repaid within 30 days.

8.2.5 Payment schedule

VET FEE-HELP advance payments are paid to VET providers in monthly instalments throughout the year. A copy of the approved payment schedule will be sent to each VET provider in December each year (or for newly approved providers, after analysis of the estimates submitted). This will specify expected payments for the calendar year. If an adjustment or variation is made, a replacement payment schedule will be sent to the VET provider.

9 PRIVACY REQUIREMENTS

9.1 Obligations under the *Privacy Act 1988*

A provider must comply with the information privacy principles (IPPs), set out in section 14 of the *Privacy Act 1988*, when it handles personal information obtained for the purposes of VET FEE-HELP assistance and the repayment of loans under HESA [[HESA Schedule 1A clause 23\(1\)](#)].

A provider and its officers, employees and those who perform services by or on behalf of the provider, must ensure that:

- personal information is collected in accordance with IPPs 1-3;
- suitable storage arrangements, including appropriate filing procedures, are in place;
- suitable security arrangements exist for all records containing personal information;
- access to a student's own personal information held by the provider is made available to the student at no charge;
- records are accurate, up-to-date, complete, and not misleading;
- where a record is found to be inaccurate, the correction is made;
- where a student requests that a record be amended because it is inaccurate but the record is found to be accurate, the details of the request for amendment are noted on the record;
- the personal information is only to be used for the purposes for which it was collected, or for other purposes where expressly allowed by IPP10; and
- personal information is only disclosed in accordance with IPP11.

A provider must also have a procedure under which a student may apply to receive a copy of the personal information held by the provider in relation to that student [[HESA Schedule 1A clause 23\(2\)](#)].

9.2 Applicants to give informed consent

Students must give informed consent to their information being provided to the Australian Government. Therefore, in accordance with its obligations under IPP2, a provider must ensure that students are given appropriate privacy notices at the time they provide their personal information (i.e. via application forms, websites and phone admission methods, and the *Request for VET FEE-HELP assistance* form).

For students applying for admission through a tertiary admission centre (TAC), this informed consent must be provided during this admission process.

For students applying directly to the provider, the provider is required to obtain the student's consent to provide personal information to DEEWR. The provider has two options for collecting this consent:

- the *Request for VET FEE-HELP assistance* form asks for the student's consent to provide information to DEEWR. If students submit such a form prior to the allocation of a CHESN, this will satisfy the requirement; or
- if the provider's business processes require the CHESN to be allocated prior to the submission of the *Request for VET FEE-HELP assistance* form, the provider will need to obtain the student's informed consent in another manner. Wording the provider may wish to use is provided at **Appendix F**.

9.3 Privacy complaints and advice

A provider is required to have student grievance procedures for dealing with students' complaints relating to non-academic matters [[HESA Schedule 1A clause 19](#); [VET Provider Guidelines 6.10.1](#)] (see **3.3.3**). Such matters may include personal information obtained by the VET provider for the purposes of VET FEE-HELP assistance to students and the repayment of loans under HESA.

Procedures relating to non-academic matters should deal with complaints about of the management of personal information by the provider

9.4 VET personal information

VET personal information:

- is information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably ascertained from the information or opinion; and
- obtained or created by an employee of a provider (which includes a person who performs services for or on behalf of the provider) for the purposes of VET FEE-HELP assistance and repayment of HELP loans under HESA [[HESA Schedule 1A clause 72](#)].

It is an offence under HESA for a provider (and its employees) to disclose, copy or record VET personal information that was not made for the purposes it was intended. HESA provides for a penalty of 2 years imprisonment [[HESA Schedule 1A clause 73](#)].

A person commits an offence (penalty of 2 years imprisonment) if they cause any intentional access to or modification of VET personal information that is held in a computer with restricted access by or on behalf of a provider, and they knew that access or modification was unauthorised [[HESA Schedule 1A clause 78](#)].

10 VITS AND HEIMS

10.1 What is VITS?

The VET FEE-HELP IT System (VITS) is an application developed for VET FEE-HELP. VITS encompasses the VET provider application, CHESSN allocation (see **10.6**), course approval for VET FEE-HELP, submission of estimates on VET Providers expectation of the amount of VET FEE-HELP loans they will make in a year. The application is published as a secure website at <https://vetfeehelp.deewr.gov.au>.

10.2 What is HEIMS?

The Higher Education Information Management System (HEIMS) is the data management system developed for Higher Education and Vocational Education and Training data report.

HEPCAT is the tool that prepares and validates data submissions and then submits that data to DEEWR's Higher Education Information Management System (HEIMS).

VET providers will upload their student data via HEPCAT.

10.3 The *Going to Uni* website

Students who have been allocated a CHESSN (see **10.6**) are able to access information on their use of VET FEE-HELP assistance (and other Commonwealth assistance) through *myUniAssist*, which is part of the *Going to Uni* website. Students can access their information on the website using their CHESSN and other identifying information.

Student information is populated using data that providers report to DEEWR. Due to the timing of data reporting there is a delay between a student consuming their entitlement to VET FEE-HELP assistance (and utilising their FEE-HELP balance) and DEEWR being able to report this information on the *myUniAssist* website.

10.4 Managing entitlement to VET FEE-HELP

10.4.1 HEIMS order of precedence

If multiple units of study are uploaded to HEIMS for a student, either from different providers or the same provider, the units that consume VET FEE-HELP are processed according to an order of precedence. The underlying principle in determining the order of precedence is that units of study with a census date in the current approval period are processed first. Units submitted with a census date which relates to a previous approval period are then processed.

Uploads to HEIMS from one or more providers for units with different census dates

The precedence for uploads to HEIMS from different providers for units that have different census dates in the current period is based on the census date. The units with the earliest census date have first precedence to consume the remaining VET FEE-HELP assistance available. That is, the first census date prevails over units with later census dates.

Uploads to HEIMS from different providers for units with the same census date

The order of precedence where uploads to HEIMS are from different providers for units with the same census dates is based on the date the file is successfully loaded to HEIMS. The first units with the same census date uploaded to HEIMS have first precedence to consume the remaining

VET FEE-HELP assistance available. That is, the first data submission successfully loaded to HEIMS prevails.

Uploads to HEIMS for multiple units from a single provider with the same census date

The order of precedence to consume the remaining VET FEE-HELP assistance available is from the most expensive unit to the least expensive in terms of VET FEE-HELP assistance requested. In the case of FEE HELP assistance, there may be several units uploaded from the one provider. The most expensive unit will be presented first, and then the second most expensive unit will be presented, and so on.

If the most expensive unit presented first has a value greater than the VET FEE-HELP balance, then the VET FEE-HELP balance will be fully consumed by the cost of this unit. Any amount not covered by VET FEE-HELP becomes the responsibility of the student to discharge directly with the provider. Alternatively, if the most expensive unit presented first has a value less than the remaining VET FEE-HELP assistance available, then the VET FEE-HELP balance will be partially consumed by the cost of this unit and the next most expensive unit will be presented, and so on, until the VET FEE-HELP balance is fully consumed.

10.5 HEIMS outputs for management of entitlement to VET FEE-HELP

The HEIMS outputs detailed below are intended to assist a provider monitor student entitlements. HEIMS outputs are generated from data reported by providers (see **10.5.1**). As a result of the agreed arrangements for data submissions by providers, there will be a delay between a student consuming their entitlement and DEEWR being able to provide output alerts based on the reported information.

The Australian Government can only make payments to providers in respect of their Commonwealth assisted students if those students are entitled to that assistance. Payments cannot be made on behalf of students who have exceeded their entitlements. DEEWR recommends that a provider institutes its own processes to ensure that students have sufficient entitlements to enable access to Commonwealth assistance for their units.

10.5.1 VET FEE-HELP entitlement management request

This process may be initiated by a provider to allow it to request entitlement information for a nominated set of students. This process will require the provider to supply data to identify the group of students for whom information is required. To lodge an entitlement management request a provider must supply data for the nominated group of students for whom information is required (ie. a set of CHESSNs and confirming data). The information returned for each student currently includes:

- VET FEE-HELP usage and balance;
- Commonwealth Scholarships use and balance; and
- OS-HELP use and balance.

10.6 CHESSN

10.6.1 What is a CHESSN?

The Commonwealth Higher Education Student Support Number (CHESSN) is a unique identifier that a provider must use in communications with the Australian Government concerning a person who:

- is enrolled, or seeking to enrol, in a unit of study with the provider; and
- has indicated that they are seeking Commonwealth assistance under HESA for the unit.
[\[Schedule 1A, clause 68\].](#)

This CHESSN will remain linked to the student for the remainder of their academic life for the purposes of managing the:

- Higher Education Loan Program (HELP); and
- Commonwealth Scholarships.

The CHESSN is limited in its use to monitoring Commonwealth assistance to eligible higher education students, including the provision of data to the ATO regarding HELP debts. Students also use their CHESSN to access information on their use of Commonwealth assistance through the *Going to Uni* website at: www.goingtouni.gov.au.

10.7 CHESSN allocation

10.7.1 Who must be allocated a CHESSN?

All students who are:

- Commonwealth supported (which includes students seeking HECS-HELP and OS-HELP assistance);
- accessing VET FEE-HELP assistance; or
- in receipt of a Commonwealth Scholarship;

must have a Commonwealth Higher Education Student Support Number (CHESSN). Collectively, these students are known as Commonwealth assisted students.

10.7.2 CHESSN for tertiary admission centre applicants

When applicants apply for admission to a provider through a tertiary admission centre (TAC), they will be asked to consent to personal, identifying information being provided to the Australian Government for the allocation of a CHESSN.

A subset of the applicant's personal information is matched against existing HEIMS data to check whether a CHESSN has previously been allocated to the applicant.

If a CHESSN already exists for an applicant, it is retrieved from the HEIMS database. If the HEIMS data-matching process determines that the applicant does not yet have a CHESSN, HEIMS will generate one and store it within its database, along with the applicant's personal details.

HEIMS sends the CHESSN for each applicant, and any Student Learning Entitlement (SLE) usage and balance, back to the TAC over the CHESSN interface. The TAC will transfer successful students' details, including CHESSNs, to the provider for storage in its student administration system.

10.7.3 CHESSN for direct applicants

A direct applicant is an applicant who submits an application for admission directly to the provider. Direct applicants are asked to consent to personal, identifying information being provided to HEIMS for the allocation of a CHESSN (see 10.7). Direct applicants who fail to provide their consent will need to be advised that they will not be eligible for Commonwealth assistance unless they provide their consent.

The direct applicant's details are entered into the provider's student administration system. The provider sends a subset of data on a consenting direct applicant to HEIMS to obtain a CHESSN, and FEE-HELP balance (see 5.10).

The direct applicant's personal data are matched against existing HEIMS system data to check whether a CHESSN has previously been allocated to the direct applicant. If a CHESSN already exists for a direct applicant, it is retrieved from the HEIMS database. If the HEIMS data matching process determines that the direct applicant does not yet have a CHESSN, HEIMS will generate one and store it within its database, along with the direct applicant's personal details.

HEIMS sends the CHESSN for each direct applicant, and FEE-HELP balance back to the requesting provider through the CHESSN interface. If the direct applicant has not obtained any VET FEE-HELP assistance previously, the FEE-HELP limit will be returned.

A provider is not required to delete CHESSNs from its system for direct applicants who do not complete the enrolment process, or who withdraw on or before the census date.

10.7.4 Process for managing CHESSN duplicates

Whenever a TAC or provider submits a request for a CHESSN, the student data is compared to that already stored in the system. If no acceptable match is found, a new CHESSN is created. If an acceptable match is found, an existing CHESSN is returned.

While the data matching tool reduces the number of duplicate CHESSNs issued, it cannot eliminate their occurrence. DEEWR has developed a CHESSN duplicate management function in the HEIMS administration system that allows TACs and providers to submit information to DEEWR on CHESSN duplicates.

There are two types of CHESSN duplicates:

- **Type 1 duplicate** is when a single person has been issued with more than one CHESSN. This can occur, for example, when a student applies to study through a TAC and a provider, and supplied different personal information.
- **Type 2 duplicate** is when two people are issued with the same CHESSN. This can occur, for example, when two people have very similar personal information (for example, twins).

TACs and providers are able to resolve duplicate student records by using the web browser for CHESSN duplicate processing. DEEWR will confirm a master CHESSN in the case of type 1 duplicates, and issue a new CHESSN for one of the students in the case of type 2 duplicates.

If a TAC or a provider does not have access to the HEIMS administration system for processing CHESSN duplicates, it should email HEIMSHelpdesk@deewr.gov.au for information on how to register to use this facility.

10.7.5 How are students notified of their CHESSN?

CHESSNs are notified to students in their CANs (see 5.20) [VET Administration Guidelines 2.10.5].

11 ELECTRONIC COMMUNICATIONS

11.1 Electronic communications

A provider may communicate electronically with its students if the provider complies with the requirements of the *Electronic Transactions Act 1999* (ETA), HESA [HESA Schedule 1A clause 70] and Chapter 4 of the VET Administration Guidelines.

The requirements in the VET Administration Guidelines only relate to information that HESA requires or permits to be given between students and providers. The ETA does not apply to information that is not covered by HESA and its guidelines, such as enrolment forms.

Electronic communication of documents, forms, notices and requests ('information') includes facsimile, email, web-based communication or any other form of electronic communications specified by the provider [VET Administration Guidelines 4.5.1], as long as the method of electronic communications provides a reliable means of assuring the maintenance of the integrity of the information [ETA s11].

11.2 What can be communicated electronically?

'Information' that is required or permitted under HESA to be given between the student and the provider, may be communicated electronically using an information system. This includes:

- requests for VET FEE-HELP assistance (see **5.13**);
- CANs (see **5.20**);
- requests for the correction of a CAN (see **5.20.5**); and
- notification, by a student, of his or her tax file number (TFN), or the provision of a certificate from the Commissioner of Taxation stating that the student has applied for a TFN (see **5.12.3**).

11.2.1 Information technology requirements

The information system used for providing or receiving electronic communications must be:

- accessible by students. To be accessible, the provider must have:
 - informed students by direct communication to the students or by way of the provider's publications, that communication will occur by electronic means using the information system; and
 - given the students authority to use the information system; and
- able to store the information so that it is readily accessible by the student and can be made available for subsequent reference and printing. For example, a student should be able to access or print the information. (For a full explanation of the relevant requirements see [VET Administration Guidelines 4.5]).

11.2.2 Online access to electronic CANs

Providers must ensure that the electronic CAN is accessible by a student during the period in which the student is enrolled in the unit of study for which the provider was required to initially issue a CAN under subclause 64(1) of Schedule 1A of HESA and VET Administration Guidelines 2.5. The provider's obligation to provide online access to the CAN ceases when the person is no longer enrolled in the relevant unit of study, such as, by completion of the unit.

It should be noted that a new and separate obligation for the provider to provide online access is created each time the person enrolls in further units of study for which the provider must issue a

new CAN in respect of these new units of study under subclause 64(1) of Schedule 1A of HESA and VET Administration Guidelines 2.5.

11.2.3 Electronic communication from a student to a provider

Where providers receive information required or allowed by HESA from students electronically, they will need to comply with the provisions of the ETA and paragraphs 4.5.1 and 4.10 of the VET Administration Guidelines. This includes:

- requests for VET FEE-HELP assistance (see **5.13**);
- requests for the correction of a CAN (see **5.20.5**); and
- notification, by a student, of his or her tax file number (TFN), or the provision of a certificate from the Commissioner of Taxation stating that the student has applied for a TFN (see **5.12.3**).

The requirement or permission for this information to be given in writing by the student is met if the student gives the information to the provider by means of electronic communications and all of the following circumstances prevail:

- **Information system requirements:** the information system used for providing the information must be:
 - compliant with the information technology requirements (see **11.2.1**);
 - secure – see security and back-up measures below;
 - able to generate a printable receipt for the student (see “Issue of a receipt” below).
- **Information technology requirements:** the information is given by the student to the provider is in accordance with instructions prescribed by the provider. For example, the provider may require a notice from a student that can be provided by email or facsimile to be sent to a particular email address or facsimile number;
- **Verification of receipt:** the student must be able to verify that the provider has received the information in accordance with any requirements for verification that the provider may have. A provider should inform students of the procedures they will need to follow regarding the electronic submission of information. For example, a provider should inform a student what he/she should do if they do not receive a confirmation of receipt of the information within the specified period; and
- **Signed documents:** where a document is required to be signed, a method is used to identify the person and indicate the person’s approval of the information (for specific requirements regarding unique identifiers and request for VET FEE-HELP assistance see below).

[ETA – ss9-11, VET Administration Guidelines 4.5, 4.10]

11.2.4 Electronic submission of documents required to be signed

For documents that students are required to sign under HESA, such as the *Request for VET FEE-HELP assistance* form, students will meet the requirement to sign the document if they use a unique identifier, issued by their provider, to identify themselves and indicate their approval of the conditions and requirements set out in the *Request for VET FEE-HELP assistance* form or other document [ETA s10, VET Administration Guidelines 4.5.1(d), 4.10.1 and 4.10.5].

11.2.5 Issuing unique identifiers to students

A provider must have in place a method the student can use to uniquely identify themselves in the communication and indicate approval of the information in it [VET Administration Guidelines 4.10.1]. A unique identifier can be in the form of a Personal Identification Number (PIN) or a username/password combination, or in a form as determined by the provider. A student’s CHESSN **cannot** be used as the unique identifier.

In issuing the unique identifier, the provider must ensure it uses a reliable method of verifying a person's identity [ETA s10(b)]. The provider must:

- (a) first verify the identity of the person to whom the identifier is to be issued; and
- (b) take all reasonable precautions to ensure that there is no unauthorised access to, or use of, the identifier; and
- (c) ensure that the student is advised that, apart from the higher education provider's obligations under paragraphs (a) and (b), the student is personally responsible for protecting the identifier [VET Administration Guidelines 4.10.5].

A provider may issue the student a unique identifier that can be multi-functional. That is, a student can use the unique identifier to submit their electronic *Request for VET FEE-HELP assistance* form and for other enrolment processes. A student's unique identifier does not need to remain the same for the period of their enrolment.

11.2.6 Verifying a student's identity

The unique identifier and other details should be immediately matched with other data on the provider's system in order to validate the name and the identifier. If the information provided by the student does not match the data on the provider's system, the form should be rejected and a message provided to the student stating that there is an error and advising of any follow-up action required.

11.2.7 Requirements for electronic forms

The key requirements for electronic forms are described below.

Inclusion of a date field

Students who complete an electronic form are not required to date the form. A provider must include a date field that is automatically generated by the system when the student submits the form. This date field must be included in the *E-CAF File* (see 5.13.7) as this represents the submission date.

Submission of the form

A provider must ensure that students have reasonable access to the *VET FEE-HELP information* booklet (see **Appendix A**), either in hard copy or by electronic means, to assist students when completing electronic forms.

A provider should give students the opportunity to re-read the information they have provided online and correct any errors if necessary.

If the provider is satisfied that the student has made an error in completing the form, the student should be provided with an opportunity to correctly complete and resubmit the form.

Issue of a receipt

An information system that students use to submit a *Request for VET FEE-HELP assistance* form must be able to generate a printable receipt for the student [VET Administration Guidelines 4.5.1(e)]. A provider may determine the format of this receipt. However, TFNs must **not** be printed on the receipt issued to the student.

11.2.8 TFN requirements for electronic forms

Students completing an electronic form, and who supply a TFN, will need to have a valid TFN (see 5.12.7). Students who do not provide a valid TFN will be required to complete the paper form. Students who have obtained a certificate from the ATO stating they have applied for a TFN are required to complete a paper form. If the TFN is available on or before the census date, an electronic form may be submitted at that time to replace the paper form. For further information on the TFN requirements, see 5.12.

11.2.9 Retrieval of information

A provider must store all electronic forms, notices, documents, and other information in such a way that they can be reproduced and retrieved. A provider may use the paper form as a template for inputting stored data into the related fields and generating a hard copy.

The hard copy of the electronic form does not need to be in the same format as the current paper form but should reflect what the student has submitted or had the opportunity to submit.

11.2.10 Storage of data

The information system must store the information so that it is readily accessible by the student and can be made available for subsequent reference [VET Administration Guidelines 4.5.1(c)].

A provider must store the data in a dataset. Information provided by students, in particular TFNs, must be in a secure database. The storage and security of TFNs must comply with the Privacy Commissioner's *Tax file number Guidelines 1992* (see **Appendix A**).

Security and back-up measures

A provider must ensure a student's information can only be accessed by a person authorised by the provider to access that information.

A provider should ensure that back-up measures are in place to cater for situations where computer malfunctions occur. In such cases, if a student is unable to complete an electronic form, the provider must instruct the student to complete a paper form.

Submission of the E-CAF File

A provider that has chosen to use an electronic form must submit an *Electronic Commonwealth Assistance Form File (E-CAF File)* to DEEWR twice a year (see **Part 7**).

11.2.11 Electronic communication from a provider to a student

Where providers are sending any written information, documents, forms, requests and notices ('information') required or allowed by HESA to students electronically, they will need to comply with the provisions of the ETA and paragraphs 4.5 and 4.10 of the VET Administration Guidelines. The information likely to be sent would include a CAN (see 5.20).

In accordance with section 9 of the ETA and paragraph 4.5.5 of the VET Administration Guidelines, the requirement for a provider to give a student a CAN or other information in writing is met if the information is provided by means of electronic communications and all of the following circumstances prevail:

- the information system used for providing the information electronically must be compliant with the information system requirements outlined above (see 11.2.1); and

- the student consents to receiving the CAN electronically [ETA 9(1)(d), 11(1)(c), 11(2)(e)]. It is up to providers to determine the means by which they obtain the student's consent. A provider may wish to obtain the student's consent through enrolment documentation.

Privacy

Where personal information of a student is stored on an information system, the provider is required to comply with the Information Privacy Principles set out in section 14 of the *Privacy Act 1988* and Division 14 of Schedule 1A of HESA (see **Part 9**).

12 RE-CREDITING AND REMISSION

12.1 Re-crediting a person's FEE-HELP balance

Students who withdraw from their studies (from units of study) after the census date can apply in certain circumstances to have their FEE-HELP balance re-credited (see **5.22**) [HESA Schedule 1A clause 46].

Where it is satisfied that special circumstances apply (see **12.2.3**), a provider must re-credit a person's FEE-HELP balance with an amount equal to the amount of VET FEE-HELP assistance that the person received for the unit of study [HESA Schedule 1A clause 46(2)].

If a person's FEE-HELP balance is re-credited, any VET FEE-HELP debt they acquired for the unit is taken to be remitted [HESA s137-18(4)] and the provider must repay any amounts of VET FEE-HELP assistance to which the person was entitled for the unit to the Commonwealth [HESA Schedule 1A clause 56]. A provider has the discretion to refund any up-front payments the person made in respect of the unit in accordance with its own policies, which should be accessible to the student. In developing those policies, providers should be mindful of the requirement to treat fairly all of its students and all of the persons seeking to enrol with the provider [VET Provider Guidelines 5.5].

Students who withdraw on or before the census date (for any reason) do not incur a VET FEE-HELP debt, and accordingly, it is not necessary for them to seek a re-credit or establish special circumstances (see **5.21**).

12.2 The re-crediting and remission process

12.2.1 Advising students of the process

A provider must ensure that it takes reasonable steps to ensure that people who withdraw from a unit of study after the census date, are aware that they may apply, in writing to the provider, for a re-credit, remission or refund, whichever is relevant to the person (see **12.2.3**).

Reasonable steps include, amongst other things, including this information in course handbooks, providing this information on the provider's website and including this information in the material providing to students.

12.2.2 Applying for a re-credit and remission

A person may apply to the provider for a re-credit of FEE-HELP balance if they withdraw from their unit after the census date or the person has not completed the requirements for the unit [HESA Schedule 1A clause 46]. A person's VET FEE-HELP debt in relation to a unit is taken to be remitted if the person's FEE-HELP balance is re-credited [HESA s137-18(4)].

A person cannot apply for a re-credit or a remission if they have successfully completed the unit. A student who receives a fail grade is considered not to have successfully completed the requirements of the unit.

An application for a re-credit or a remission must be made, in writing, within 12 months of the withdrawal date, or, if the person has not withdrawn, within 12 months of the end of the period of study in which the unit was, or was to be, undertaken. Where a provider allows a person to defer completion of their studies, the twelve month period applies from the end of the extended period. A provider has the discretion to waive this requirement if it is satisfied that the application could not be made within the time limits [HESA Schedule 1A clause 49-50].

12.2.3 When must a provider re-credit (special circumstances)?

A provider must re-credit if the provider is satisfied that **special circumstances** apply to the person that were:

- beyond the person's control;
- did not make their full impact on the person until on, or after, the census date; **and**
- made it impracticable for the person to complete the requirements for the unit in the period during which the person undertook, or was to undertake, the unit [\[HESA Schedule 1A clause 48\]](#).

Beyond a person's control

Circumstances could be considered beyond a person's control if a situation occurs that a reasonable person would consider is not due to the person's action or inaction, either direct or indirect, and for which the person is not responsible. This situation would generally be expected to be unusual, uncommon or abnormal.

For example, a lack of knowledge of how VET FEE-HELP works or the requirements regarding census dates would not be considered beyond a person's control.

Do not make full impact until on or after the census date

Circumstances could be considered not to make their full impact on the person until on or after the census date for the unit if the person's circumstances occur:

- before the census date, but worsen after that day;
- before the census date, but the full effect or magnitude does not become apparent until after that day; or
- on or after the census date.

Note: A person does not need to demonstrate that they were unable to withdraw from the unit prior to the census date.

Pre-existing conditions

A circumstance that first occurred before the census date may satisfy the special circumstances test where:

- it worsens after that day; or
- the full effect or magnitude does not become apparent until after that day.

For example, a person may have an illness (or other underlying, pre-existing condition or incapacity) prior to the census date for a unit of study. But that condition may worsen (an aggravation, deterioration, or episode) after the census date.

Alternatively, the full implications of person's condition may not have been apparent until after the census date. This may be because recovery does not go to plan, or the degree of disability or incapacity for study are not fully realised until after the census date.

A delegate must consider:

- whether the person's condition changed on or after the census date; and
- when the full effect or magnitude of the circumstances became apparent, taking into account any additional circumstances (including continuation of a pre-existing condition) that may have affected the person on or after the census date.

Impracticable for the person to complete the unit of study requirements

Circumstances that make it impracticable for the person to complete the requirements for their unit may include:

- medical circumstances. For example, where a person's medical condition has changed to such an extent that he or she is unable to continue studying;
- family/personal circumstances. For example, death or severe medical problems within a family, or unforeseen family financial difficulties, so that it is unreasonable to expect a person to continue studies;
- employment related circumstances. For example, where a person's employment status or arrangements have changed so that the person is unable to continue his or her studies, and this change is beyond the person's control; or
- course related circumstances. For example, where the provider has changed the unit it had offered and the person is disadvantaged by either not being able to complete the unit, or not being given credit towards other units or courses.

A person is unable to complete the requirements for a unit, for example, if the person is unable to:

- undertake the necessary private study required, or attend sufficient lectures or tutorials or meet other compulsory attendance requirements in order to meet their compulsory course requirements; or
- complete the required assessable work to the required standard; or
- sit the required examinations and obtain a required mark; or
- complete any other course requirements because of their inability to meet the above.

The person's application should include any independent supporting documentation, for example, a letter from the person's doctor or counsellor, to support the person's claims.

Each application should be examined and determined on its merits. The provider should consider the person's claims, together with any independent supporting documentary evidence that substantiates these claims.

Special circumstances do not include, for example:

- lack of knowledge or understanding of requirements for VET FEE-HELP assistance; or
- a person's incapacity to repay a HELP debt, as repayments are income contingent and the person can apply for a deferral of a compulsory repayment in certain circumstances [[HESA s154-45](#)].

For special circumstances to apply, the circumstances must have made it impracticable for the person to complete the requirements. It is not a requirement that the circumstances be the sole reason for not being able to complete the unit, but they must be a reason. If the student was unable to complete the unit before the circumstances arose, then the circumstances could not have made it not practicable for the student to meet the requirements of the unit. In this case the provider may make a decision not to re-credit the person's FEE-HELP balance. For example, where it was a requirement that a student obtain a pass mark for all assessment, and the student failed an exam for reasons unrelated to the circumstances, a student would not be able to claim special circumstances if the student fell ill after the exam.

See Appendix J - Guide to 'special circumstances' decision making

12.2.4 Requirements for making decisions

A provider should consider the person's application as soon as practicable [[HESA Schedule 1A clause 50\(1\)](#)].

A provider must notify the person of its decision and the reasons for making the decision [[HESA Schedule 1A clause 50\(2\)](#)].

Decisions regarding re-crediting a person's FEE-HELP balance are reviewable (reviewable VET decisions) [HESA Schedule 1A clause 91]. In addition to notifying a person of its decision and the reasons for making the decision, a provider must also advise the person of their rights for a review of the decision if the person is unsatisfied with the outcome [HESA Schedule 1A clause 96(1)]. The person must be advised that the time limit for applying for a review of a decision is 28 days from the day the person first received notice of the decision [HESA Schedule 1A clause 96(2)]. See **Part 13 on Review of Decisions** for further details on reviewable VET decisions.

12.2.5 Notifying DEEWR of the decision

Where a decision results in the re-crediting of a person's FEE-HELP balance, the remission of a person's HELP debt, and/or the refund of a person's up-front payments, the provider must notify DEEWR through the *Revisions File* (see **7.3.5**). The provider is required to repay to the Commonwealth any amounts of VET FEE-HELP assistance the provider received from the Commonwealth on the person's behalf [HESA Schedule 1A, clause 56].

13 REVIEW OF DECISIONS

13.1 Reviewable VET decisions

Decisions regarding re-crediting a person's FEE-HELP balance are reviewable (reviewable VET decisions) [HESA Schedule 1A clause 91]. A review of a decision may be requested by the person affected by the original decision [HESA Schedule 1A clause 96(1)] or without a request if the provider is satisfied that there is sufficient reason to do so [HESA Schedule 1A clause 95(1)].

13.1.1 Provider review of decision

A person has the right to apply for a review of a decision by a provider to not re-credit their FEE-HELP balance (reviewable VET decisions). A provider must have student review procedures for reconsidering such decisions. The procedures must be published, publicly available and up-to-date [VET Provider Guidelines 6.15.15].

The minimum requirements for a provider's student review procedures are that they should inform students how to submit a valid request for review and provide details of the letters, including the required content of the letters, that providers are required to send to a person who has requested the review of a decision to not re-credit their FEE-HELP balance.

A provider must acknowledge receipt of an application for review of a decision to not re-credit their FEE-HELP balance in writing, and inform the applicant that, if the reviewer has not advised the applicant of a decision within 45 days of receiving the application for review, the reviewer is taken to have confirmed the original decision [VET Provider Guidelines 6.15.5].

A provider may include other review procedures with which its review officers must comply, provided that these procedures are consistent with HESA requirements. These other review procedures may not limit a person's right to apply for a review of a decision.

A person has the right to apply for a review of a decision to not re-credit their FEE-HELP balance [HESA Schedule 1A clause 96(1)]. The time limit for applying for a review of a decision is 28 days from the day the person first received notice of the decision, or such longer period as the reviewer allows [HESA Schedule 1A clause 96(2)]. The person must state the reasons why they are applying for a review [HESA Schedule 1A clause 96(3)].

In deciding whether to grant an extension of the 28 day period, the provider should consider:

1. whether the applicant for extension has 'an acceptable explanation of the delay' and that it is 'fair and equitable in the circumstances' to extend time;
2. whether the applicant took action that made the provider aware that the applicant contests the finality of the decision, and did not merely rest on his or her rights; any prejudice to the provider, though the mere absence of prejudice is not enough to justify the grant of an extension.;
3. whether granting an extension would result in the unsettling of other people or of established practices;
4. the merits of the substantial application; and
5. fairness as between the applicant and other persons in a like position.

A provider must:

- acknowledge receipt of the request for a review and inform the applicant that, if the reviewer has not advised the applicant of a decision within 45 days of receiving the application for review, the reviewer is taken to have confirmed the original decision [VET Provider Guidelines 6.15.5, HESA Schedule 1A clause 96(8)];

- appoint a review officer who is not the same officer who made the original decision and who occupies a position that is senior to that occupied by the original decision-maker [HESA Schedule 1A clause 21-22];
- reconsider the decision (the reviewer's available options are to confirm the decision, vary the decision, or set the decision aside and substitute a new decision) [HESA Schedule 1A clause 96(4)];
- notify the person, in writing, of the reviewer's decision and the reviewer's reasons for making the decision (either confirming the decision, varying the decision, or setting the decision aside and substituting a new decision) [HESA Schedule 1A clause 96(6)-(7)];
- advise the person of their right to appeal to the Administrative Appeals Tribunal (AAT) for a review of the reviewer's decision if the applicant is unsatisfied with the outcome [Administrative Appeals Tribunal Act 1975 s27A, HESA Schedule 1A clause 97]; and
- provide the applicant with the contact details and address of the nearest AAT registry and the approximate costs of lodging an appeal [VET Provider Guidelines 6.15.10].

Providers may find it useful to maintain an up-to-date register of appointments of review officers.

For guidance on the review process see Appendix K – Notice of rights of review

13.1.2 Review by the AAT

A person may make an application to the AAT for review of a provider's decision to refuse to re-credit their FEE-HELP balance, and may supply additional information to the AAT that they did not previously supply to the provider (including the provider's reviewer).

The Secretary of DEEWR, or the Secretary's delegate, will be the respondent for cases that are before the AAT. When DEEWR receives notification of application to the AAT it may choose to review the original decision. Once DEEWR has received notification from the AAT that the person has applied for the reconsideration under section 37 of the *Administrative Appeals Tribunal Act 1975* (AAT Act), the Secretary must, within 28 days, lodge the following documents with the AAT:

- a statement setting out the findings on material questions of fact, referring to the evidence or other material on which those findings were based and giving the reasons for the decision; and
- every document or part of a document that is in the reviewer's possession or under the reviewer's control and is considered by the reviewer to be relevant to the review of the decision by the AAT.

Upon receipt of a notification from the AAT, DEEWR will notify the provider, in writing, that an appeal has been lodged. To enable DEEWR to meet the 28-day timeframe, a provider **MUST, within a further 5 business days** of being requested, provide DEEWR with copies of all the documents it holds that are relevant to the appeal. These documents should be sent to DEEWR by courier or Express Post to meet the 5 day requirement. The provider should keep any originals and copies of the documents in accordance with their normal recording keeping practices.

Under clause 95(2)(b) of Schedule 1A of HESA, a provider may still reconsider matters that are before the AAT (i.e. at any time up until the AAT makes a final decision) and must advise DEEWR if a decision is made to re-credit a person's FEE-HELP balance. However, until a person withdraws their AAT appeal, or the appeal is dismissed or otherwise dealt with by the AAT, DEEWR is still required to comply with the requirement under section 37 of the *AAT Act* to lodge the statement, and relevant documents described in the two dot points above, with the AAT. Therefore, a provider must still forward all relevant documents to DEEWR within the 5 business days, unless advised not to do so by DEEWR. DEEWR will deal with cases from that point and advise the provider of the outcome.

14 APPENDICES

A – Contacts and links

14.1.1 Department of Education, Employment and Workplace Relations (DEEWR)

Email enquiries:

Enquiries on general administration of VET FEE-HELP assistance and student support policies – vetfeehelp@deewr.gov.au

Enquiries on VET provider IT application system – vetfeehelpdesk@deewr.gov.au

Enquiries on CHESSNs – heimshelpdesk@deewr.gov.au

Enquiries on data specifications – vetfeehelpdesk@deewr.gov.au

Postal address:

VET FEE-HELP Operations
Department of Education, Employment and Workplace Relations
GPO Box 9880
CANBERRA ACT 2601

Student and VET Provider enquiry line (including enquiries on VET provider IT application system): **13 38 73**

Fax: 02 6276 7770

Internet: www.deewr.gov.au/vetfeehelp

Notifications to the Group Manager:

Email: – vetfeehelp@deewr.gov.au; or

Postal: – VET Group Manager
VET FEE-HELP Operations
Department of Education, Employment and Workplace Relations
GPO Box 9880
CANBERRA ACT 2601

Intention to vary unit of study information (schedules) under the 5 day rule:

Email: – vetfeehelp@deewr.gov.au

Request to vary published unit of study information (schedules) that require Ministerial approval:

Email: – vetfeehelp@deewr.gov.au

14.1.2 Administrative Appeals Tribunal (AAT)

Internet: <http://www.aat.gov.au/>

Phone: 1300 366 700

Australian Capital Territory	New South Wales
Deputy Registrar Administrative Appeals Tribunal 4th Floor Canberra House 40 Marcus Clarke Street CANBERRA CITY ACT 2601 Ph: 02 6243 4611	Deputy Registrar Administrative Appeals Tribunal Level 7, City Centre Tower 55 Market Street SYDNEY NSW 2000 Ph: 02 9391 2400
Victoria	Queensland and Northern Territory
Deputy Registrar Administrative Appeals Tribunal Level 16, HWT Tower Southgate 40 City Road SOUTHBANK VIC 3006 Ph: 03 9282 8444	Deputy Registrar Administrative Appeals Tribunal Level 4, Commonwealth Law Courts Cnr North Quay & Tank Street BRISBANE QLD 4000 Ph: 07 3361 3000
South Australia	Western Australia
Deputy Registrar Administrative Appeals Tribunal 11th Floor Chesser House 91 Grenfell Street ADELAIDE SA 5000 Ph: 08 8201 0600	Deputy Registrar Administrative Appeals Tribunal Level 5 111 St Georges Terrace PERTH WA 6000 Ph: 08 9327 7200
Tasmania	
Deputy Registrar Administrative Appeals Tribunal Ground Floor, Commonwealth Law Courts 39-41 Davey Street HOBART TAS 7000 Ph: 03 6232 1712	

14.1.3 Australian Taxation Office (ATO)

Internet: <http://www.ato.gov.au/>

Postal address for Request for VET FEE-HELP assistance (paper) form

Higher Education Loan Accounts unit
Australian Taxation Office
PO Box 9977
Chermside QLD 4032

For questions on:

- HELP debts
- Compulsory and voluntary repayments
- Indexation

Enquiry line: 1300 650 225

14.1.4 Department of Immigration and Citizenship (DIAC)

Internet: <http://www.immi.gov.au/>

For questions on:

- visas (such as whether a particular class of visa is a permanent humanitarian visa)
- Australian citizenship

Contact:

DIAC national enquiry line: 131 881

Privacy Act 1988 considerations prevent DIAC from providing information about the visa status of individuals to providers for the purpose of determining VET FEE-HELP eligibility without the consent of the applicant. Any request for such information from a provider enrolment officer should be in writing and accompanied by:

- a signed authorisation from the applicant;
- the applicant's full name;
- the applicant's date of birth; and
- the applicant's current visa and passport number.

Requests for such information may be faxed to the following DIAC office numbers:

Australian Capital Territory	02 6274 4577
New South Wales	02 9032 4061
Victoria	03 9235 3218
Queensland	07 3360 5143
South Australia	08 8237 6699
Western Australia	08 9415 9293
Tasmania	03 6223 8247
Northern Territory	08 8981 6245

14.1.5 Commonwealth Ombudsman

Internet: <http://www.comb.gov.au/>

Phone: 1300 362 072 (local call charge)

Email: ombudsman@ombudsman.gov.au

Offices in Adelaide, Brisbane, Canberra, Darwin, Hobart, Melbourne, Perth and Sydney. (Please refer to website for details.)

14.1.6 VET tuition assurance scheme

Australian Council for Private Education and Training

Internet: www.acpet.edu.au/

Phone: (03) 9416 1355

Email: acpet@acpet.edu.au

Postal Address: PO Box 551, East Melbourne, Victoria 8002

TAFE Directors Australia

Internet: www.tda.edu.au

Phone: (02) 6205 4600

Email: memberservices@tda.edu.au

Postal Address: TAFE Directors Australia, National Secretariat, Canberra Institute of Technology, Southside Campus Woden, GPO Box 826, Canberra, ACT 2601

14.1.7 Useful links

Legislation

- *Higher Education Support Act 2003*
<http://www.comlaw.gov.au/ComLaw/Legislation/ActCompilation1.nsf/current/bytitle/F5795D69D8F3B5EFCA25741A00187BFC?OpenDocument&mostrecent=1>
- *Electronic Transactions Act 1999*
<http://www.comlaw.gov.au/ComLaw/legislation/actcompilation1.nsf/current/bytitle/11866D05A55BE8F6CA25730200002C72?OpenDocument&mostrecent=1>
- *Privacy Act 1988*
www.comlaw.gov.au/ComLaw/Management.nsf/all/bytitle/32AA97DFE9AA8326CA256F7100071D25?OpenDocument

Guidelines for VET FEE-HELP

- VET Provider Guidelines, VET FEE-HELP Guidelines, VET Administration Guidelines

<http://deewr.gov.au/vetfeehelp/> - Other Useful Publications page

<http://www.comlaw.gov.au>

Guidelines for VET FEE-HELP financial viability assessment

- VET FEE-HELP Financial Viability Assessment Auditor Guidelines and *VET FEE-HELP Financial Ratio Analysis Workbook*

<http://deewr.gov.au/vetfeehelp/> - Other Useful Publications page

Other websites

- National Training Information Service (NTIS)
<http://www.ntis.gov.au>

- *Going to Uni*
<http://www.goingtouni.gov.au>
- Privacy
<http://www.privacy.gov.au/>

14.1.8 List of other guidelines

Guidelines

- Privacy Commissioner's [*Tax file number Guidelines*](#)

Determinations

The following determinations can be found on the VET FEE-HELP website (www.deewr.gov.au/vetfeehelp):

- Ministerial determination under HESA Schedule 1A clause 28(1)
- Ministerial determination under HESA Schedule 1A clause 28(2A)
- Ministerial determination under HESA Schedule 1A clause 9(2)(a), 9(2)(b) and 15(2)

14.1.9 VET FEE-HELP information products

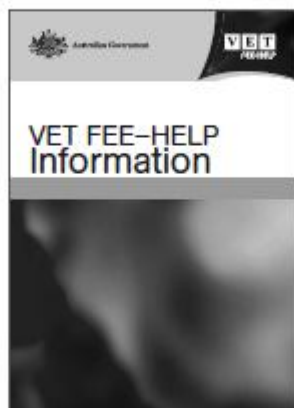
For orders, please email vetfeehelp@deewr.gov.au or phone **13 38 73**. Some VET FEE-HELP products are also available online at www.deewr.gov.au/vetfeehelp.

B – Acronyms and definitions

AAT	Administrative Appeals Tribunal
AQF	Australian Qualifications Framework
AQTF	Australian Qualifications Training Framework
ATO	Australian Taxation Office
Auditor Guidelines	VET FEE-HELP Financial Viability Assessment Auditor Guidelines
Business Day	In relation to the doing of an action in a place, any calendar day other than a Saturday, Sunday or public holiday in that place.
CAN	Commonwealth Assistance Notice
CHESN	Commonwealth Higher Education Student Support Number
CPI	Consumer Price Index
DEEWR	Department of Education, Employment and Workplace Relations
DIAC	Department of Immigration and Citizenship
E-CAF File	Electronic Commonwealth Assistance Form File
EFTSL	Equivalent Full-Time Student Load
ETA	<i>Electronic Transactions Act 1999</i>
FEE-HELP	An income contingent loan for eligible higher education full fee-paying students under HELP
FBT	Fringe benefit tax
FRLI	Federal Register of Legislative Instruments
Group Manager	The person holding, occupying or performing the duties of the position of Group Manager, or an equivalent position, in DEEWR responsible for the administration of VET FEE-HELP
Guidelines	Refers to the HESA guidelines which includes the VET Provider Guidelines, the VET FEE-HELP Guidelines and the VET Administration Guidelines
HECS-HELP	An income contingent loan for (higher education) Commonwealth supported students under HELP
HEIMS	Higher Education Information Management System
HELA	Higher Education Loan Accounts
HELP	Higher Education Loan Program consisting of VET FEE-HELP, HECS-HELP, FEE-HELP and OS-HELP
HEP	Higher education provider (higher education institution approved to offer FEE-HELP)
HESA	<i>Higher Education Support Act 2003</i>
IPP	Information privacy principle
ITAA	<i>Income Tax Assessment Act 1936</i>
Minister	Minister for Education, Employment and Workplace Relations
NCVER	The National Centre for Vocational Education Research (NCVER)
NTIS	National Training Information Service – an online system of RTOs and courses maintained by the Commonwealth in conjunction with the states and territories
OS-HELP	Overseas Study – Higher Education Loan Program
PIN	Personal Identification Number
Provider	VET provider
Restricted access arrangement	An arrangement for a VET course of study that was entered into between the VET provider providing the course and employer or industry body that limits or restricts enrolments in some or all of the places in the course
RPL	Recognition of Prior Learning
RTO	Registered Training Organisation
Secretary	Secretary of the Department of Education, Employment and Workplace Relations
TAC	Tertiary admissions centre
TAFE	Technical and Further Education
ATO	Australian Taxation Office

TFN	Tax file number
VET	Vocational Education and Training
VET FEE-HELP	An income contingent loan for eligible full fee-paying VET students under HELP
VET provider	An RTO approved to offer VET FEE-HELP
VET restricted access arrangement	An arrangement for a VET course of study that was entered into between the VET provider providing the course and employer or industry body that limits or restricts enrolments in some or all of the places in the course
VITS	VET FEE-HELP IT System

C – Request for VET FEE-HELP assistance



Before completing this form, you must read the *VET FEE-HELP Information* booklet, available each year from your VET provider.

You must:


- complete this form if you are requesting VET FEE-HELP assistance for all or part of your VET tuition fees for your VET course(s) of study;
- ensure that you **complete each question** that is relevant to you, including ticking the relevant boxes. Your form **will not be valid** unless each question is completed correctly; and
- return the completed form to your student administration area at your VET provider **on or before the census date** for the first VET unit(s) of study for which you wish to obtain VET FEE-HELP assistance. You will be provided with a copy of this form for your records. Note that your VET provider may set an **earlier date** for the submission of the form—check with your VET provider.

1296(A) 08/09

E – Sample Certificate of Application for a TFN

The ATO is in the process of having this form changed by including Vocational Education and Training (VET) provider in the reference to Higher Education Provider.

Sample Certificate of Application for a TFN

 Australian Government Australian Taxation Office	Certificate of application for a tax file number (TFN)
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Students who have applied for a TFN but have not received it within 10 days of their relevant census date can:

- request this certificate under the *Higher Education Support Act 2003*, and
- give it to their higher education provider as proof they have applied for a TFN.

ADVICE TO STUDENTS
You should receive your TFN at your current postal address within 28 days of the Tax Office receiving your application.
You must give your TFN to your higher education provider within 21 days of the Tax Office issuing it to you.

Section A: Student details

1 **Student name**

2 **Date of birth** Day / Month / Year

3 **Current postal address**

Suburb/town State/territory Postcode

Section B: Higher education details

4 **Higher education provider name**

5 **Student identification number** 6 **Student course code**

Section C: Period covered by this certificate

7 **In what period does the relevant census date fall?** Between 1 January – 30 June Year
 Between 1 July – 31 December Year

Section D: Confirmation by authorised person

I confirm the student whose details appear here has applied for a TFN.

Name

Signature on behalf of
ERIN HOLLAND
Deputy Commissioner
of Taxation

Date
Day / Month / Year

NAT 70443-03.2007

F - E-CAF File transmission report

TRANSMISSION OF THE *ELECTRONIC COMMONWEALTH ASSISTANCE FORM FILE (E-CAF) REPORT*

This report is to be produced with each transfer of the *E-CAF File* to the Department of Education, Employment and Workplace Relations (DEEWR) and the ATO. This should be completed by the authorised officer at the provider and sent by fax to:

Higher Education Loan Accounts Officer
Higher Education Loan Accounts Unit
Australian Taxation Office on **02 6216 2872**.

Provider name:

Provider code:

Year:

Submission:

Date E-CAF File transmitted to DEEWR:

Number of client records contained in E-CAF:

Declaration

I declare that I am the authorised officer of this provider. This E-CAF File has been prepared in accordance with DEEWR guidelines and, to the best of my knowledge, the information contained within it is true and correct. I understand that giving false or misleading information is a serious offence under the Criminal Code.

I understand that the:

- information on this form is collected in order to assess whether the provider above has complied with the DEEWR guidelines and provided correct information in the E-CAF File;
- authority to collect this information is contained in the *Higher Education Support Act 2003*; and
- information may not otherwise be disclosed without my consent unless authorised or required by law.

Name of Authorised Officer:

Signature of Authorised Officer:

Signature date:

Contact number of Authorised Officer:

G – Wording for informed consent

I understand that:

- [*name of provider or tertiary admission centre*] is collecting the information in this form for the purpose of assessing my entitlement to Commonwealth assistance under the *Higher Education Support Act 2003* and allocation of a Commonwealth Higher Education Student Support Number (CHESSN) to me;
- [*name of provider or tertiary admission centre*] will disclose this information to the Department of Education, Employment and Workplace Relations (DEEWR) for those purposes;
- DEEWR will store the information securely in the VET FEE-HELP IT System/Higher Education Information Management System;
- DEEWR may disclose the information to the Australian Taxation Office; and
- [*name of provider or tertiary admission centre*] and DEEWR will not otherwise disclose the information without my consent unless required or authorised by law.

H – New Zealand citizens

New Zealand citizens, unless they are also Australian citizens, are **NOT** entitled to access VET FEE-HELP assistance.

Most New Zealand citizens, who arrive in Australia, are the holders of a temporary visa called a Special Category Visa (SCV). This is not a permanent visa. Although a SCV allows its holder to visit, live and work in Australia indefinitely, it does not give them access to VET FEE-HELP assistance.

Following the 2001 changes to social security arrangements for New Zealanders, the Department of Immigration and Citizenship may issue a *Certificate of Status of New Zealand Citizens in Australia-Form 1162* to New Zealand citizens who were:

- in Australia on 26 February 2001 as SCV holders; or
- outside Australia on 26 February 2001, but were in Australia as an SCV holder for at least one year in the two years prior to that date, and subsequently returned; or
- who have a certificate, issued under the *Social Security Act 1991*, stating that they are residing in Australia on a particular date.

This certificate certifies the status of its holder as a permanent resident in Australia for the purposes of accessing certain social security payments, but does **NOT** give the holder access to VET FEE-HELP assistance.

I – Sample tax file number letters from the ATO

14.1.13 Sample letter if tax file number incorrect

Higher Education Loan Programme – Notice of incorrectly notified tax file number For your action

The tax file number (TFN) provided to you by the following student could not be matched with our records:

Student name: _____

Date of birth: _____

Student identification number: _____

In accordance with Schedule 1A, cl 86 of the *Higher Education Support Act 2003*, the above-named student has been advised that they have not provided you with their correct TFN.

The student has been further advised, in accordance with Schedule 1A, cl 89, that they have 28 days to provide you with their correct TFN or a certificate from us that they have applied for a TFN, otherwise they will not be entitled to VET FEE-HELP assistance.

If you need more information, please phone **1300 650 225** between 8.00am and 6.00pm (Australian Eastern Standard Time), Monday to Friday.

14.1.14 Sample letter when correct tax file number provided

Higher Education Loan Programme – Withdrawal of Schedule 1A, cl 89 notice For your action

We refer to the incorrect tax file number (TFN) notification sent to you on (Date) in accordance with Schedule 1A, cl 86 of the *Higher Education Support Act 2003*. This notice advised that we were unable to match with our records the TFN provided to you by the following student:

Student name: _____

Date of birth: _____

Student identification number: _____

This student has now provided further details enabling us to identify their correct TFN as (correct TFN). Accordingly, we wish to withdraw the clause 86 notice.

If you need more information, please phone **1300 650 225** between 8.00am and 6.00pm (Australian Eastern Standard Time), Monday to Friday.

J - Guide to 'special circumstances' decision making

Introduction

Under the *Higher Education Support Act 2003 (HESA)* a person can make an application to have their FEE-HELP balance for VET units of study re-credited. This guide is intended to assist VET providers to assess an application for a re-credit of a person's FEE-HELP balance.

When making this assessment, the provision of HESA that should be considered is clause 46(2) of Schedule 1A.

The Decision Maker must consider the following:

- a. Have the threshold criteria been met? (see Step One) **and**
- b. Do special circumstances apply? (see Step Two)

Step One: Have the threshold criteria been met?

For a person to have their FEE-HELP balance re-credited, they must satisfy ALL of the criteria in clause 46(2), Schedule 1A of HESA.

Before determining whether 'special circumstances' apply to the person, the Decision Maker must be satisfied that all of the 'threshold criteria' have been met. The term 'threshold criteria' is used to describe paragraphs 48(2)(a), (b), (d) and (e).

HESA Clause 46(2) Schedule 1A - Re-crediting a person's FEE-HELP balance

The **threshold criteria** are highlighted in bold

- (2) A *VET provider must, on the *Secretary's behalf, re-credit a person's *FEE-HELP balance with an amount equal to the amounts of *VET FEE-HELP assistance that the person received for a *VET unit of study if:
- (a) the person has been enrolled in the unit** with the provider; and
 - (b) the person has not completed the requirements for the unit** during the period during which the person undertook, or was to undertake, the unit; and
 - (c) the provider is satisfied that special circumstances apply to the person (see clause 48); and
 - (d) the person applies in writing to the provider** for re-crediting of the FEE-HELP balance; and
 - (e) either:**
 - (i) **the application is made before the end of the application period** under clause 49; or
 - (ii) **the provider waives the requirement** that the application be made before the end of that period, on the ground that it would not be, or was not, possible for the application to be made before the end of that period.

[Emphasis added]

Determining whether the person satisfies the 'threshold criteria' involves a relatively simple factual analysis of the person's application and records.

It is important to note that applications can still be assessed if a student completes all the requirements of the course, but does so unsuccessfully (i.e. the student sat all exams and handed in all assessments but failed the unit). In such circumstances the student might still be eligible to have the unit(s) re-credited if the circumstances fit within the 'special circumstances test' (see Step Two).

If a person does not satisfy any elements of the 'threshold criteria', the Decision Maker must refuse the person's application and **write a statement of reasons**. The 'threshold criteria' can be assessed in any order. Once it has been determined that a person does not meet one of these criterion, the analysis can stop as failure to satisfy all criteria is fatal to the application.

If a person meets the 'threshold criteria', then the Decision Maker needs to turn their mind to whether they are satisfied that special circumstances applied to the person.

Step Two: Do special circumstances apply?

The 'special circumstances test' is defined in clause 48, Schedule 1A of HESA.

The test has three requirements, and **all** of those requirements must be satisfied (**and supported with evidence**) for special circumstances to be established.

HESA clause 48, Schedule 1A – Special Circumstances

The **test for special circumstances** is highlighted in bold

For the purposes of paragraph 46(2)(c), special circumstances apply to the person if and only if the *VET provider receiving the application is satisfied that circumstances apply to the person that:

- (a) are **beyond the person's control**; and
- (b) **do not make their full impact on the person until on or after the *census date for the *VET unit of study in question**; and
- (c) **make it impracticable for the person to complete the requirements for the unit during the period during which the person undertook, or was to undertake, the unit.**

Other types of assistance under HESA have an identical test for special circumstances and the sections outlining the special circumstances test refer to the *Student Learning Entitlement Guidelines (Guidelines)*, which were made on 21 July 2004 by the then Minister for Education, Science and Training, pursuant to section 238-10 of HESA.

Chapter 5 of the Guidelines provide some rules as to when circumstances are beyond a person's control and do not make their full impact until after the census date.

The Guidelines do not explicitly cover VET FEE-HELP, however when the Administrative Appeals Tribunal considers the special circumstances test, it will look at similar provisions and how they have been interpreted. Extracts from the Guidelines have been included below for reference.

Step 2.1 What are the relevant circumstances?

The Decision Maker needs to identify the relevant circumstances.

To do this, the Decision Maker will need to consider what information and evidence the person has provided in their application and any further information available from the student's records.

Step 2.2 Are the circumstances beyond the person's control?

The Decision Maker must then decide whether the circumstances identified at Step 2.1 are beyond the person's control.

Chapter 5 of the *Student Learning Entitlement Guidelines* provide that:

5.5.1 *The [VET provider] will be satisfied that a person's circumstances are beyond that person's control if a situation occurs which a reasonable person would consider is not due to the person's action or inaction, either direct or indirect, and for which the person is not responsible.*

5.5.2 *This situation must be unusual, uncommon or abnormal.*

Step 2.3 Did the circumstances make their full impact on the person on or after the census date for the unit in question?

The Decision Maker needs to:

- c. identify the relevant census date for the unit; then
- d. determine when the circumstances identified in Step 2.1 made their full impact on the student.

Chapter 5 of the *Student Learning Entitlement Guidelines* provide that:

The [VET provider] will be satisfied that a person's circumstances did not make their full impact on the person until on or after the census date for a unit of study if the person's circumstances occur:

- (a) before the census date, but worsen after that day; or*
- (b) before the census date, but the full effect or magnitude does not become apparent until on or after that day; or*
- (c) on or after the census date.*

Step 2.4 Did the circumstances make it impracticable for the person to complete the requirements of the unit?

After deciding that Steps 2.1 to 2.3 have been satisfied, the Decision Maker must be satisfied that the circumstances identified in Step 2.1 made it impracticable for the person to complete the unit.

The Macquarie Dictionary defines 'impracticable' as, "*not practicable; that cannot be put into practice with the available means*". The Decision Maker should keep this definition in mind when deciding whether a student's circumstances made it impracticable for them to complete a unit of study.

Consideration should also be given to whether at the time the person's special circumstances emerged, it was already not practicable for the student to meet the requirements of the unit. This

situation may arise where a student has not met progressive requirements relating to compulsory assessment and/or attendance at classes for the unit of study.

For example, a student may have failed to sit the final examination and/or a special/supplementary examination on the basis of a special circumstance that applied at the time of the examination. However if that student has not met the ongoing compulsory requirements of the unit of study, their failure to sit the final examination (and/or the special examination) does not of itself make it impracticable for them to complete the unit of study. The relevant circumstance that made it impracticable for them to complete the unit of study would then be that the student did not meet the ongoing compulsory requirements of the unit of study.

In the above example the provider may make a decision not to re-credit the person's FEE-HELP balance.

After receiving an application, and prior to making a decision, the provider may request further evidence from the student. This is useful if a student has not provided all evidence and the provider believes that if the student does provide further evidence, it may assist their application.

A provider's decision to refuse to re-credit some or all of a person FEE-HELP balance is a reviewable decision under Division 16, Schedule 1A of HESA. A provider **MUST** give a student a notice of review rights if they make a reviewable decision.

K – Notice of rights of review

When a **reviewable VET decision** has been made or reconsidered the person must be provided with a notice of rights of review along with the reasons for the decision/reconsideration.

A copy of the AAT Code of Practice for Notification of Reviewable Decisions and Rights of Review can be found at:

[http://www.comlaw.gov.au/ComLaw/Legislation/LegislativeInstrument1.nsf/0/0F6CE7FA5F83542FCA257236001130EE/\\$file/AATCodeofPractice.pdf](http://www.comlaw.gov.au/ComLaw/Legislation/LegislativeInstrument1.nsf/0/0F6CE7FA5F83542FCA257236001130EE/$file/AATCodeofPractice.pdf)

The first rights of review notice needs to be provided after a **reviewable VET decision** has been made. An example of this is as follows:

THIS TYPE OF NOTICE SHOULD ONLY BE PROVIDED WHEN A REVIEWABLE VET DECISION HAS BEEN MADE.

If you think this decision is wrong, you can request a reconsideration by someone who was not involved in making this decision. You will need to make your request in writing and must include the following information:

- the date of this decision; and
- why you are requesting a reconsideration.

You should also include any additional evidence that you think is relevant.

Send or deliver the reconsideration request to:

[Insert address]

Time limits apply. Your application must be made within 28 days [*or insert a greater time period – but no less than 28 days: s 96(2) schedule 1A HESA*]

[insert name, position] will:

- review the original decision;
- assess any new evidence provided by you;
- provide you with a written notice of the decision.

If, after [insert name, position] has reconsidered the decision, you are dissatisfied with the outcome, you may apply to the Administrative Appeals Tribunal (AAT) for a Review of Decision. The application must be lodged at the AAT within 28 days of receiving notice of [insert name, position]'s decision. You will be provided with further information about this process at the time you are notified of that decision.

Please see <http://www.aat.gov.au/> for more information on this process.

The second rights of review notice needs to be provided after a **reviewable VET decision** has been reconsidered. An example of this is as follows:

**THIS TYPE OF NOTICE SHOULD ONLY BE PROVIDED WHEN
A REVIEWABLE VET DECISION HAS BEEN RECONSIDERED**

If you disagree with this decision you may apply to the Administrative Appeals Tribunal for review. The application must be lodged at the Administrative Appeals Tribunal within 28 days of receiving this notice.

This time limit can be extended in limited circumstances by order of the Administrative Appeals Tribunal.

The AAT's address is: *[insert postal address of nearest location]*

If you apply to the Administrative Appeals Tribunal for review of a decision, you may have to pay an application fee of \$ \$777 (as at 1 July 2010). Please note that this fee is subject to change and you should confirm the fee before you lodge an application. [Providers should check the filing fee on the AAT website regularly as it reviewed at least once a year]. Your application cannot proceed until you pay the application fee or the fee has been waived. If you want to apply to have the fee waived, you will need to make an application for fee waiver to the Administrative Appeals Tribunal.

Please see <http://www.aat.gov.au/> for more information on this process.