Government of **Western Australia**
Department of **Training**
and Workforce Development

VET FEES AND CHARGES POLICY 2022

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All policy and procedural statements contained within this document are lawful orders for the purposes of section 80(a) of the Public Sector Management Act 1994 (WA) and are therefore to be observed by all Department of Training and Workforce Development employees.

1 POLICY STATEMENT

Fees and charges for students undertaking publicly funded vocational education and training (VET) in Western Australia must be collected in accordance with the provisions of the *Vocational Education and Training Act 1996*, *Vocational Education and Training (Colleges) Regulations 1996* and/or, where appropriate, as specified in contractual arrangements with training providers.

2 SCOPE

The policy applies to all registered training organisations (RTOs) that deliver publicly funded VET, and encompasses the following fees and charges:

- units of competency;
- modules from within an accredited course;
- qualifications from the training packages the Department has agreed to fund; and
- accredited award courses.

This policy relates only to fees and charges for units commenced in 2022, irrespective of the date of enrolment or duration of the course.

Publicly subsidised students cannot be charged for units that commence in 2023 or subsequent years under this policy.

3 PRINCIPLES

The *VET Fees and Charges Policy* is based on the following principles:

- Transparency – VET fees and charges are transparent and students have access to the necessary information to make informed decisions regarding their training.
- Accessibility – equitable access to publicly funded training.
- Procedural fairness – fair and just procedures for the administration of VET fees and charges.

4 BACKGROUND

In 1992, the Western Australian Government introduced fees for publicly funded VET on the basis that as the main beneficiaries of training, students should contribute toward the costs of that training. These fees are not set to achieve full cost recovery.

This document sets out the statutory and provider based fees and charges that apply to training funded by the Western Australian Department of Training and Workforce Development and delivered by RTOs in 2022. It outlines the procedures governing the administration of these fees and charges.

5 DEFINITIONS AND ACRONYMS

Accountable officer means the Managing Director in the case of TAFEs, and the Chief Executive (or equivalent) in the case of other RTOs with whom the Department has a contract for the delivery of training services.

Census/Withdrawal date means the official date for a unit after which VET FEE-HELP or VET Student Loans students incur financial liability or fee-paying students are not entitled to a full refund of the course fee upon withdrawal.

The *COVID-19 Critical Skills Program* means the program through which skill sets that the Minister has determined include critical skills for individuals or businesses to operate in a COVID-safe way, such as infection control, or are required to assist with "surge" workforce needs created by COVID-19, are delivered fee-free for all students.

The *COVID-19 Recovery Skill Sets Program* means the program through which skill sets that the Minister has determined are intended to prepare students for employment and further training are delivered fee-free to youth and concession students.

Fee for service means training or a related service that does not receive government funding and the cost is borne by the student or a person or organisation on behalf of the student.

Secondary school aged person means a person who has reached 15 years of age but has not reached the end of the calendar year in which their compulsory education period expires, as defined in the *School Education Act 1999*. In 2022, these persons will be born on or after 1 July 2004.

Nominal hours means the hours assigned to units as set out in the course outline defined on the Department's website.

Registered training organisation (RTO) means a TAFE or other training organisation registered with a state or national registering authority, including an enterprise training their own employees, with which the Department has a contract for the delivery of training services.

Secondary visa holder means a member of the family unit, an interdependent partner, or a dependent child of the interdependent partner.

TAFE means a college established under the *Vocational Education and Training Act 1996*.

Unit means the component of a course (either a unit or a module) in which VET on a discrete subject is provided to students enrolled in that course.

Youth means a person who has reached 15 years of age but has not reached the end of the calendar year in which they turn 25 years of age.

6 PROCEDURES

6.1 FEES

RTOs must charge students fees where applicable. Minimising the collection of fees or offering inducements that could be viewed as seeking a competitive advantage is prohibited.

All RTOs must have a documented process for the receipt of student fees. Details must be retained for audit purposes. Enterprise RTOs who elect to pay the fees on behalf of their employees must have a documented process approved by the accountable officer detailing how this will be managed.

Students are only to be charged for fees outlined in this policy.

6.1.1 COURSE FEES

The course fee is the sum of fees for all units that a student enrols in.

Trainees are required to pay course fees regardless of mode of delivery, including training that is 100% on the job (unless eligible for fee-free categories).

An hourly rate based on nominal hours will apply to each unit commenced in 2022, unless the course is classified as fee-free.

The composition of courses must comply with training package requirements and enrolled units must be attached to a course.

Table 1: Course fees for 2022

CATEGORY OF ENROLMENT	FEE RATE PER NOMINAL HOUR
Non-concession student	
Category 1 — Diploma and Advanced Diploma courses*	$5.79
Category 2 — Apprenticeships, traineeships**and priority industry qualifications (up to Certificate IV)	$3.25
Category 3 — General industry training (up to Certificate IV)	$4.88
Category 4 — Foundation skills and equity courses	$0.21
Category 5 — Targeted fee relief courses	$1.62
Category 6 — Fee-free courses	$0.00
Concession student	
Category 1 — Concession-eligible Diploma and Advanced Diploma courses***	$1.74
Category 2 — Apprenticeships, traineeships**and priority industry qualifications (up to Certificate IV)	$0.97
Category 3 — General industry training (up to Certificate IV)	$1.47
Category 4 — Foundation skills and equity courses	$0.21
Category 5 — Targeted fee relief courses	$0.48
Category 6 — Fee-free courses	$0.00

*Excludes Diploma and Advanced Diploma qualifications that are targeted fee relief courses.
**Excludes existing worker traineeships and targeted fee relief apprenticeships and traineeships.
***Refer to the policy section of the Department's website for a list of qualifications for 2022.

A ready reference to the student fee rates and fee caps by student cohort is provided at **Attachment A**.

Category 1 courses — Fee rates and caps
For Diploma and Advanced Diploma qualifications, the maximum course fee chargeable in 2022 is $7,860. This maximum applies per course in 2022. Diploma and Advanced Diploma qualifications are charged at the $5.79 fee rate regardless of priority status or whether they are undertaken through an employment based training pathway, unless they are classified as a targeted fee relief course. The exception is the *Diploma of Dental Technology* which is to be charged at the apprenticeship rate, or where applicable at the apprenticeship concession rate, when undertaken as an apprenticeship.

Category 5 courses – Fee caps
The maximum course fee for non-concession students undertaking a targeted fee relief course in 2022 is $1,200.

For concession students and youth, the maximum course fee for undertaking a targeted fee relief course in 2022 is $400. These maximums apply per course in 2022. Please refer to section 6.1.2 below for more information on the application of fee caps when the classification of courses changes mid-year.

Category 6 courses
The following courses are fee-free for all students:

- the *Course in Applied Vocational Study Skills (CAVSS)* and the *Course in Underpinning Skills for Industry Qualifications (USIQ)*; and
- skill sets undertaken through the *COVID-19 Critical Skills Program.*

Existing worker trainees
Funded existing worker trainees at any qualification level are charged at the Category 1 fee rate of $5.79 per nominal hour, except in select targeted fee relief courses, where they are charged at the Category 5 fee rate of $1.62 per nominal hour up to the maximum course fee caps specified above. Select targeted fee relief courses for 2022 are available in the policy section of the Department's website.

Existing worker trainees are only eligible for fee concessions in select targeted fee relief courses and courses specified on the concession eligible Diploma and Advanced Diploma list. Lists of these courses for 2022 are available in the policy section of the Department's website.

Fee caps for secondary school-aged persons not enrolled at school
For secondary school-aged persons not enrolled at school, the maximum course fee chargeable in 2022 is $420. The maximum is the total fee for all courses the student is enrolled in.

For these students, course fees for courses that are below Diploma level or are concession-eligible Diploma and Advanced Diploma courses are calculated at the concessional rate until the student reaches the fee cap. The Diploma and Advanced Diploma course fee maximum of $7,860 does not apply to these students.

COVID-19 Recovery Skill Sets Program
Skill sets which are part of the *COVID-19 Recovery Skill Sets Program* are fee-free for concession students and youth.

6.1.2 IMPACT OF COURSE CLASSIFICATION CHANGES

Where a course is reclassified into a different category during the year, the reclassification does not affect fees payable for units of the course commenced prior to the reclassification date.

If a course is reclassified as targeted fee relief, then the targeted fee relief course fee caps only apply to units commenced on or after the date of reclassification.

Where a student has paid for units in a course that has been reclassified and the units will commence on or after the reclassification date, the student is entitled to a refund if the amount of fees paid exceeds the course fees applicable following the reclassification. The refund will be calculated as the difference between the amount paid and the new applicable course fees. Where the amount of fees paid is less than the course fees applicable following the reclassification, the student is **not** required to pay the difference between the amount paid and the new applicable course fees.

6.1.3 GOODS AND SERVICES THAT SHOULD NOT INCUR A SEPARATE FEE

RTOs may not charge students separate fees for goods and services that are considered an RTO's responsibility under the relevant Standards. The costs of providing these services are included in the price set by the Department for the purchase of training. For example, RTOs may not charge fees for costs associated with goods and services such as enrolment, records archiving, the purchase or depreciation of equipment or general infrastructure, IT support, and access to general learning and personal support services such as mentoring, study skills programs and career guidance.

Separate fees may not be charged for negotiating training plans or determining employers' capacity to train, which form part of the RTO's responsibilities under the Department's *Apprenticeship policy*. Fees must not be charged for any items that will be retained by the student as their own personal property, such as tools, protective clothing or textbooks. Such items must be purchased separately by the student.

6.1.4 RESOURCE FEES

Resource fees are charges for materials that are considered essential to a course or unit of study and which do not form part of the course fee. The resource fee covers materials purchased by the RTO to be consumed or transformed by students in the course of instruction, such as workshop materials, workbooks and essential uniforms.

Any increases to the resource fee must not exceed a Perth consumer price index (CPI) increase of 1.75%. Where appropriate, accountable officers may apply a resource fee to new or existing courses where they have not previously applied. Resource fees must not exceed cost recovery.

Resource fees must be published by providers prior to the commencement of enrolments. Accountable officers must be able to substantiate fees. Resource

fees cannot be charged for fee-free courses undertaken through the *COVID-19 Critical Skills Program* or the *COVID-19 Recovery Skill Sets Program*.

Trainees and apprentices are not exempt from resource fees. However, where RTOs provide Training Record Books to trainees and apprentices, they must do so free of charge.

In any instances where the tuition fee requirements of the Commonwealth Government's VET Student Loans program are not consistent with the resource fee requirements in this policy, approved VET Student Loans providers are to meet their obligations under the VET Student Loans program.

Further details on items that can be charged as a resource fee is provided at Attachment B.

6.1.5 OTHER FEES

Other fees may be charged for:

- goods or services that are not essential to the course such as parking, membership to student organisations and security passes; or
- alternate forms of access to essential goods or services that are otherwise made available by the RTO at no additional cost, such as course reading material that is available free of charge through another source (e.g. the RTO's library).

Excursion costs should be charged to students as they arise.

Other fees must be itemised and published by providers prior to commencement of enrolment. Accountable officers must be able to substantiate fees.

Other fees cannot be charged for fee-free courses undertaken through the *COVID-19 Critical Skills Program* or the *COVID-19 Recovery Skill Sets Program*.

6.2 CALCULATING FEES

The fee applicable is from the start date of the unit in which the publicly subsidised student is enrolled, irrespective of the date of enrolment or duration of the course.

To ensure consistency, adjustments will not be made to fees to reflect variations in timetabling or in instances where students complete a course or unit in less time than the nominal hours specified in the course outline defined on the Department's website.

Students enrolling in a publicly funded course are charged according to the same fee structure regardless of mode of delivery, including:

- local face to face class;
- remote live electronic conferencing;
- self-paced – scheduled and unscheduled;
- external studies;
- workplace learning;
- video/television based learning; and
- online learning.

6.3 FEES FOR SPECIFIC STUDENT GROUPS/COURSES

6.3.1 CONCESSIONS ON COURSES

Eligibility for the concession rate on course fees is determined at the time of enrolment.

The following students are entitled to the concession rate on course fees.

- Persons and dependants of persons holding:
  - a Pensioner Concession Card;
  - a Repatriation Health Benefits Card issued by the Department of Veterans' Affairs; or
  - a Health Care Card.
- Persons and dependants of persons in receipt of services from the following Commonwealth support or employment services programs:
  - Jobactive;
  - Online Employment Services; or
  - ParentsNext.
- Persons and dependants of persons in receipt of AUSTUDY or ABSTUDY.
- Persons and dependants of persons in receipt of the Youth Allowance.
- Persons and dependants of persons who are inmates of a custodial institution.
- Secondary school-aged persons, not enrolled at school.

For the Jobactive, Online Employment Services, or the ParentsNext program, appropriate evidence of a student's eligibility for concession is a letter from the Commonwealth services provider confirming the student's participation in the program.

If the concession is valid for the full enrolment period, then all eligible units the student enrols in within that period attract the concession rate. If the concession is valid for part of the enrolment period, then only eligible units the student enrols in on or after the start date and prior to the expiry of the concession attract the concession rate. This does not apply to students who are enrolled in a Category 5 – Targeted Fee Relief courses.

6.3.2 SPECIAL ARRANGEMENTS FOR TARGETED FEE RELIEF COURSES UNDER THE NATIONAL PARTNERSHIP FOR JOBTRAINER FUND

Western Australia signed a National Partnership for the JobTrainer Fund with the Commonwealth Government to provide low and fee free training to youth and jobseekers. Under the agreement, the following entitlements are available to students who enrol in a Category 5 – Targeted Fee Relief course before 31 December 2022:

- Concession students – the concession fee rates and $400 annual fee cap applies for the entire duration of the course.
- Youth – the $400 annual fee cap applies for the entire duration of the course.

6.3.3 VET IN SCHOOLS

Secondary school students are exempt from course and resource fees if they:

- are enrolled at school, as defined in the *School Education Act 1999*; and
- are undertaking a VET course.

6.3.4 STUDENTS IN STATE GOVERNMENT CARE

Students not enrolled at school are exempt from course and resource fees if they:

- are under the care of the Chief Executive Officer of the Department of Communities; and
- are a secondary school-aged person; or
- are under 18 years of age.

6.3.5 INTERSTATE STUDENTS

Students residing in other Australian States or Territories are charged at fee-for-service rates, with no specified maximum.

Apprentices and trainees may be eligible for publicly funded training if the:

- training contract is registered in Western Australia; and
- workplace is in Western Australia; and
- training occurs in Western Australia, unless the training is only available in another state or territory.

6.3.6 TEMPORARY RESIDENTS

Persons holding one of the following visa types are to be treated as Australian residents for fee charging purposes and are also eligible for fee waivers and concessions:

- holders of a sub-class 309, 444, 785, 790, or 820 visa;
- secondary holders of a temporary visa of sub-class 457; and
- holders of a Bridging Visa E (subclasses 050 and 051) where the visa holder has made a valid application for a visa of subclass 785 or 790.

6.4 NON-STANDARD ENROLMENTS

6.4.1 MULTIPLE ENROLMENTS

Where students enrol in a course and transfer to another campus or RTO to complete the same course, the total course charges will not exceed the maximum charges prescribed in Section 6.1.1.

The student must provide proof of any previous enrolment and fees paid, and a copy should be retained by the RTO for audit purposes.

6.4.2 ENROLMENT IN CAVSS AND USIQ

The *CAVSS* and the *USIQ* must always be co-delivered with a vocational qualification.

Enrolments in CAVSS and USIQ are exempt from course fees.

6.4.3 RE-ENROLLING IN OR STUDYING MULTIPLE CLASSES OF THE SAME UNIT

Students wishing to enrol in a unit in which the student has already obtained a pass may do so at the RTO's discretion. These enrolments will not be publicly funded.

If a student enrols in multiple classes in the same unit concurrently, these additional classes will not be publicly funded.

6.4.4 REMOTE ASSESSMENT SUPERVISION

Where a student is remotely enrolled in a course but sits an assessment with another RTO that is situated in geographic proximity, a remote assessment fee of $50.00 will be applied. In the case of trainees and apprentices this fee will be paid by the Department.

6.4.5 CHARGES FOR STUDENTS TRANSFERRING TO OTHER RTOS

Where a student or a block of students transfers to another RTO, the new RTO will have course and resource fees transferred in full from the RTO from which the student(s) has transferred, if the program of study has not commenced.

In all other circumstances, the new RTO may seek a pro rata transfer, based on elapsed time, of course and resource fees from the RTO from which the student(s) has transferred. Transfers of fees are to be managed between RTOs.

Proof of previous enrolment and fees paid must be provided by the student and retained by the RTO for audit purposes. Details of transfers must be retained by both RTOs for audit purposes.

6.5 SKILLS RECOGNITION

6.5.1 RECOGNITION OF PRIOR LEARNING

Recognition of prior learning (RPL) involves the assessment of previously unrecognised skills and knowledge an individual has achieved outside the formal education and training system in respect of a specific unit. RPL is an assessment process that assesses the individual's non-formal and informal learning to determine the extent to which that individual has achieved these required learning outcomes or competency outcomes.

While fees for students enrolling in RPL are not subject to this policy and will be determined by the training provider, training providers are required to publish their fees for RPL services.

6.5.2 RECOGNITION OF CURRENT COMPETENCIES

Recognition of Current Competencies (RCC) applies if a student has previously successfully completed the requirements for a unit and is now required (that is, by a licensing authority) to be reassessed to ensure that competency is being maintained.

RCC fees are not subject to this policy and will be determined by the training provider.

6.5.3 CREDIT TRANSFER

Students are not charged for credit transfer. The transfer of credit provides the student with an exemption from relevant units within a course. Credit transfer does not involve an assessment of the student's knowledge or skills – it is an assessment of the credentials of the formal accredited learning presented against the destination course to determine the extent to which it is equivalent to the required learning outcomes, competency outcomes, or standards in a course.

Students may be granted credit for the completion of formal accredited learning with a school, university or RTO.

6.6 PAYMENT OF FEES AND CHARGES

Enrolment is not complete until statutory and RTO based fees and charges are paid, deferred payment arrangements have been made or fees and charges have been waived.

Irrespective of payment option, details of all student enrolments must be retained for audit purposes.

6.6.1 PAYMENT OPTIONS

On enrolment, students will take up one of the following payment options:

a pay the full amount of fees and charges;

b present a signed authority from an employer to invoice that employer for the student's fees and charges;

c pay the fee by instalment;

d declare their intent to defer payment under the Commonwealth Government's VET Student Loans program, subject to eligibility and acceptance by the provider;

e pay part of the full amount of fees and charges and defer payment of the other part under the Commonwealth Government's VET Student Loans program; or

f make application on the grounds of severe financial hardship for fees and charges to be waived for courses below diploma level or concession-eligible Diploma and Advanced Diploma courses.

Students who fail to take up one of the above options must not be enrolled.

Apprentices and trainees are to be treated the same as other students and are legally liable to pay fees.

6.6.2 PAYMENT BY INSTALMENT

Students must be given a minimum of eight weeks from the commencement of the unit to finalise payment when paying by instalment.

Accountable officers should use their discretion in the application of this instruction by formulating the payment by instalments to more appropriately match the particular training program. Details of the student's enrolment and details of why deferred payment was granted must be retained for audit purposes.

Where approval has been given for a student to pay by instalment, the RTO is responsible for the collection of outstanding fees and charges. Fair and adequate recovery procedures must be in place to manage the collection and recovery of monies.

Students who have fallen behind in their payments must not be enrolled in additional units unless appropriate arrangements, agreed to by both the student and the RTO, have been put in place to pay the amount outstanding.

6.6.3 WAIVING OF CHARGES

Accountable officers may waive all fees and charges for students that they assess as being in severe financial hardship for courses below diploma level and concession-eligible Diploma and Advanced Diploma courses. Whether a student is in severe financial hardship is to be determined on a case by case basis by the RTO.

Existing worker trainees are not eligible for a fee waiver with the exception of enrolments in concession-eligible Diploma or Advanced Diploma courses.

RTOs are required to have in place formal processes for the waiving of fees and charges. Details of a student's enrolment, records where a fee waiver has been granted and documented reasons for the decision must be retained for audit purposes.

Meeting the concession eligibility requirements entitles the individual to a fee concession, but is not sufficient grounds for the granting of a fee waiver.

Requirements for fee waiver assessments are included at Attachment C.

6.7 ADVICE OF WITHDRAWAL

Students must be advised that written advice of withdrawal is necessary to ensure that:

- they are eligible for refunds; or
- they do not incur a liability under the Commonwealth Government's VET Student Loans program.

6.8 REFUNDS

RTOs are required to make all policy relating to refunds publicly available and inform students of the policy prior to enrolling.

6.8.1 FULL REFUNDS

Students who withdraw are entitled to a full refund of the applicable course fee, resource fee and other fees where:

- a unit is cancelled or re-scheduled to a time unsuitable to the student; or
- a student is not given a place due to maximum number of places being reached.

Accountable officers can approve a full refund of fees at any time during delivery if a class is cancelled because of declining student numbers, no available lecturer, or due to other circumstances caused by the RTO.

6.8.2 PART REFUNDS

RTOs must set a census/withdrawal date for each unit at no less than 20% of the way through the period during which that unit is undertaken.

Students who withdraw for reasons other than those outlined in section 6.8.1 and who lodge a withdrawal form before the census/withdrawal date for a unit will be eligible for a full refund of the course fee for the unit; and

- a full refund of the resource fee if the course is a Diploma or Advanced Diploma course; or
- 50% of the resource fee if the course is below Diploma level.

6.8.3 PRO RATA REFUNDS

Accountable officers can approve a pro rata refund of fees and charges at any time during the course of delivery if students withdraw for reasons of personal circumstances beyond their control.

For example:

- serious illness resulting in extended absence from classes;
- injury or disability that prevents the student from completing their program of study; or
- other exceptional reasons at the discretion of the accountable officer.

In all cases, relevant documentary evidence (for example, medical certificate) is required. Details of all refunds should be retained for audit purposes, and the enrolment form annotated to show that a refund has been given.

6.8.4 REFUNDS FOLLOWING RE-MARKING

Students requesting a re-mark of their assessment should do so within four weeks of the date of publication of the results. Should a 'Not Yet Competent' candidate achieve an outcome of 'Competent' on a re-marking of the assessment, the $25.00 re-marking charge is to be refunded.

6.9 CHARGES FOR SPECIFIC SERVICES

RTOs are not required to charge fees for the following services. However, if fees are charged, maximum fees apply as specified below.

a Re-marking of an assessment – each unit $25.
b Replacement of award/qualification/academic record $50.00.
c Re-issue of academic statement.
  i Results on computer network $20.00.
  ii Results from archive $30.00.
d Remote assessment supervision $50.00.

7 RELATED POLICIES AND OTHER RELEVANT DOCUMENTS

This policy should be read in conjunction with:

- *National Standards for Registered Training Organisations*
- *VET Student Loans Manual for Providers*
- *Apprenticeship Policy*
- *Colleges Direction 1997*

8 RELEVANT LEGISLATION

Vocational Education and Training Act 1996
Vocational Education and Training (Colleges) Regulations 1996
Vocational Education and Training (General) Regulations 2009
School Education Act 1999
VET Student Loans Act 2016
Higher Education Support Act 2003

9 REVIEW DATE

This policy is to be reviewed by 31 December 2022.

10 CONTACT INFORMATION

General queries:

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ATTACHMENT A

MATRIX OF FEE RATES, CAPS, AND STUDENT COHORTS*

Fee category		Non-concession 25+ years			Non-concession youth 17–24 years			Concession (includes new categories)		
		Fee rate	Annual cap	Recovery Program Skill Sets – Fee Rate	Fee rate	Annual cap	Recovery Program Skill Sets – Fee Rate	Fee rate	Annual cap	Recovery Program Skill Sets – Fee Rate
1	Diploma and above** **not** concession eligible	$5.79	$7,860	$5.79	$5.79	$7,860	$0	$5.79	$7,860	$0
	Concession eligible Diploma and Above	$5.79	$7,860	$5.79	$5.79	$7,860	$0	$1.74	$7,860	$0
2	Apprenticeships, new entrant traineeships, priority industry qualifications (up to Certificate IV)	$3.25	-	$3.25	$3.25	-	$0	$0.97	-	$0
3	General industry training (up to Certificate IV)	$4.88	-	$4.88	$4.88	-	$0	$1.47	-	$0
4	Foundation skills and equity courses	$0.21	-	$0.21	$0.21	-	$0	$0.21	-	$0
5	Targeted fee relief (Lower fees, local skills)	$1.62	$1,200	$1.62	$1.62	$400	$0	$0.48	$400	$0
6	Fee-free courses (includes *COVID-19 Critical Skills Program* skill sets)	$0	-	$0	$0	-	$0	$0	-	$0

Notes

* The $420 per student annual fee cap also applies to school aged students not enrolled at school.

** Excludes Diploma and Advanced Diploma qualifications that are targeted fee relief courses.

RESOURCE FEE GUIDELINES

1 Introduction

This document outlines the Department of Training and Workforce Development's (the Department's) guidelines for determining a resource fee, in accordance with the *VET Fees and Charges Policy 2022*. It aims to minimise confusion for training providers, while allowing some autonomy to make decisions.

2 Resource fees

A resource fee is a charge to a student for materials that are considered essential to a course or unit of study and which are not considered to form part of the course fee. Materials are considered to be the things needed to undertake the course or unit of study, and may include products used in the course of instruction.

The resource fee covers materials purchased by the training provider that are necessarily consumed or transformed by students undertaking the course or unit of instruction during the period of enrolment. The effective life of the materials is limited to the duration of the course or unit.

A material is considered to be consumed when it is destroyed or expended by use, or used up by the student during the course or unit. A material is considered to be transformed when it is changed in form, changed to something of a different form, or changed in appearance, condition, nature or character, especially where the change is complete or extensive.

Based on this information, in order to charge a fee for a resource, the following four criteria must be met.

- The training provider purchased the materials for the student;
- The materials are essential to the course or unit of study;
- The materials are consumed/transformed by the student in the course of instruction; and
- The materials are not considered to be included in the price set for training.

If any of the above criteria are not met, a resource fee **cannot** be charged.

Resource fees must be published by training providers prior to the commencement of enrolments. Accountable officers must be able to substantiate the fees.

3 Price set for training

Students are charged course fees at a price set by the Department, which represents the student contribution to the training funded by the Department.

Funding provided by the Department is intended to cover costs incurred by the training providers, including the following.

- Lecturing, administration and non-teaching staff salaries
- Operational costs including:
  - general and student consumables;
  - advertising, marketing and promotions;
  - consultancies and contracted services;
  - information and communications technology;
  - insurance;
  - travel and transport;
  - utilities;
  - equipment repairs and maintenance; and
  - leases and hire of equipment.

Training providers cannot charge a student a separate fee for goods and services that are considered their responsibility under the relevant Standards. The cost of these goods and services are included in the price set for training by the Department for the purchase of training.

The *Standards for Registered Training Organisations (RTOs) 2015* states that an RTO is required to have sufficient:

- trainers and assessors to deliver the training and assessment;
- educational and support services to meet the needs of the learner cohort/s undertaking the training and assessment;
- learning resources to enable learners to meet the requirements for each unit of competency, and which are accessible to the learner regardless of location or mode of delivery; and
- facilities, whether physical or virtual, and equipment to accommodate and support the number of learners undertaking the training and assessment.

4 Examples of resources

Accountable officers are ultimately responsible for determining what is included as part of a resource fee charged to a student. This section aims to assist in this decision making by providing examples of what may or may not be included as resource fees.

The following are examples of materials that are considered to be consumed or transformed by a student in the course of instruction and may be included as a resource fee.

- Flowers into bouquets
- Ingredients used to create recipes
- Wood used for carpentry
- Copper pipe used for plumbing
- Steel used for building
- Fabric used for dress making
- Styling products and colour products used in hairdressing

The following are examples of materials that **do not** meet the criteria to be considered for a resource fee.

- Materials that are re-used by the training provider over multiple classes (e.g. gardening tools, power tools)
- Materials that the student retains after completion of the course or unit of study (eg knives used by hospitality students, scissors used in a hairdressing course)
- Hiring of equipment and venues
- Maintenance of equipment
- Third party training costs
- Textbooks
- General classroom consumables (eg whiteboard markers, butchers paper, tissues)
- Computers and other IT equipment
- Industry speakers
- Utility costs

Note
The examples above are included as guides only and are not exhaustive lists. Each material should be considered on a case-by-case basis.

5 Fee setting

When setting a resource fee, only the direct cost of the material should be used. Overheads should not be included in the cost when determining the resource fee to be charged to the student. It is important that training providers develop a costing model for resource fees. The method of calculation can be determined by the training provider, however, it should be applied consistently across all courses and units.

The Office of the Auditor General has developed better practice principles for effective fee setting. The following table is an adaptation of these principles and is provided in order to assist training providers to establish an effective framework for setting resource fees:

Principle	Suggested actions
Policies and procedures	• Ensure there is authority to charge fees • Develop an overarching fee setting policy for the entity • Document the purpose and scope for each fee or fee group
Costing model	• Document the basis of the costing exercise and approach used • Develop a costing model for each fee or fee type • Document the assumptions and methods for calculating costs and revenue • Document all sources of cost and revenue information

Costing and pricing	• Obtain actual cost information to input into the cost model
	• Allocate direct costs based on approved assumptions and methods
	• Calculate:
	  ○ Expected revenue
	  ○ Price to be charged
	• Obtain approval for new and revised fees

Review	• Review fees regularly

FEE WAIVER GUIDELINES

1 Severe financial hardship definition

A person is considered to be in severe financial hardship only where they are unable to provide food, accommodation, clothing, medical treatment, or other basic necessities for themselves and/or their dependants. Forms of entertainment or recreation are not basic necessities.

2 Financial hardship assessment

The assessment of whether an applicant qualifies for a fee waiver is to be made on the basis of their individual circumstances and those of any dependent family members.

Subject to the exceptional circumstances outlined below, a fee waiver cannot be given unless **ALL** of the following criteria are met.

Where these criteria are not met, instalment plans are appropriate and extended payment periods may also be considered.

<table>
<tr><th colspan="2">Criteria for severe financial hardship</th></tr>
<tr><td>1</td><td>The student's income must not exceed the Department of Human Services income thresholds for the low income health care card, as outlined below.
<table>
<tr><th>Status</th><th>Weekly income</th><th>Total income in the eight-week period prior to applying</th></tr>
<tr><td>Single, no children</td><td>$644</td><td>$5,152</td></tr>
<tr><td>Couple combined, no children</td><td>$1,107</td><td>$8,856</td></tr>
<tr><td>Single, one dependent child</td><td>$1,107</td><td>$8,856</td></tr>
<tr><td>Couple combined, one child</td><td>$1,141</td><td>$9,128</td></tr>
<tr><td>For each additional child add</td><td>$34</td><td>$272</td></tr>
</table></td></tr>
<tr><td>2</td><td>The student does not have the disposable income to pay the fees via instalments without compromising their ability to meet their basic living needs or those of their dependents.</td></tr>
<tr><td>3</td><td>There is no basis for concluding that the student's financial circumstances are likely to change within a reasonable period (eg 12 months).</td></tr>
</table>

3 Supporting documentary evidence

The student must provide relevant supporting documentation to evidence their claim, including evidence as to their financial circumstances. The nature of the evidence provided will depend on the individual circumstances of the student.
Example evidence for assessing income includes pay slips and bank statements. Example evidence for assessing outgoings includes tenancy agreements and utility bills.

4 Exceptional circumstances

Short term hardship or temporary financial difficulty that arises from a sudden change in circumstances does not generally qualify a person for fee waiver consideration. Only in exceptional circumstances should a fee waiver be considered.

The following provides examples of the types of events that may compromise a student's ability to meet their essential living needs or those of their dependents. The list is indicative and not exhaustive.

- The student or family member has a sudden or unexpected health issue or disability.
- Death of a significant wage earner in the family, where the student had a dependent relationship.
- Relationship breakdown or domestic violence.
- Significant events which are likely to last over the duration of the enrolment period and clearly impact on the student's capacity to provide themselves or dependents with basic necessities such as food, accommodation, clothing, medical treatment and other basic necessities.

Accountable Officers must make their own assessment on whether the student has adequately demonstrated that hardship exists and is likely to persist over the period of enrolment.

In other circumstances a payment plan should be considered.

5 Partial fee waivers

A partial waiver of all fees for enrolled units within an enrolment period is not permitted.

6 Time limit

Fee waivers can only be granted for units commenced within the calendar year.

7 Approvals and reporting

Approvals should be made by the appropriate accountable authority within each organisation and supporting documentary evidence must be retained by the provider for audit purposes.

All fee waivers granted by providers must be reported to the Department, failure to comply is a breach of the training provider's delivery agreement or contract of service.