

VET Provider Guidelines

Effective 1 July 2009

COMMONWEALTH OF AUSTRALIA

Higher Education Support Act 2003

VET PROVIDER GUIDELINES

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CHAPTER 1 INTERPRETATION

1.1.1 In these *Guidelines*, unless the contrary intention appears, terms used have the same meaning as in the *Higher Education Support Act 2003*.

1.1.5 Terms in these *Guidelines* that are in italics have the meanings given in paragraph 1.1.10 of these *Guidelines*.

1.1.10 In these *Guidelines*, unless the contrary intention appears:

academic matters includes those matters which relate to student progress, assessment, curriculum and awards in a VET course of study.

Act means the *Higher Education Support Act 2003*.

Affected Unit has the meaning given in subparagraph 3.5.1.15(c)(ii) of these *Guidelines*.

Business Day means, in relation to the doing of an action in a place, any day other than a Saturday, Sunday or public holiday in that place.

Department means the Australian Government Department of Education, Employment and Workplace Relations.

Exempt Provider means a VET provider that is exempted by the Minister under subclause 20(2) of Schedule 1A of the *Act* from complying with the VET tuition assurance requirements.

First Provider has the meaning given in paragraph 3.1.10 of these *Guidelines*.

Group Manager means the person holding, occupying or performing the duties of the position of *Group Manager*, or an equivalent position, in the *Department* responsible for the administration of VET FEE-HELP.

Guidelines means these VET Provider Guidelines.

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 VET provider holds in relation to the student.

Reform State or Territory is any State or Territory that, by written agreement with the Minister, has satisfied the Minister that it has implemented, or is in the process of implementing, measures by which its delivery of vocational education and training is to meet all of the following objectives:

- Client choice determines where government funding for training delivery is allocated, allowing clients to choose which registered training organisation they attend, with funding to follow the client.

- Information and facilitation for individuals and businesses, to comprehensively inform their choice of training provider, product and service.
- Eligible students are entitled to receive some government support for accredited training.
- Purchasers of vocational education and training services are not motivated to choose a particular provider, or group of providers, other than on the basis of quality, price and individual choice.
- Quality assurance, training products and services are maintained to support quality outcomes and reduce the regulatory burden on users and providers, including through a commitment to support a national regulation and audit authority.
- All public funds for delivery of training within the State or Territory are open to all registered training organisations with Registration within that jurisdiction.

Registration in relation to a training organisation means the authorisation by a State or Territory Recognition Authority or its delegate, under the Australian Quality Training Framework to deliver training and/or conduct assessments and issue nationally recognised qualifications.

replaced unit means a VET unit of study in which the student was enrolled with a *First Provider* that is replaced by a *replacement unit*.

replacement unit means a VET unit of study that a student undertakes with a *Second Provider* to replace a unit in which the student was enrolled with a *First Provider* where, whilst the student was enrolled, the *First Provider* ceased to provide the unit and the VET course of study of which the unit formed part.

Second Provider has the meaning given in subparagraph 3.3.5(a) of these *Guidelines*.

Scope of Registration in relation to a training organisation means the operations that the registered training organisation is authorised by a State or Territory Recognition Authority or its delegate to provide.

special admissions test means a test for judging the suitability of a person seeking admission into a specialist VET course of study that is necessary to determine the suitability of the person for admission into that course, including specialist auditions, tests and interviews that are over and above the normal requirements for admission.

Statement of VET Tuition Assurance has the meaning given in subparagraph 3.5.1.1 of these *Guidelines*.

Statement of VET Tuition Exemption has the meaning given in subparagraph 3.5.1.5 of these *Guidelines*.

State or Territory Recognition Authority has the meaning given to it by the National Training Information Service National Training Glossary. The

National Audit and Registration Agency of Technical and Vocational Education and Training (TVET) Australia Limited is a delegate of a State or Territory Recognition Authority.

VET Course Assurance Guarantor has the meaning given in subparagraph 3.3.1(c) of these *Guidelines*.

VET course assurance option means the VET tuition assurance option referred to in subparagraph 3.5.1.15(c)(i) and more fully described in section 3.3 of these *Guidelines*.

VET Course Assurance TAS Operator has the meaning given in subparagraph 3.3.1(a)(i) of these *Guidelines*.

VET fee has the meaning given in paragraph 8.5.1 of these *Guidelines*.

VET Repayment Guarantor has the meaning given in subparagraph 3.4.1(c) of these *Guidelines*.

VET Repayment TAS Operator has the meaning given in subparagraph 3.4.1(a)(i) of these *Guidelines*.

VET tuition assurance administrator means any *VET Course Assurance TAS Operator*, *Second Provider* referred to in subparagraph 3.3.1(b), *VET Course Assurance Guarantor*, *VET Repayment TAS Operator* or *VET Repayment Guarantor*.

VET tuition assurance scheme means a scheme that complies with the requirements of subparagraphs 3.3.1(a) and 3.4.1(a) of these *Guidelines* and the main object of which is to provide VET tuition assurance to meet the VET tuition assurance requirements as set out in these *Guidelines* for the benefit of students of the scheme members.

VET tuition fee repayment option means the VET tuition assurance option referred to in subparagraph 3.5.1.15(c)(ii) of these *Guidelines*, and more fully described in section 3.4 (and is the option referred to by this name in paragraph 51(1)(d) of Schedule 1A of the *Act*).

victimise means to act or omit to act towards a person in a way which is intended to cause disadvantage to that person because they have made a complaint, or may make a complaint, or may be, or are the subject of, a complaint.

Written VET Tuition Assurance Offer has the meaning given in subparagraph 3.5.15.1(a) of these *Guidelines*.

CHAPTER 2 REQUIREMENTS FOR THE PURPOSES OF PARAGRAPH 6(g) OF SCHEDULE 1A OF THE ACT

2.1 PURPOSE

2.1.1 This chapter sets out requirements relating to VET credit transfer arrangements with which a body corporate must comply under paragraph 6(g) of Schedule 1A of the *Act* to be approved as a VET provider under clause 6 of Schedule 1A of the *Act*.

2.5 REQUIREMENTS RELATING TO VET CREDIT TRANSFER ARRANGEMENTS

2.5.1 Subject to subsection 2.5.5, if a body corporate only offers VET courses of study that lead to the award of VET diploma or VET advanced diploma (the “**Offered Courses**”), the body corporate must have in place at least one VET credit transfer arrangement for at least one of the Offered Courses.

2.5.5 Subsection 2.5.1 does not apply to a body corporate that:

- a) has Registration in a Reform State or Territory and offers, in accordance with its Scope of Registration, at least one of the Offered Courses in a Reform State or Territory; or
- b) has 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 the Offered Courses in a Reform State or Territory.

2.5.10 For the purposes of subsection 2.5.1, A VET credit transfer arrangement must provide a guaranteed level of credit (“**Credit**”) for the award of VET diploma or VET advanced diploma towards a higher education award of Bachelor degree. The *Group Manager* will use the following Credit levels as a guide when deciding whether to approve a VET credit transfer arrangement for the purposes of paragraph 2.5.15(a), below:

- a) 50% Credit for a VET advanced diploma towards a 3 year Bachelor degree;
- b) 37.5% Credit for a VET advanced diploma towards a 4 year Bachelor degree;
- c) 33% Credit for a VET diploma towards a 3 year Bachelor degree; or
- d) 25% Credit for a VET diploma towards a 4 year Bachelor degree.

2.5.15 The body corporate must ensure that each VET credit transfer arrangement is set out in a written agreement between the body corporate and a higher education provider that:

- a) is approved by the *Group Manager*, and
- b) contains at least the following information:

- i) the higher education award to which the VET credit transfer arrangement relates;
- ii) the amount of Credit towards the higher education award that is guaranteed under the VET credit transfer arrangement; and
- iii) the expiry date, if any, of the VET credit transfer arrangement.

CHAPTER 3 VET TUITION ASSURANCE REQUIREMENTS

3.1 PURPOSE

3.1.1 This chapter sets out, for the purposes of clause 7 of Schedule 1A of the *Act*, the VET tuition assurance requirements which a body corporate must fulfil to be approved by the Minister as a VET provider under clause 6 of Schedule 1A of the *Act* and with which VET providers must comply in order to maintain their approval as providers under subclause 20(1) of Schedule 1A of the *Act*.

3.1.5 The VET tuition assurance requirements have four parts:

- Part 1: General Requirements;
- Part 2: VET Course Assurance Requirements (which is the *VET course assurance option*);
- Part 3: VET Tuition Fee Repayment Requirements (which is the *VET tuition fee repayment option*); and
- Part 4: Administrative and Other Requirements.

3.1.10 A body corporate or a VET provider (the “**First Provider**”), other than an *Exempt Provider*, must satisfy the Minister that it complies with all four parts of the VET tuition assurance requirements.

3.1.15 A *First Provider* that is a registered provider is not required to comply with the VET tuition assurance requirements in respect of overseas students enrolled in a course with the *First Provider*, where, for the purposes of this paragraph 3.1.15, the terms:

- course;
- overseas student; and
- registered provider;

have the meanings given to them in the *Education Services for Overseas Students Act 2000*.

3.1.20 If a *First Provider* ceases to provide a VET course of study, a person, who is or would be entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* for that course and who is currently enrolled in that VET course of study, may choose to access either the arrangements described in Part 2 (VET Course Assurance) or those described in Part 3 (VET Tuition Fee Repayment). If a person chooses to access Part 2 (VET Course Assurance), the person may access Part 3 (VET Tuition Fee Repayment) in respect of *replaced units*, but only under the circumstances described in section 3.4, Part 3.2, below.

Meaning of “ceases to provide a VET course of study”

3.1.25 For the purposes of this chapter of the *Guidelines*, a *First Provider* “**ceases to provide a VET course of study**” to a person who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* for that course if:

- a) the course does not start on:
 - i) the date the course was scheduled to start; or
 - ii) a later date that has been agreed between the *First Provider* and the person enrolled in the course;

and an arrangement has not previously been made between the *First Provider* and the person enrolled in the course to undertake a suitable alternative course; or
- b) the *First 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
- c) the Minister has suspended or revoked approval of the *First Provider* as a VET provider under the *Act* and has not made a determination pursuant to subclauses 35(1) or 37(1) of Schedule 1A of the *Act* in respect of that course; or
- d) notice is served on the *First Provider* or proceedings are taken to cancel the *First Provider's* incorporation or registration or to dissolve the *First Provider* as a legal entity; or
- e) the *First 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 *First Provider* under external administration; or
- f) the *First Provider* ceases to be a registered training organisation as listed on the National Training Information Service (NTIS); or
- g) the Secretary makes a declaration under subparagraph 3.1.35(b) that the *First Provider* has ceased to provide the course.

Other circumstances that may amount to ceasing to provide a VET course of study to a person who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the Act for that course.

3.1.30 If:

- a) a *First Provider* fails to comply with a statutory demand within the meaning of section 459F of the *Corporations Act 2001*; or
- b) a *First Provider* is unable to pay all of its debts when they become due; or
- c) proceedings are initiated to obtain an order for a *First Provider's* winding up or any shareholder, member or director convenes a meeting to consider a resolution for the winding up of the *First Provider*

then the *First Provider* must immediately notify the *First Provider's* VET tuition assurance administrators and the *Group Manager* to that effect.

3.1.35 If the *Group Manager* becomes aware (whether by notice under paragraph 3.1.30 or otherwise) that any of the events described in subparagraphs 3.1.30(a), 3.1.30(b) or 3.1.30(c) apply, or may apply, to a *First Provider*, then:

- a) the *First Provider* must, within a period specified in writing by the *Group Manager*, provide the Secretary with such information that the

Group Manager may reasonably request by notice in writing in relation to that event;

- b) the Secretary may, after considering any information provided by the *First Provider* under subparagraph 3.1.35(a), declare in writing that, for the purposes of this chapter 3 of the *Guidelines*, the *First Provider* has *ceased to provide one or more VET courses of study* specified in the declaration; and
- c) the Secretary must give a copy of the declaration to the *First Provider* and the *First Provider's VET tuition assurance administrators*.

3.2 PART 1: GENERAL REQUIREMENTS

Corporate separation

- 3.2.1 Subject to paragraph 3.2.5, the relationship between a *First Provider* and each of its *VET tuition assurance administrators* must be such that at all times:
- a) they are legally separate entities;
 - b) they are not related to each other within the meaning of section 50 of the *Corporations Act 2001*;
 - c) they are not associated entities within the meaning of section 50AAA of the *Corporations Act 2001*;
 - d) 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
 - e) 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*.
- 3.2.5 If at any time the relationship between a *First Provider* and any of its *VET tuition assurance administrators* ceases to meet the requirements of paragraph 3.2.1, then the *First Provider* must immediately notify the *Group Manager* to that effect in writing, and include with that notification either a proposal for changed VET tuition assurance arrangements which meet the corporate separation requirements of paragraph 3.2.1, or a proposal which is additional to the existing VET tuition assurance arrangements for the *Group Manager's* approval. Where an additional proposal is made, this should include:
- a) detailed reasons for the non-compliance with paragraph 3.2.1;
 - b) detailed reasons explaining why the *First Provider* and the *VET tuition assurance administrator* are prevented from changing the relationship between them so as to comply with paragraph 3.2.1; and
 - c) details of any alternative arrangements proposed to apply as between the *First Provider* and the *VET tuition assurance administrator* which, while they will not result in a relationship that meets the requirements of paragraph 3.2.1, the *First Provider* reasonably believes meet the remainder of the VET tuition assurance requirements.

By way of example only, and without prejudice to the *Group Manager's* consideration of the proposal, the alternative arrangements may include any one or more of the following:

- i) a separate unconditional financial guarantee from a third person (who may be a natural person or a body corporate);
- ii) a trust arrangement with an independent, third party trustee;
- iii) a specifically established trust account with a bank or other financial institution.

3.3 PART 2: VET COURSE ASSURANCE REQUIREMENTS

- 3.3.1 The *First Provider* must demonstrate to the satisfaction of the Minister (or Minister's delegate) that it complies with the requirements in paragraph 3.3.5, by having in place, for each VET course of study it provides that comprises VET units of study that meet the course requirements under subclause 45(1) of Schedule 1A of the *Act*, one or more of the following arrangements:
- a) membership of a *VET tuition assurance scheme* that is:
 - i) operated by a legal entity ("**VET Course Assurance TAS Operator**"); and
 - ii) approved by the Minister for this purpose;
 - b) a legally-binding agreement with one or more *Second Providers* (subject to paragraph 3.3.10);
 - c) a legally-binding guarantee provided by a legal entity ("**VET Course Assurance Guarantor**") that is a body corporate incorporated under, or in accordance with, a law of the Commonwealth or of any Australian State or Territory (not necessarily a VET provider). The *VET Course Assurance Guarantor* may only provide a guarantee if:
 - i) it has the necessary financial and administrative resources to fulfil such a guarantee; and
 - ii) should the *First Provider* cease to provide a VET course of study, it can make all arrangements necessary to ensure that the student is enrolled in a similar VET course of study, which comprises VET units of study which meet the course requirements under subclause 45(1) of Schedule 1A of the *Act*, with another VET provider.
- 3.3.5 If the *First 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 who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*, and who is enrolled in the unit at that time, chooses this *VET course assurance option*, and not the *VET tuition fee repayment option* in respect of the unit, that student:
- a) must be able to enrol in a similar VET course of study which comprises VET units of study which meet the course requirements under subclause 45(1) of Schedule 1A of the *Act* and which leads to the same or a comparable qualification with another VET provider (the "**Second Provider**");

- b) must receive from the *Second Provider* for any successfully completed VET units of study undertaken as part of that VET course of study:
 - i) full recognition (that is, full credit towards the same or a comparable qualification); or
 - ii) if the *Group Manager* agrees, in relation to a submission from the *Second Provider*, that a VET course of study that the *First Provider* provides is of such a specialised nature, or contains components of such a specialised nature, that full credit transfer cannot be arranged - as much credit as possible towards a similar VET course of study; and
- c) must not be required to:
 - i) pay the *Second Provider* a VET tuition fee for any *replacement unit*; nor
 - ii) give an appropriate officer of the *Second Provider* (or any other person) a request for Commonwealth assistance in relation to any *replacement unit*.

3.3.10 If a *Second Provider* is not approved as a VET provider at the time of entering a legally-binding agreement referred to in subparagraph 3.3.1(b), it must obtain approval as a VET provider within 12 calendar months after the *First Provider* is approved as a VET provider.

3.4 PART 3: VET TUITION FEE REPAYMENT REQUIREMENTS

Part 3.1: Students choosing VET tuition fee repayment option for VET units of study that First Provider has ceased to provide

- 3.4.1 The *First Provider* must demonstrate to the satisfaction of the Minister (or Minister's delegate) that it complies with the requirements in paragraphs 3.4.5 to 3.4.20, by having in place, for each VET course of study it provides that comprises VET units of study that meet the course requirements under subclause 45(1) of Schedule 1A of the *Act*, one or more of these arrangements:
- a) membership of a *VET tuition assurance scheme* that is:
 - i) operated by a legal entity ("**VET Repayment TAS Operator**"); and
 - ii) approved by the Minister for this purpose;
 - b) a 'VET tuition fees in arrears' agreement that is offered by the *First Provider* to students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* and under the agreement, those students enrol on the basis that VET tuition fees for each VET unit of study of their VET course of study are paid in arrears;
 - c) a legally binding guarantee provided by a legal entity ("**VET Repayment Guarantor**") that is a body corporate incorporated under or in accordance with a law of the Commonwealth or of any Australian State or Territory (not necessarily a VET provider) which has the necessary financial and administrative resources to fulfil such a guarantee.

3.4.5 If a *First Provider* ceases to provide a VET unit of study which meets the course requirements under subclause 45(1) of Schedule 1A of the *Act* as a result of *ceasing to provide the VET course of study* of which the unit formed part, and if a student who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* and who is enrolled in the unit at that time chooses the *VET tuition fee repayment option* and not the *VET course assurance option* in respect of the unit, then, within 20 *Business Days* (or a longer period agreed in writing by the *Group Manager*) after receiving notification of that choice, the *First Provider* must:

- a) re-credit the student's FEE-HELP balance in respect of the unit (if the requirements of subclause 51(1) of Schedule 1A of the *Act* are met); and
- b) immediately after making the determination or effecting the re-crediting under subparagraph 3.4.5(a), notify its *VET Repayment TAS Operator* or *VET Repayment Guarantor* (whichever is applicable) to that effect.

(Under subclause 51(2) of Schedule 1A of the *Act*, the Secretary may re-credit the student's FEE-HELP balance if the *First Provider* is unable to do so, in which case the Secretary may give the notice referred to in subparagraph 3.4.5(b).)

3.4.10 The *VET Repayment TAS Operator* or *VET Repayment Guarantor* (whichever is applicable) must, within 10 *Business Days* after receiving notification from the *First Provider* or the Secretary under paragraph 3.4.5:

- a) pay the student who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* the total of any up-front VET payments paid for that VET unit of study to the *First Provider* by the student (or on behalf of the student by any party other than the Commonwealth); and
- b) pay the Commonwealth any amounts paid for that VET unit of study by the Commonwealth to the *First Provider* in discharge of the student's liability to pay his or her VET tuition fee for the unit.

Part 3.2: Students withdrawing from replacement units under special circumstances

3.4.15 If the *Second Provider* receives an application from any person under paragraph 46(2)(d) of Schedule 1A of the *Act* in relation to a *replacement unit* which meets the course requirements under subclause 45(1) of Schedule 1A of the *Act*, and in which the person is enrolled with a *Second Provider*, the *Second Provider* must:

- a) immediately notify the *First Provider* and the *Group Manager* of the application;
- b) ensure that the up-to-date information kept by it under subparagraph 3.5.5.1 can be accessed by the Commonwealth and, in order to effectively meet its obligations under the arrangements, the *First Provider's VET tuition assurance administrators*;
- c) deal with the application in accordance with subclause 50(1) of Schedule 1A of the *Act*, and
- d) immediately after having dealt with the application, notify the persons referred to in subparagraph 3.4.15(a) as to whether, in respect of the

replacement unit it is satisfied that the requirements of subclause 46(2) of Schedule 1A of the *Act* are met.

(Under subclause 46(3) of Schedule 1A of the *Act*, the Secretary may act for certain purposes where the relevant VET provider is unable to do so, in which case the Secretary may give the notice referred to in subparagraph 3.4.15(d).)

3.4.20 If a notice under subparagraph 3.4.15(d) of these *Guidelines* states that the *Second Provider* is satisfied that the requirements of subclause 46(2) of Schedule 1A of the *Act* are met:

- a) the *Second Provider* and the persons referred to in subparagraph 3.4.15(a) must liaise and do all things reasonably necessary to effect re-crediting of the student's FEE-HELP balance in relation to the *replaced unit* within 20 *Business Days* after the *First Provider* receives the notice; and
- b) the *First Provider* must immediately after the re-crediting has been effected, notify its *VET Repayment TAS Operator* or *VET Repayment Guarantor* (whichever is applicable) to that effect.

(Note: Under subclause 46(3) of Schedule 1A of the *Act*, the Secretary may effect the re-crediting if the relevant VET provider is unable to do so, in which case the Secretary may give the notice referred to in subparagraph 3.4.20(b).)

3.5 PART 4: ADMINISTRATIVE AND OTHER REQUIREMENTS

3.5.1 Statement of VET Tuition Assurance

3.5.1.1 A *First Provider* must publish to all enrolling students a complete and unambiguous "**Statement of VET Tuition Assurance**" explaining the VET tuition assurance requirements and the *VET tuition assurance scheme* that is in place to meet the VET tuition assurance requirements for each of its VET courses of study.

3.5.1.5 *Exempt Providers* must publish to all enrolling students a "**Statement of VET Tuition Assurance Exemption**" explaining the exemption/s they have been granted from complying with the VET tuition assurance requirements and what this means in the event the *Exempt Provider ceases to provide the VET course(s) of study* concerned.

3.5.1.10 The method of publication to be used for both the *Statement of VET Tuition Assurance* and the *Statement of VET Tuition Assurance Exemption* is to be determined by the *First Provider* and may include printed handbooks, publication on the *First Provider's* web site, or any other method determined by the *First Provider* which would bring the information to the attention of students and prospective students. The *First Provider* must also ensure that at enrolment, each enrolling student is provided with clear information about where either the *Statement of VET Tuition Assurance* or the *Statement of VET Tuition Assurance Exemption* (whichever is applicable) may be obtained.

3.5.1.15 The *Statement of VET Tuition Assurance* must explain to students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* that, if the *First Provider ceases to provide the VET course of study* in which the student is enrolled, then:

- a) the *First Provider* must meet the VET tuition assurance requirements;
- b) the *First Provider* has a VET tuition assurance arrangement in place to meet the VET tuition assurance requirements and the nature of that VET tuition assurance arrangement;
- c) the student will have the choice of:
 - i) an offer of a place in a similar VET course of study which comprises VET units of study that meet the requirements of subclause 45(1) of Schedule 1A of the *Act* with a *Second Provider* without any requirement to pay the *Second Provider* any VET tuition fee for any *replacement units* (the “**VET course assurance option**”); or
 - ii) a refund of their up-front VET payments for any VET unit of study that the student commences but does not complete because the *First Provider ceases to provide the VET course of study* of which the unit forms part (an “**Affected Unit**”) (and, if the student chooses this option, a corresponding re-crediting of any FEE-HELP balance relating to that *Affected Unit*) (the “**VET tuition fee repayment option**”); and
- d) if a student chooses the *VET course assurance option*:
 - i) the nature of the similar VET course of study which comprises VET units of study that meet the course requirements under subclause 45(1) of Schedule 1A of the *Act* that would be offered to students;
 - ii) the name of the *Second Provider* that would be providing this similar VET course of study;
 - iii) the qualification to which this similar VET course of study would lead and how much credit a student would receive for the VET units of study they have completed with the *First Provider* towards the similar VET course of study [Note: This will be full credit unless otherwise approved by the *Group Manager* under subparagraph 3.3.5(b)(ii)];
 - iv) that the *Second Provider* might have different VET tuition fees for VET units of study to the VET tuition fees students would have paid for VET units of study which were part of the VET course of study the *First Provider* ceased to provide; and
 - v) that students are not obliged to enrol in the VET course of study offered with the *Second Provider* under the *VET course assurance option*, but that if they enrol with any other VET provider there is no obligation on that provider to offer the full amount of credit for the VET units of study the student completed with the *First Provider* or to offer a *replacement unit* free of charge.

3.5.5 Information for *VET tuition assurance administrators* and the Commonwealth

3.5.5.1 The *First Provider* must keep up-to-date enrolment information on students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* and who are enrolled with the *First Provider*. In addition, the *Second Provider* must keep up-to-date enrolment information on students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* and who are enrolled in *replacement units* with the *Second Provider*. This information must include:

- a) each person's name and contact details;
- b) the name of the VET course of study and the VET unit(s) of study in which the person is currently enrolled;
- c) the VET tuition fees for each VET unit of study in which the person is currently enrolled and the nature of that payment (ie up-front VET payments and/or an amount of VET FEE-HELP assistance);
- d) details of the VET unit(s) of study successfully completed with the VET provider to date; and
- e) for *Second Providers*, details of credits granted under subparagraph 3.3.5(b).

3.5.5.5 The *First Provider* must ensure that, if its VET tuition assurance arrangement is activated, the information described in subparagraph 3.5.5.1 can be accessed by the Commonwealth and, in order to effectively meet its obligations under those arrangements, the *First Provider's VET tuition assurance administrators*.

3.5.5.10 The VET tuition assurance arrangement must provide that, if it is activated, each *VET tuition assurance administrator* must:

- a) immediately seek to obtain the information described in paragraph 3.5.5.1 from the *First Provider*, and
- b) if such information is not readily available, make all reasonable efforts to fulfil the obligations it has assumed under the VET tuition assurance arrangement.

3.5.15 Written VET Tuition Assurance Offer to Students

3.5.15.1 The VET tuition assurance arrangement must provide that:

- a) if the *First Provider ceases to provide a VET course of study* that comprises VET units of study that meet the course requirements under subclause 45(1) of Schedule 1A of the *Act*, the *VET tuition assurance administrator(s)* for that course must provide a student who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*, for that course and who is enrolled in that course with written advice (the "**Written VET Tuition Assurance Offer**"), that he/she may choose either the *VET course assurance option* or the *VET tuition fee repayment option*;
- b) where the *VET tuition assurance administrator* is a *Second Provider* referred to in subparagraph 3.3.1(b), the *Written VET Tuition*

Assurance Offer must make a direct offer of enrolment as specified in subparagraph 3.5.1.15(d);

- c) where the *VET tuition assurance administrator* is a *VET Course Assurance TAS Operator* or a *VET Course Assurance Guarantor*, the *Written VET Tuition Assurance Offer* must name the course(s) and *Second Provider(s)*, the student may choose for the purposes of enrolling as specified in subparagraph 3.5.1.15(d);
- d) where the *VET tuition assurance administrator* is a *VET Repayment TAS Operator* or *VET Repayment Guarantor*, the *Written VET Tuition Assurance Offer* must make a direct offer of repayment as specified in subparagraph 3.5.1.15(c)(ii);
- e) the *Written VET Tuition Assurance Offer* must refer to, and enclose a copy of, the *First Provider's Statement of VET Tuition Assurance* referred to in paragraph 3.5.1.1, and, in relation to the *Guidelines*:
 - i) refer to www.comlaw.gov.au, from which an electronic copy of the *Guidelines* can be obtained; and
 - ii) include contact details of the *First Provider's* personnel from whom a copy of the *Guidelines* can be obtained;
- f) the *Written VET Tuition Assurance Offer* must include directions that the student must follow in order to notify the *First Provider*, the *First Provider's VET tuition assurance administrator(s)* and the *Group Manager* of the choice that the student has made under subparagraph 3.5.1.15(a) for each *Affected Unit* (as defined in subparagraph 3.5.1.15(c)(ii));
- g) the *Written VET Tuition Assurance Offer* must completely and unambiguously comply with all of the requirements specified in this paragraph 3.5.15; and
- h) the *VET tuition assurance administrator* responsible for providing any *Written VET Tuition Assurance Offer* must do so within 20 *Business Days* after it knows, or should know by reasonable enquiries (including enquiries of the *First Provider* and of the *Department*), that the *First Provider* has ceased to provide the *VET course of study*.

3.6 EXEMPTION

- 3.6.1 Any body corporate seeking to be approved by the Minister as a VET provider, or any VET provider which considers that adequate grounds exist for it to be exempted from complying with the VET tuition assurance requirements under clause 20 of Schedule 1A of the *Act*, should apply to the Minister in writing setting out those grounds.

CHAPTER 4 PARTICULAR REQUIREMENTS FOR CERTAIN VET PROVIDERS

4.1 PURPOSE

4.1.1 This chapter specifies the:

- a) obligations on VET providers in their capacity as *Second Providers*; and
- b) conditions which apply to *Exempt Providers*, concerning information about students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* and are enrolled in VET units of study with the *Exempt Provider*.

4.5 REQUIREMENT FOR *SECOND PROVIDERS* UNDER LEGALLY BINDING VET COURSE ASSURANCE AGREEMENTS

4.5.1 A *Second Provider* must meet its obligations under the legally-binding agreement referred to in subparagraph 3.3.1(b) of these *Guidelines* and the requirements placed on a *Second Provider* under chapter 3 of these *Guidelines*.

4.10 CONDITION OF EXEMPTION FROM COMPLYING WITH THE VET TUITION ASSURANCE REQUIREMENTS

4.10.1 Without limiting the conditions that may apply to an *Exempt Provider* or the conditions that may apply, under paragraph 20(3)(a) of Schedule 1A of the *Act*, to an exemption from complying with the VET tuition assurance requirements given by the Minister under subclause 20(2) of Schedule 1A of the *Act*, an *Exempt Provider* must keep up-to-date enrolment information on students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* and who are enrolled with the *Exempt Provider* as though it were a *First Provider*, as specified in subparagraph 3.5.5.1 of these *Guidelines*.

CHAPTER 5 FAIR TREATMENT AND EQUAL BENEFITS AND OPPORTUNITY

5.1 PURPOSE

5.1.1 This chapter specifies VET quality and accountability requirements for the purposes of clause 18 of Schedule 1A of the *Act* relating to:

- a) fair treatment of students; and
- b) equal benefits and opportunities for students;

which a body corporate must be willing and able to meet in order to be approved as a VET provider and with which VET providers must comply in order to maintain their approval as VET providers under Schedule 1A of the *Act*.

5.5 FAIR TREATMENT

5.5.1 A VET provider must treat fairly:

- a) all students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*; and
- b) all persons seeking to enrol with the VET provider in a VET unit of study that meets the course requirements under subclause 45(1) of Schedule 1A of the *Act* and who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*.

5.10 EQUAL BENEFITS AND OPPORTUNITIES

5.10.1 A VET provider must have open, fair and transparent procedures that, in the provider's reasonable view, are based on merit for making decisions about:

- a) the selection, from among the persons who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* and who seek to enrol with the provider in a VET unit of study that meets the requirements under subclause 45(1) of Schedule 1A of the *Act*, of persons to enrol; and
- b) the treatment of students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* undertaking a VET course of study.

5.10.5 Paragraph 5.10.1 does not prevent a VET provider taking into account, in making decisions mentioned in that paragraph, educational disadvantages that a particular student has experienced or the fact that the student may be enrolled via a VET restricted access arrangement.

5.15 A VET provider must publish and make publicly available its procedures that relate to this chapter of the *Guidelines*.

CHAPTER 6 STUDENT GRIEVANCE AND REVIEW PROCEDURES

6.1 PURPOSE

6.1.1 This chapter sets out, for the purposes of clause 19 of Schedule 1A of the *Act*, the requirements for grievance and review procedures which a body corporate must be willing and able to meet in order to be approved as a VET provider, and with which VET providers must comply in order to maintain their approval as VET providers under Schedule 1A of the *Act*.

6.5 AUSTRALIAN QUALITY TRAINING FRAMEWORK REQUIREMENTS

6.5.1 The essential standards for registration under the Australian Quality Training Framework require a registered training organisation to address complaints and appeals efficiently and effectively.

6.5.5 In addition to these requirements or any other responsibilities which may arise under the Australian Quality Training Framework, or under statute or any other law, a VET provider must meet the requirements set out in this chapter of the *Guidelines* relating to student grievance and review procedures for students and persons seeking entitlement to VET FEE-HELP assistance.

6.10 REQUIREMENTS FOR STUDENT GRIEVANCE PROCEDURES

6.10.1 A VET provider must have a grievance procedure to deal with complaints:

- a) relating to *non-academic* matters from the VET provider's students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*; and
- b) relating to *non-academic matters* from persons seeking to enrol with the VET provider in a VET unit of study that meets the course requirements under subclause 45(1) of Schedule 1A of the *Act* and who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*; and
- c) relating to *academic matters* from the VET provider's students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*.

6.10.5 These grievance procedures must contain the following elements:

- a) an arrangement for handling complaints which is easily accessible to students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* without charge, or at reasonable cost to those students; and which encourages timely resolution of complaints; and
- b) an arrangement for the internal investigation of complaints which remain unresolved by the process outlined at subparagraph 6.10.5(a) by an independent and impartial senior officer of the VET provider who is nominated by the provider, or by a dedicated complaints committee or unit established by the provider; and

- c) a provision for external review of decisions made under subparagraph 6.10.5(b) by an independent person or body that is established or nominated by the VET provider.

6.10.10 The VET provider must:

- a) have a mechanism in place to implement the grievance procedures, including due consideration of any recommendations arising from external review;
- b) ensure that the grievance procedures are complete, unambiguous and agreed to and ratified by the provider's governing body;
- c) not *victimise* or discriminate against any complainant or respondent;
- d) publish and make publicly available details of the grievance procedures that relate to this chapter of the *Guidelines*;
- e) communicate the grievance procedures in writing to its staff and train its staff in their application;
- f) specify reasonable timelines for responses to each stage of the process;
- g) allow the complainant and/or respondent to be accompanied and assisted by a third party if desired;
- h) give reasons and full explanation in writing for decisions and actions taken as part of the procedures, if requested by the complainant and/or respondent;
- i) keep appropriate records of all grievances for at least five years, and allow parties to the complaint appropriate access to these records; and
- j) ensure that such records are treated as confidential.

6.10.15 Students who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*, or persons seeking to enrol in a VET course of study comprising VET units of study that meet the course requirements under subclause 45(1) of Schedule 1A of the *Act* with a VET provider and who are, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*, are entitled to access the grievance procedures as set out by that provider, regardless of the location of the campus at which the grievance has arisen, the student's or person's place of residence or the mode in which they study.

6.15 REQUIREMENTS FOR REVIEWING DECISIONS OF A VET PROVIDER IN RELATION TO ASSISTANCE UNDER SCHEDULE 1A OF THE ACT

6.15.1 In reviewing reviewable VET decisions made by the VET provider relating to assistance under Part 2 of Schedule 1A of the *Act*, VET providers must comply with the requirements of this section 6.15 of these *Guidelines* and Division 16 of Schedule 1A of the *Act*.

- 6.15.5 The VET provider must acknowledge receipt of an application for review of a reviewable VET decision 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.
- 6.15.10 The reviewer of a reviewable VET decision must inform applicants of their right to apply to the Administrative Appeals Tribunal for a review of the reviewable VET decision that has been confirmed, varied or set aside under clauses 95 or 96 of Schedule 1A of the *Act*, and provide the contact details of the closest Administrative Appeals Registry and the approximate costs of lodging an appeal with the Administrative Appeals Tribunal.
- 6.15.15 A VET provider must publish and make publicly available its review procedures that relate to this section 6.15 of the *Guidelines* and of Division 16 of Schedule 1A of the *Act*.

CHAPTER 7 PUBLICATION AND OTHER REQUIREMENTS FOR VET TUITION FEES

7.1 PURPOSE

7.1.1 This chapter specifies the:

- a) periods for the purposes of subclauses 27(1), 28(1) and 28(2A) of Schedule 1A of the *Act*;
- b) date by which a VET provider must publish the schedule of VET tuition fees for a particular period under paragraph 28(2)(b) of Schedule 1A of the *Act*;
- c) matters to which a VET provider must not have regard when determining VET tuition fees under subclause 27(3) of Schedule 1A of the *Act*;
- d) date before which a variation to a VET tuition fee must be made under subparagraph 27(4)(a)(i) of Schedule 1A of the *Act*; and
- e) circumstances in which a VET tuition fee may be varied under subparagraph 27(4)(a)(ii) of Schedule 1A of the *Act*.

7.5 PERIODS

7.5.1 For the purposes of subclauses 27(1), 28(1) and 28(2A) of Schedule 1A of the *Act*:

- a) the first period of a year commences on the 1st of January, and ends on the 30th of June, of that year; and
- b) the second period of a year commences on the 1st of July, and ends on the 31st of December, of that year.

7.5.5 The periods specified in paragraph 7.5.1 of these *Guidelines* are relevant only for the purposes of subclauses 27(1), 28(1) and 28(2A) of Schedule 1A of the *Act* and paragraph 7.10.1 of these *Guidelines*.

7.10 DATE BY WHICH A VET PROVIDER MUST PUBLISH THE SCHEDULE OF VET TUITION FEES FOR A PARTICULAR PERIOD

7.10.1 For the purposes of paragraph 28(2)(b) of Schedule 1A of the *Act*, a VET provider must publish a schedule of VET tuition fees for a VET unit of study, which:

- a) meets the course requirements under subclause 45(1) of Schedule 1A of the *Act*; and
- b) does not include a unit being undertaken only through a VET restricted access arrangement;

as follows:

- i) by the 1st of April of each year for a VET unit of study with a census date in the second period of the same year; and
- ii) by the 1st of October of each year for a VET unit of study with a census date in the first period of the next year.

7.15 MATTERS TO WHICH A VET PROVIDER MUST NOT HAVE REGARD WHEN DETERMINING MORE THAN ONE VET TUITION FEE

7.15.1 When determining a VET tuition fee under subclause 27(2) of Schedule 1A of the *Act* for a VET unit of study which meets the course requirements under subclause 45(1) of Schedule 1A of the *Act*, a VET provider must not have regard to any matter related to the manner or timing of:

- a) any student's payment of the VET tuition fee to the provider for that unit of study where the student is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*; or
- b) the Commonwealth's payment to the VET provider of any amount lent to any student in discharge of the student's liability to pay the VET tuition fee for that unit of study where the student is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*.

7.20 DATE BEFORE WHICH A VARIATION TO A VET TUITION FEE MUST BE MADE

7.20.1 In the circumstances covered by subparagraph 7.25.1(c) of these *Guidelines*, a VET provider may only vary a VET tuition fee for a VET unit of study which meets the course requirements under subclause 45(1) of Schedule 1A of the *Act*, other than under a VET restricted access arrangement, up to two months before the earlier of:

- a) the date of commencement of the VET unit of study; and
- b) the last date that a person who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act* can enrol in the VET unit of study without incurring a late enrolment fee.

7.25 CIRCUMSTANCES IN WHICH A VET TUITION FEE MAY BE VARIED

7.25.1 A VET provider may only vary a VET tuition fee for a VET unit of study which meets the course requirements under subclause 45(1) of Schedule 1A of the *Act* if:

- a) the variation is:
 - i) necessary in the VET provider's opinion because of circumstances that did not apply at the time the VET tuition fee was determined under subclause 27(2) of Schedule 1A of the *Act*; or
 - ii) to correct an administrative error; and

- b) the VET provider has advised the *Department*, in writing, of its intention to vary the VET tuition fee at least 5 *Business Days* before making the variation; and
- c) where the variation to the VET tuition fee for a VET unit of study, other than under VET restricted access arrangements, will in the provider's reasonable view, disadvantage a student enrolled, or a person seeking to enrol, in the unit affected by the variation, who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*, the variation must be made before the date ascertained in accordance with paragraph 7.20.1 of these *Guidelines*.

7.25.5 Without limiting the generality of subparagraph 7.25.1(c) of these *Guidelines*, a student or person will be disadvantaged by a variation that increases the VET tuition fee.

CHAPTER 8 VET FEES

8.1 PURPOSE

8.1.1 This chapter sets out, for the purposes of clause 27A of Schedule 1A of the Act, the requirements relating to fees for VET units of study, VET courses of study, or matters or things for which fees may be charged.

8.5 MEANING OF VET FEE

8.5.1 For the purposes of these *Guidelines*, a *VET fee* includes any:

- a) VET tuition fee, examination or other fee payable to a VET provider by a student enrolled, or a person seeking to enrol in, a VET course of study with the provider in which the student or person is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the Act, and
- b) any fee payable to a VET provider by a student in respect of the granting of an award of VET diploma, VET advanced diploma, VET graduate certificate or VET graduate diploma in respect of which the student is, or would be, entitled to receive VET FEE-HELP assistance under clause 43 of Schedule 1A of the Act;

other than any fee that is incidental to studies for which a person is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the Act, that may be undertaken with a VET provider as determined using the criteria specified in section 8.10 of these *Guidelines*.

8.5.5 For the purposes of these *Guidelines*, a *VET fee* does not include a fee that is:

- a) payable in respect of an organisation of students, or of students and other persons; or
- b) payable in respect of the provision to students of amenities or services that are not of an academic nature; or
- c) payable in respect of residential accommodation; or
- d) payable in respect of a *special admissions test*; or
- e) within the definition of *VET fee* specified in paragraph 8.5.1, but is incidental to studies that may be undertaken with a VET provider as determined using the criteria specified in section 8.10 of these *Guidelines*.

8.10 CRITERIA FOR DETERMINING WHETHER A VET FEE IS OF A KIND THAT IS INCIDENTAL TO STUDIES THAT MAY BE UNDERTAKEN WITH A VET PROVIDER

8.10.1 A *VET fee* is of a kind that is incidental to studies that may be undertaken with a VET provider for the purposes of subparagraph 8.5.5(e) if it falls into any one or more of the following categories:

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

8.15 LIMITS ON VET FEES FOR VET COURSES OF STUDY

8.15.1 A VET provider must not charge a person who is, or would be, entitled to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*, a VET fee for a VET course of study that comprises VET units of study that meet the course requirements under clause 45(1) of Schedule 1A of the *Act* that exceeds the sum of the person's VET tuition fees for all of the VET units of study undertaken with the provider by the person as part of that course.

8.20 REPAYMENT OF VET TUITION FEES

8.20.1 A VET provider must repay to a person who is, or would be entitled, to VET FEE-HELP assistance under clause 43 of Schedule 1A of the *Act*, any payment of his or her VET tuition fee for a VET unit of study that meets the course requirements under subclause 45(1) of Schedule 1A of the *Act* that the person made on or before the census date for the unit if the person is no longer enrolled in the unit at the end of the census date.

8.20.5 Paragraph 8.20.1 does not apply if:

- a) the person is no longer enrolled in the VET unit of study that meets the course requirements under subclause 45(1) of Schedule 1A of the *Act* at the end of the census date because the VET provider has ceased to provide the unit as a result of ceasing to provide the VET course of study of which the unit formed part; and
- b) the VET tuition assurance requirements applied to the VET provider at the time the provider ceased to provide the unit; and
- c) the person chose the option designated under those requirements as VET course assurance in relation to the unit.