

Smart and Skilled Fee Administration Policy

Version 3.0

For the 2023-24 contract period

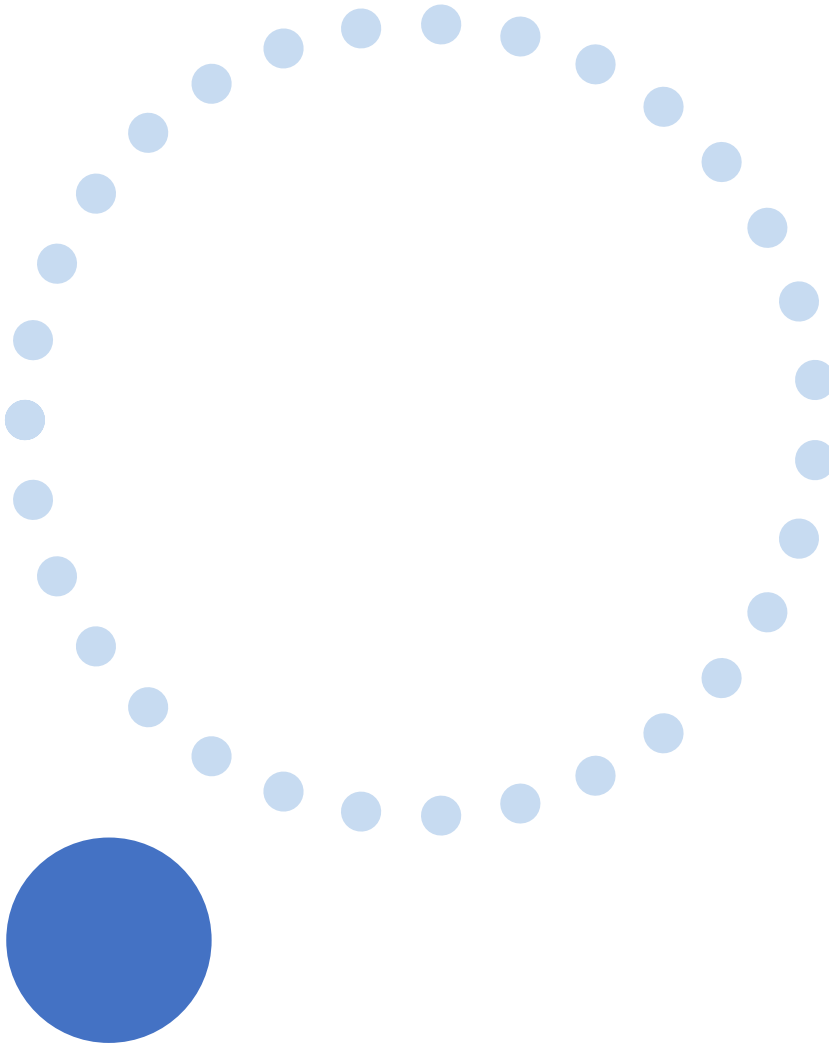
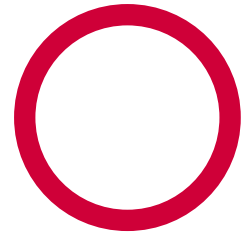


Table of Contents

Smart and Skilled Fee Administration Policy	1
Section 1: Introduction	4
1.1 Smart and Skilled eligibility.....	4
1.2 School Based Apprenticeships and Traineeships Program.....	4
Section 2: Smart and Skilled student fees	5
2.1 Charging fees.....	5
2.3 Student fees if a part qualification(s) has been achieved.....	5
2.4 Enrolling students in multiple part qualifications.....	6
2.5 Student fees outside Smart and Skilled.....	6
Section 3: Fee categories and eligibility	7
3.1 Standard student fees.....	7
3.2 Apprenticeship fees.....	8
3.3 Traineeship fees.....	8
3.4 Concession fees.....	9
3.5 Exemptions and fee-free scholarships for eligible student cohorts.....	9
3.6 Fee-free courses and programs.....	10
Section 4: Determining the applicable student fee	12
4.1 Validation of student eligibility and fee.....	12
4.2 Evidence of eligibility.....	12
4.3 Updating student eligibility for fee exemption or concession after enrolment.....	13
4.4 Credit transfer (CT) and recognition of prior learning (RPL).....	13
4.5 Calculating and adjusting fees for CT and RPL.....	15
Section 5: Additional fees	16
5.1 Customisation of training.....	16
5.2 Incidental expenses.....	16
5.3 Additional training.....	18
5.4 Charges for issuing embedded qualifications.....	18
Section 6: Paying fees	19
6.1 Levying of student fees.....	19
6.2 Subcontracting.....	19
6.3 Discontinuing students.....	19
6.4 Fees for student repeat attempts to complete units of competency.....	19
6.5 Fee refunds.....	20
6.6 Co-enrolments.....	20
6.7 Recovery of outstanding student fees.....	20
6.8 Changes to Student Fees.....	20
6.9 Transferring students.....	20
6.10 Students transitioning from superseded qualifications.....	22
6.11 Fee protection mechanisms.....	22
Section 7: Student Loans	23
Section 8: Student access to fee policies	24
8.1 Smart and Skilled Fee Administration Policy.....	24
8.2 Provider's policies.....	24

Appendix 1: Acceptable evidence for fee categories and loadings.....25
**Appendix 2: Specified Commonwealth Government benefits and allowances for
concession fees.....29**
Appendix 3: Eligibility for Smart and Skilled Fee-Free Scholarships 30
Appendix 4: Fee-free Apprenticeships 31
Appendix 5: Fee-free Traineeships 33

Section 1: Introduction

This policy sets out the requirements for the application and management of student fees for qualifications and part qualifications under the following Smart and Skilled programs:

- Smart and Skilled Entitlement Foundation Skills (EFS)*
- Smart and Skilled Entitlement Full Qualifications (EFQ)
- Smart and Skilled Entitlement Apprenticeships and Traineeships (EAT)
- Smart and Skilled Targeted Priorities Full Qualifications (TPFQ)
- Smart and Skilled Targeted Priorities Prevocational and Part Qualifications (TPPPQ).

*Note: from 1 July 2023, new commencements in foundation skills qualifications will be funded under the Entitlement Full Qualifications (EFQ) program.

This policy should be read in conjunction with the following documents:

- Smart and Skilled Contract Terms and Conditions
- Smart and Skilled Operating Guidelines
- The Smart and Skilled Eligibility Policy
- The NSW Skills List
- The Schedule of Prices, Fees and Subsidies
- The Declaring Student Status after Enrolment Policy
- Any other relevant Smart and Skilled policy documents.

The NSW Skills List indicates the full qualifications funded under Smart and Skilled.

1.1 Smart and Skilled eligibility

To be eligible for subsidised training under Smart and skilled, a student must meet the relevant eligibility criteria for the Smart and Skilled program that funds their enrolment.

The Smart and Skilled eligibility criteria are described in the ***Smart and Skilled Eligibility Policy***.

1.2 School Based Apprenticeships and Traineeships Program

The requirements for the application and management of student fees under the School Based Apprenticeships and Traineeships Program are set out in the ***School Based Apprenticeships and Traineeships Program Fee Administration Policy***.

Section 2: Smart and Skilled student fees

Under Smart and Skilled, a student contributes towards the cost of training through the payment of a student fee. The student fee and the subsidy from the government make up the qualification price.

Student fees are:

- set for the whole qualification (they are not annual or semester fees).
- lower for a student doing their first post-school qualification.
- set for the student and the qualification, and will be the same regardless of choice of Provider.

2.1 Charging fees

There are different categories of student fees, based on the program, the qualification and the characteristics of the student. The schedule of fees for each qualification on the NSW Skills List can be accessed at: <https://www.nsw.gov.au/education-and-training/resources/qualification-prices-fees>.

The different categories of student fees are also explained in detail in **Section 3: Fee categories and eligibility**

The Provider must only charge the student the relevant fee set by the NSW Government for the subsidised training the student is undertaking. The student fee to be charged will be confirmed when the Provider enters the student data into the Smart and Skilled Provider Calculator.

The fees applicable under the TPPPQ Program are set out in the relevant Activity Schedule.

The Provider must not charge the student any additional fees, except for allowable additional costs outlined in **Section 5: Additional fees**.

Note: All references in this policy to charging a student a fee, and to make the student aware of fees and costs, encompass anyone who may pay the fee on behalf of the student. This includes, but is not limited to:

- * the student.
- * the student's parent or guardian.
- * the student's employer.
- * any other organisation or entity.

2.2 Fees for continuing students

The student fee is for the whole qualification and should be determined at enrolment. It therefore applies for the duration of training for a particular enrolment (i.e. Commencement ID) even where the student is undertaking training over more than one contract period.

2.3 Student fees if a part qualification(s) has been achieved

Achievement of a part qualification is not deemed to be a post-school qualification for the purposes of **Section 3.1 – Standard Student Fees**.

If a student has previously achieved a part qualification (including nationally accredited skill sets), and the student subsequently undertakes a full qualification under the EFQ or TPFQ Programs, and they are required to pay a student fee, then the student must pay either the Standard Student – First Qualification Fee or the concession fee.

In some instances, a student may undertake two or more part qualifications, and as a result, they are awarded a full qualification. If the student subsequently undertakes a full qualification under the EFQ or TPFQ Programs, and they are required to pay a student fee, then the student must pay either the Standard Student – Subsequent Qualification Fee or the concession fee. The student must indicate at enrolment that they have previously achieved a full qualification.

2.4 Enrolling students in multiple part qualifications

A student undertaking a part qualification under the TPPPQ Program will not be charged a fee. See **Section 3.6 – Fee-free courses and programs.**

A student seeking to achieve a full qualification should not be enrolled in multiple part qualifications that make them eligible for the issue of the full qualification. The student must be enrolled in the full qualification under the relevant Smart and Skilled full qualification program and will be required to pay the relevant fee.

Completing a part qualification under the TPPPQ Program does not affect the fee eligibility of a student undertaking a full qualification under Smart and Skilled. See **Section 6.6 – Co-enrolments.**

2.5 Student fees outside Smart and Skilled

Where training is part of fee for service arrangements made between a student or an organisation and a Training Provider, student fees would be covered through these arrangements. These arrangements are outside Smart and Skilled.

A student who subsequently wishes to apply for Smart and Skilled subsidised training will be subject to Smart and Skilled general and fee eligibility requirements.

Section 3: Fee categories and eligibility

The student fee categories are:

1. Standard Student
 - First Qualification
 - Subsequent Qualification
2. Apprenticeship
3. Traineeship
4. Concession
5. Exemptions and fee-free scholarships for eligible student cohorts
6. Fee-free training (for specific programs)

Evidence requirements for each of the fee categories is at **Appendix 1: Acceptable evidence for fee categories and loadings**.

3.1 Standard student fees

The Standard Student fee applies to a student who is not doing an apprenticeship or traineeship or who does not qualify for a concession fee or one of the fee-free categories.

The student is required to declare any qualifications to assess eligibility for a First or Subsequent Qualification Standard Student fee.

Smart and Skilled data and data from the USI may also be used as evidence of a previous post-school qualification achieved by the student to assess the appropriate Standard Student fee.

Standard Student—First Qualification fee

Applies to a student who does not already hold a post-school qualification from any tertiary sector. Qualifications include vocational and higher education qualifications achieved in Australia or overseas at any time previously.

The First Qualification fee also applies to a student who is 15-17 years old at commencement of training regardless of any previous qualification.

Standard Student—Subsequent Qualification fee

Applies to a student who already holds a previous post-school qualification from any tertiary sector. This category includes vocational and higher education qualifications achieved in Australia or overseas at any time previously.

Qualifications achieved overseas that are not formally recognised in Australia are considered to be a previous post-school qualification.

The Standard Student—Subsequent Qualification fee is the higher of the two Standard Student fees because a student undertaking a second or subsequent post-school qualification has already benefitted from training.

Where a student completes a Smart and Skilled qualification and enrolls in another Smart and Skilled qualification (except an apprenticeship or traineeship), the student will be charged the Standard Student—Subsequent Qualification fee for the subsequent qualification.

Note: There is no limit to the number of previous post-school qualifications a student can hold.

Qualifications not deemed to be post-school qualifications

The following qualifications are not deemed to be post-school qualifications, and as a result, a student who holds only these post-school qualifications will pay the First Qualification Fee:

- qualifications achieved while at school as part of a student's secondary education.
- qualifications achieved prior to turning 17.
- Certificate I qualifications.
- Certificate IV in Tertiary Preparation.
- Smart and Skilled Entitlement Foundation Skills qualifications.
- any other foundation skills qualification that is aimed at developing foundation skills as identified in the "[National Foundation Skills Strategy](#)" (up to and including Certificate III), including:
 - English language, literacy, numeracy and digital skills (such as listening, speaking, reading, writing, digital literacy and use of mathematical ideas).
 - Employability skills (such as collaboration, problem solving, self-management, learning and information and communication technology skills required for participation in modern workplaces and contemporary life).

3.2 Apprenticeship fees

Apprenticeship fees apply to NSW Apprentices undertaking training in a qualification offered on the NSW Skills List as part of an apprenticeship pathway that supports their apprenticeship.

Under the NSW Government's **Fee-free Apprenticeship Initiative**, NSW apprentices who are funded under Smart and Skilled, and who commence subsidised training on or after 1 July 2018, are eligible for free training.

An apprentice eligible under this initiative will be exempt from fees for their apprenticeship qualification. Please see **Appendix 4: Fee-free Apprenticeships** for further information and eligibility requirements.

For apprentices who are not eligible, the fee for a qualification delivered to an apprentice under an apprenticeship pathway is capped at \$2,000 and may be lower than for a non-apprenticeship pathway.

3.3 Traineeship fees

Traineeship fees apply to NSW New Entrant Trainees undertaking training in a qualification offered on the NSW Skills List as part of a traineeship pathway that supports their traineeship.

Under the NSW Government's **Fee-free Traineeship Initiative**, NSW trainees who are funded under Smart and Skilled, and commence subsidised training on or after 1 January 2020, are eligible for free training.

A trainee eligible under this initiative will be exempt from fees for their traineeship qualification. Please see **Appendix 5: Fee-free Traineeships** for further information and eligibility requirements.

For trainees who are not eligible, the fee for a qualification delivered to a trainee under a traineeship pathway is capped at \$1,000 and may be lower than for a non-traineeship pathway.

3.4 Concession fees

A concession fee is a discounted fee for a student who meets the criteria outlined below. A concessions fee is a flat fee based on the qualification level.

A student who receives a specified Commonwealth Government benefit or allowance, as listed at **Appendix 2: Specified Commonwealth Government benefits and allowances for concession fees**, is eligible for a concession fee for a qualification up to and including Certificate IV. The student must be in receipt of the specified benefit or allowance at the time of enrolment to be eligible.

The concession fee is also available to a student who is a dependant of a person receiving a specified Commonwealth Government benefit or allowance. To be eligible for the concession the student must be a dependant of a person receiving the benefit or allowance at the time of enrolment.

There are no concessions for a student enrolling in a Diploma or Advanced Diploma.

3.5 Exemptions and fee-free scholarships for eligible student cohorts

A student who falls into one of the following categories will qualify for fee-free training:

- (i) an Aboriginal or Torres Strait Islander person.
- (ii) a student with a disability.
- (iii) dependant child, spouse or partner of a recipient of a Disability Support Pension.
- (iv) Refugee or Asylum seeker (and eligible partners) – for training up to and including Certificate IV.
- (v) recipient of a Fee-Free Scholarship – for training up to and including Certificate IV.

(i) Fee exemption for an Aboriginal or Torres Strait Islander student

An Aboriginal or Torres Strait Islander student will be eligible for a fee exemption.

Descent, self-identification or community identification is accepted as evidence of eligibility.

(ii) Fee exemption for a student with a disability

A student will be eligible for a fee exemption on the basis of disability if the student is:

- in receipt of the Commonwealth Government Disability Support Pension, or
- documentary evidence that is assessed by the Provider and demonstrates a clear additional need as a result of the student's disability.

(iii) Fee exemption for a student who is a dependant of a person with disability

A student who is a dependent of a person with disability will be eligible for a fee exemption on the basis of this category. These students will need to provide documentary evidence to show they are a dependant child, spouse or partner of someone who is receiving a Commonwealth Government Disability Support Pension.

(iv) Fee-free training for Refugees and Asylum seekers (and eligible partners)

A refugee or asylum seeker (and their eligible partners) will be eligible for a fee exemption for Smart and Skilled training up to and including Certificate IV provided they hold or held one of the visas listed in *Appendix 1: Refugees and asylum seekers* of the **Smart and Skilled Eligibility Policy**.

These students will need to provide evidence of their visa documentation, or documentation such as an ImmiCard where appropriate.

(v) Fee-free Scholarships

A student undertaking a full qualification up to and including Certificate IV may be eligible for a Smart and Skilled Fee-free Scholarship if they are:

- aged between 15 and 30 (inclusive) at the start date for training and eligible for a concession fee (i.e. a Commonwealth Government benefit recipient); or
- meet the Out-of-Home Care definition at the time of enrolment and are:
 - aged 15-17 years and currently in out-of-home care; or
 - aged 18-30 years and previously in out-of-home care; or
- aged 15 and over, and be able to disclose (self-declare) at enrolment that they meet the domestic and family violence definition in **Appendix 1 - Acceptable evidence for fee categories and loadings**.

3.6 Fee-free courses and programs

In addition to fee free training arrangements for apprentices and trainees through the Fee Free Apprenticeship and Fee Free Traineeship Initiatives (see sections 3.2 and 3.3), fee free training is also available at the course and program level for:

- (i) the Targeted Priorities Pre-Vocational and Part Qualifications (TPPPQ) program.
- (ii) identified foundation skills full qualifications on the NSW Skills List.
- (iii) identified full qualifications on the NSW Skills list that are funded under the NSW Fee Free initiative.

(i) TPPPQ program

A student undertaking a part qualification under the TPPPQ Program will not be charged a fee.

(ii) Foundation skills full qualifications

A student that meets the standard Smart and Skilled eligibility criteria will not be charged a fee for training under the EFS program.

From 1 July 2023 - A student will not be charged a fee for training in an identified foundation skills full qualification on the NSW Skills List – which includes FSK Training Package and other accredited qualifications.

(iii) NSW Fee Free initiative

All students that meet the standard Smart and Skilled eligibility criteria are eligible for the NSW fee free initiative. NSW fee free will apply to training that meets the following requirements:

- Enrolment is in a NSW Fee Free priority qualification identified on the NSW Skills List.
- Enrolment date is on or after 1 December 2022.
- Commencement date is from 1 January 2023 to 31 December 2023.

Note: The “NSW Fee Free” waiver should not be applied to a student that is entitled to a fee exemption or fee-free scholarship as detailed under **Section 3.5**, or the **Fee Free Apprenticeship Initiative** or the **Fee Free Traineeship Initiative**.

Note: Providers are required to use the appropriate fee waiver code if the student is a Veteran or a Recognised Partner of a Veteran. Refer to **Appendix 1 - Acceptable evidence for fee categories and loadings**.

Clause 1.3 of the *Smart and Skilled Operating Guidelines* prevents Smart and Skilled providers from promoting Smart and Skilled subsidised training as being “free of charge”. For the purposes of NSW Fee Free priority qualification identified on the NSW Skills List, this section of Clause 1.3 will not apply in its entirety. The rest of Clause 1.3 will continue to apply to providers’ promotion and marketing.

This means that in providers’ marketing and information materials, providers will be allowed to advertise that these qualifications are fee-free.

However, if providers choose to advertise that these qualifications are fee-free, then any provider websites, flyers, emails and other promotional materials must use the following statement:

‘Training in priority qualifications is fee-free and fully funded by the NSW and Commonwealth governments’.

Provider campaigns such as bulk emails to employers/industry and potential learners promoting ‘free training- sign up here’ or similar promotions are deemed inappropriate by the Department. If providers are found to have engaged in such practices, the Department may investigate these practices to determine if a breach of this policy and/or the Smart and Skilled Contract has occurred.

Section 4: Determining the applicable student fee

4.1 Validation of student eligibility and fee

The Provider must use the Provider Calculator to confirm the student's Smart and Skilled eligibility for a qualification and the student fee (or no fee) to be charged.

The Provider cannot charge a student a fee other than what is calculated by the NSW Government through the Provider Calculator. This means the Provider cannot discount the fee, charge a higher fee or exempt a student from paying the fee. See **Section 5: Additional fees**.

Circumstances may arise where the fee quoted by the NSW Government must be adjusted (such as where the student obtains CT or RPL after enrolment or after commencement). See **Section 4.4 Credit transfer (CT) and recognition of prior learning (RPL)** for more information.

A Student Fee Estimator is available on the Skills Compare website at the link: <https://education.nsw.gov.au/skills-nsw>. Students can use it to check their eligibility and estimate their fee for NSW Skills List qualifications. This will be an estimate only, and the student fee to be charged will be confirmed when student enrolment information is entered via the Notification of Enrolment in the Provider Calculator.

4.2 Evidence of eligibility

A student must declare that the information they provide with regards to eligibility for some fee types is true, accurate, complete and not misleading. A student may be required to provide evidence to support their eligibility for the Smart and Skilled fee type.

The Provider must maintain acceptable evidence as detailed in **Appendix 1 - Acceptable evidence for fee categories and loadings**.

All evidence must be able to be verified by the Provider. At the Department's discretion, the Department may request that the Provider produce records for verification (i.e. either a copy of the evidence or proof that the evidence has been sighted).

Where evidence is sighted but not kept, the Provider must maintain a record that confirms sighting of the evidence and a description of the evidence. The record must:

- be dated and signed by the person who sighted the evidence and is authorised by the Provider.
- capture the name of the signatory and their job title.
- contain a description of the type of evidence sighted (e.g. "Department of Veterans' Affairs (DVA) White Card that names Jane Doe", "letter from Centrelink confirming John Smith is a recipient of a Commonwealth Government benefit" etc).
- capture either the issue date or expiry date of the evidence sighted (if applicable).

The description is NOT required to capture sensitive information from the document (e.g. the Centrelink Reference Number (CRN) or Department of Veterans' Affairs (DVA) White Card number).

Note: For each enrolment, the Provider is expected to check that the student is eligible for the relevant fee category at the time of enrolment.

4.3 Updating student eligibility for fee exemption or concession after enrolment

If a student declares their status in relation to a disability, concession or long-term unemployment or identifies them self as an Aboriginal or Torres Strait Islander person at a point in time **after** enrolment (therefore making them eligible for a fee exemption or concession), the Provider must:

- sight or collect the relevant evidence within 28 days of being notified by the student, and
- abide by the **Declaring Student Status after Enrolment Policy (Version 2.0)**, located in the Support Documents section of STS Online.

4.4 Credit transfer (CT) and recognition of prior learning (RPL)

Where an eligible student is granted credit transfer (CT) or recognition of prior learning (RPL) for one or more units of competency (UoC), the qualification price will be adjusted and a new student fee determined. The qualification price is based on both fixed and variable costs and adjustments will be made to both of these cost components.

Credit transfer (CT)

The Provider must comply with the *Australian Skills Quality Authority (ASQA)* guidelines in connection with granting Credit Transfer.

CT means that a student gains credit in the qualification they are undertaking because they have previously completed UoCs or modules in another qualification or other formal learning. Being granted CT for a UoC or module means the student does not have to undertake the UoC/module again. It reduces the amount of learning to be undertaken and may reduce the student fee.

Providers must inform a student of CT opportunities and advise them to check their academic transcripts for any previous qualifications achieved to identify any potential opportunities for CT.

Providers can also advise a student to visit the Unique Student Identifier (USI) Registry at <https://portal.usi.gov.au/student/> to check if any information is stored by the Registry on previous training they have undertaken, to help identify any previously achieved UoC/modules that can be granted CT.

This information should be given to the Provider and may entitle the student to a reduced fee.

The Provider must grant CT for any UoCs/modules already achieved, where the evidence to support this is provided.

Where CT is granted, student fees are calculated as follows:

- The fixed cost of the qualification will be reduced by the proportion of UoCs given CT.
- The variable cost will be reduced by the total cost of each UoC granted CT.

Once the adjusted qualification price is calculated the new student fee will be determined at the same percentage of the price as the original student fee for that course.

Example of CT:

A Certificate III has a qualification price of \$8,000 with a fixed cost of \$3,000 and a variable cost of \$5,000. The qualification consists of 25 UoCs at \$200 each.

The student fee is 25% of the qualification price (\$2,000). Student A has no CT. Student B has CT for five (5) UoCs (i.e. 20% of the qualification).

Field	Student A	Student B
Student fee prior to CT	\$2,000	\$2,000
Fixed Cost	\$3,000 No reduction	\$2,400 This is reduced by the proportion of units with CT. In this case, the reduction is 20% x \$3,000 = \$600
Variable Cost	\$5,000 No reduction	\$4,000 This is reduced by the total cost of each UoC with CT. In this case, the reduction is 5 x \$200 = \$1,000
New Qualification Price	\$8,000	\$6,400
New Student Fee (25% of new price)	\$2,000	\$1,600

Recognition of Prior Learning (RPL)

The Provider must ensure that its Recognition Process aligns with the **NSW Recognition Framework** as published from time to time. Recognition of Prior Learning for Apprenticeships and Traineeships must comply with all applicable laws, including the *Apprenticeship and Traineeship Act 2001*.

RPL involves a student demonstrating they already have the skills and experience to complete the qualification (in whole or part) without needing to attend classes or participate in learning.

Providers must inform the student of RPL opportunities and the process for applying.

Where RPL is granted, student fees are calculated as follows:

- The fixed cost of the qualification will be reduced by 50 per cent of the proportion of UoCs granted RPL.
- The variable cost will be reduced by 50 per cent of the total cost of each UoC granted RPL.

Once the adjusted qualification price is calculated the new student fee will be determined at the same percentage of the price as the original student fee for that course.

Example of RPL:

A Certificate III has a qualification price of \$8,000 with a fixed cost of \$3,000 and a variable cost of \$5,000. The qualification consists of 25 UoCs at \$200 each.

The student fee is 25% of the qualification price (\$2,000). Student A has no RPL. Student B has RPL for five (5) UoCs (i.e. 20% of the qualification).

Field	Student A	Student B
Student fee prior to CT	\$2,000	\$2,000
Fixed Cost	\$3,000 No reduction	\$2,700 This is reduced by 50% for the proportion of units with RPL. In this case, the reduction is 50% x 20% x \$3,000 = \$300
Variable Cost	\$5,000 No reduction	\$4,500 This is reduced by 50% of the total cost of each UoC with RPL. In this case, the reduction is 50% x 5 x \$200 = \$500
New Qualification Price	\$8,000	\$7,200
New Student Fee (25% of new price)	\$2,000	\$1,800

Where RPL for a UoC(s) is assessed by the Provider and only partially granted and some training delivery is still required, there is no reduction in the student fee and should not be entered in the Provider Calculator or reported as RPL granted.

Note: Where a student is granted a mix of RPL and CT, the combination of the above two methodologies will be used to calculate the new student fee

4.5 Calculating and adjusting fees for CT and RPL

Where CT and/or RPL are granted at enrolment, the Provider will need to use the Smart and Skilled Provider Calculator to determine the applicable student fee.

Where CT and/or RPL is granted after enrolment, or after a student commences a qualification, the Provider must report the outcome for the relevant UoC(s) in their next Smart and Skilled training activity data file submitted to the Department. The Department will adjust the subsidy payment and advise the Provider of the new student fee. The Provider must take all necessary steps to advise the affected student of the adjusted fee and to amend the fee levied to the student, including changing future fee payment schedules.

The Provider must sight appropriate evidence, such as a testamur, or a transcript of academic record/achievement or a USI transcript to grant CT.

Fee for a concession student where CT and/or RPL has been awarded.

Where a student is eligible for a concession and has been awarded CT and/or RPL, if the relevant adjusted Standard Student fee (First or Subsequent) is lower than the concession fee, the student will pay the lower fee i.e. the adjusted Standard Student fee.

Section 5: Additional fees

The price of a qualification, which is made up of the government subsidy and student fee, covers the total costs incurred by the Provider to deliver the training, including training materials, learning resources and assessment.

A Provider must not charge the student any additional fees for the subsidised training, except where specified in the following subsections.

For each qualification, the Provider must publish on its website any additional costs that will be or may be incurred, and ensure that the student is aware of these costs prior to enrolment.

The Provider must issue receipts for any monies collected by the Provider for additional charges. The Provider must retain copies of any receipts issued.

The following is applicable for both full and part qualifications (including single UoC or module delivery) undertaken under Smart and Skilled.

Note: All references in this policy to charging a student a fee, and to make the student aware of fees and costs, encompass anyone who may pay the fee on behalf of the student. This includes, but is not limited to:

- * the student.
- * the student's parent or guardian.
- * the student's employer.
- * any other organisation or entity.

5.1 Customisation of training

The Provider cannot charge an additional fee for customisation of the training where the customisation is within training package rules, except in the specific instances outlined in **Section 5.2 Incidental Expenses**.

If the customisation results in training delivery in excess of the training package rules, see **Section 5.3 Additional training** for details on allowable charges.

Note:

The Department suggests that providers **request advice prior to engaging in discussions** with an employer/student about additional fees where there is doubt as to whether the criteria in sections 5.2 – 5.4 below apply.

5.2 Incidental expenses

There may be some instances where the Provider can charge over and above the student fee.

These costs include:

- essential equipment and other items that the student has the choice of acquiring from the Provider, or from a supplier other than the Provider, that become the physical property of the student, are retained by the student on completion of training, and are not consumed during the training;

Example

Chef knives, makeup kit, tool kit.

- published learning resources that are non-essential to training delivery, become the physical property of the student and are retained by the student on completion of training;

Example

Published textbook.

Note: The Provider cannot charge for:

* learning resources such as workbooks or learner guides, that are essential to the delivery of training.

* a hard copy text book where an online version is available for the student free of charge (unless the student is informed of the additional charges for the hard copy text book and agrees to purchase it).

* learning resources that have been replicated by the Provider (e.g. photocopies, or computer printouts whether they have been bound or not).

* learning resources that have been developed “in house” by the Provider.

- an optional charge for an item that is not essential for the student to complete the training;

Example

A Provider makes available standard flowers to a student for a floristry qualification to create a flower arrangement, but the student would like to use more expensive exotic flowers. The student would be required to purchase the more expensive flowers from the Provider or another supplier.

- field trips and food, transport and accommodation costs associated with the provision of field trips that form part of the training; and
- an optional charge for an alternative form of access to an item or service that is an essential component of the training, but is otherwise made readily available at no additional fee by the Provider.

Examples

1. The textbook for a qualification is an online resource but a student would like a hardcopy. In this instance, the Provider may charge the student for the textbook. The textbook would become the personal property of the student.

2. The Provider may charge an employer if it requests the development of alternative bespoke forms of materials/resources which are for use in training delivered exclusively to employees of the employer.

3. A Provider uses a particular brand of heavy vehicle engine for training and assessment. The Provider may arrange to deliver training to a group of employees and the employer requests that the training be delivered on a different brand of heavy vehicle engine used in its workplace. The Provider must reasonably explore options to provide access to the requested brand of equipment without an additional charge, such as use of the employer’s equipment for on-site training and assessment, or to rent the equipment. If the request cannot be fulfilled within the Smart and Skilled funding for the qualification, the Provider and employer may make an agreement for an additional fee to cover the cost.

Note:

1.The cost of developing “bespoke” forms of materials/resources outlined in Example 2 is not intended to cover the costs involved of designing and delivering training that is already in line with existing training package rules. For example, where the employer requests a Provider to deliver an elective unit of competency that the Provider does not currently offer.

2.The Provider cannot charge an additional fee to maintain or upgrade their equipment in order to fulfil a request outlined in Example 3.

5.3 Additional training

The student may request additional UoCs to be delivered in conjunction with their Smart and Skilled subsidised qualification. This would be UoCs that are over and above what is required under the training package rules to achieve the qualification.

The Provider must attempt to cover the costs of delivering the requested additional UoCs within the Smart and Skilled funding for the qualification.

If this is not possible, the Provider must make all reasonable attempts to source alternative subsidised funding for the additional training prior to entering into fee-for-service arrangements with the student.

Where subsidised funding is not available, the student must agree to any fee-for-service charges prior to enrolment.

At the successful completion of training, the student will be issued with the qualification plus a statement of attainment for the additional UoCs delivered.

Example

A student is undertaking subsidised training that requires 15 UoCs to achieve the full qualification. The student, or their employer, requests an additional 5 UoCs to be delivered, either from this or another qualification. The cost of the additional UoCs cannot be absorbed by the funding received by the Training Provider for the full qualification. The Provider accesses alternate funding for the delivery of the 5 additional UoCs.

5.4 Charges for issuing embedded qualifications

In some cases, a qualification may include all the UoCs required to complete a lower level qualification (an ‘embedded’ qualification). The student may wish to be issued with a testamur for the lower level qualification in addition to the higher one they enrolled in. The Provider may charge an administrative fee to produce the additional testamur but the student will not be required to pay additional student fees for the lower level qualification.

Section 6: Paying fees

6.1 Levying of student fees

The Provider can determine the payment arrangements for student fees, but the Provider must publish information and inform each student of these arrangements before the student enrolls.

The Provider must collect all fees to be paid by the student by the time they complete their subsidised training. A Provider, or a related entity or organisation, must not pay the student fee on behalf of a student unless the Provider is also:

- the employer of the student; or
- is a provider of government-funded employment services (Jobactive) and the student is a client.

There are no other circumstances whereby a Provider may pay a fee on behalf of a student.

The Provider must collect student fees or retain evidence that either of the two conditions above were met.

Where a student has applied for a VET Student Loan (or a loan from any other Commonwealth Government loan program) the amount will be paid directly to the Provider by the Commonwealth Government.

6.2 Subcontracting

Where the Provider has a subcontracting arrangement, the subcontractor is not to charge the student a fee or any additional costs. All fees and any additional costs must be levied by the Provider in accordance with this Policy.

6.3 Discontinuing students

Withdrawal without penalty

The Provider must advise the student, prior to any fees being paid, of the 'withdrawal with no penalty' cut-off date, i.e. the date by which the student can withdraw and be refunded any fees paid at enrolment. This date is determined by the Provider.

Withdrawal after the without penalty cut-off date

Where a student withdraws from training after the cut-off date, the Provider must:

- give the exiting student a statement of fees that includes all fees applied and any fees refunded, if applicable.
- comply with requirements relating to "Discontinuing Students" in the ***Smart and Skilled Operating Guidelines***.

6.4 Fees for student repeat attempts to complete units of competency

The Provider will not be paid additional subsidy for repeat attempts by a student to complete a UoC. The Provider must have a policy on the number of times a student can attempt to complete a UoC for their student fee. The Provider must make the student aware of the policy prior to or at enrolment.

6.5 Fee refunds

The Provider must have a refund policy.

The policy must include but is not limited to:

- the 'withdrawal with no penalty' cut-off date (as determined by the Provider in accordance with **Section 6.3 Discontinuing Students**).
- a process for refunding a student who withdraws from training not of their own accord. For example, where the Provider closes or where the Provider is no longer approved to deliver Smart and Skilled training.
- a process for partial refund of fees (when necessary) where CT and/or RPL has been granted.
- information on whether the student will get a refund if they withdraw from a qualification but have completed all the requirements for a lower level qualification, which attracted a lower student fee.

For VET Student Loans (or any other Commonwealth Government loan program) approved qualifications, the Provider must comply with the Commonwealth's VET Student Loans (or any other Commonwealth Government loan program's) Refund policy.

The Provider must publish and make the student aware of the fee refund policy before enrolment.

6.6 Co-enrolments

The Provider must charge a fee for each Smart and Skilled qualification that a student enrolls in. For example, if a student enrolls in both an EFQ qualification and a TPFQ qualification, the student must pay the student fee applicable for both qualifications.

6.7 Recovery of outstanding student fees

The Provider must have a process for the recovery of outstanding fees from a student. The Provider must publish and make the student aware of this policy.

6.8 Changes to Student Fees

The student will pay the fee for the qualification that applies at the time that they are to commence training. The student will not be affected by any subsequent changes to Smart and Skilled fees.

6.9 Transferring students

A student undertaking a Smart and Skilled qualification may withdraw from a qualification with a Smart and Skilled Provider and transfer to another Smart and Skilled Provider to complete their qualification because:

- they chose to of their own accord, or
- their Provider has closed, or has had their contract terminated, or the Provider cannot continue to deliver training to the student in the delivery mode chosen by the student and it is not possible for the student to continue training in an alternative delivery mode.

A student who transfers of their own accord

Where a student transfers of their own accord from their initial Smart and Skilled Provider to another Smart and Skilled Provider to complete their training, standard CT rules will apply when calculating the student fee. To do this, the subsequent Provider of the student must obtain a statement of attainment from the student (issued by the initial Provider) to determine what CT should be granted. The subsequent Provider must use the Smart and Skilled Provider Calculator to determine the student fee.

In this situation, the student may end up contributing more towards the cost of their training.

A student who transfers due to Provider closure or contract termination or change in delivery mode

As mentioned, a student may be forced to transfer from their initial Smart and Skilled Provider to another Smart and Skilled Provider to complete their training because:

- their Provider has closed.
- their Provider has had its contract terminated.
- their Provider cannot continue to deliver training to the student in the delivery mode chosen by the student and it is not possible for the student to continue training in an alternative delivery mode.

Students in these situations will be supported to complete their training in a replacement course with a subsequent provider.

The following rules apply in these circumstances:

- The fees charged in total by the two Smart and Skilled Providers cannot exceed the student fee quoted by the initial Provider.
- Where the combined fee exceeds the original fee quoted, the subsequent Provider must contact the Department to confirm fee to be charged, before enrolling the student and charging any fees. Any fee gap will be paid to the Provider by the Department.

The subsequent Provider must obtain the following documentation from the student:

- a statement of attainment issued by the previous Smart and Skilled Provider.
- an up-to-date training plan (issued by the initial Smart and Skilled Provider) that lists all UoCs achieved, commenced but not completed, and/or not started.
- a statement of fees and a receipt of payment issued by the previous Smart and Skilled Provider.

The subsequent Provider must then enter the details into the Smart and Skilled Provider Calculator to determine the fee to be charged to the student.

Obtaining the above documentation may not be possible where the initial Provider closes. In these instances, the Provider should seek assistance from the Department to determine the fee to be charged to the student.

6.10 Students transitioning from superseded qualifications

Where a student is enrolled in a qualification that is superseded and the student is required to transition to the new qualification to continue and complete the training, and the price of the new qualification is different to that of the superseded qualification:

- the Provider will continue to be paid the applicable subsidy for the superseded qualification.
- the student fee will remain the same.

6.11 Fee protection mechanisms

The Provider must comply with Clause 7.3 of the *ASQA Users' Guide: Standards for Registered Training Organisations (RTOs) 2015* relating to a Provider's responsibility to protect prepaid fees by learners.

Clause 7.3 states that where the RTO requires, either directly or through a third party, a prospective or current learner to prepay fees in excess of a total of \$1,500 (being the threshold prepaid fee amount), the RTO must meet the requirements set out in the Requirements for Fee Protection in Schedule 6 of the Users' Guide.

The requirements set out in Schedule 6 are summarised below:

- Government entities and Australian Universities must implement a policy addressing learner fee protection arrangements.
- All other RTOs must implement one or more of the following arrangements:
 - The RTO holds an unconditional financial guarantee from a bank operating in Australia; or
 - The RTO is a member of an approved Tuition Assurance Scheme approved by ASQA; or
 - The RTO has any other fee protection measure approved by ASQA.

RTOs may collect up to \$1,500 in prepaid fees from a learner without needing to take any action to protect these fees.

The Users' Guide can be found on the ASQA website.

Where any changes are made to ASQA's requirements for the protection of student fees, these override fee protection obligations set out in this Smart and Skilled Fee Administration Policy.

Section 7: Student Loans

Where a student obtains a Commonwealth Government student loan through the Provider, the Provider must comply with all the requirements of the Commonwealth Government loan program.

Information for students on the current Commonwealth Government VET loan program, VET Student Loans, is available from the Commonwealth Government's Study Assist website at: www.studyassist.gov.au/vet-student-loans .

Provider information on VET Student Loans is available from: www.education.gov.au/vet-information-providers.

Section 8: Student access to fee policies

8.1 Smart and Skilled Fee Administration Policy

The Provider must give each student access to this Smart and Skilled Fee Administration Policy before or at the time of enrolment.

8.2 Provider's policies

As listed throughout this document, the Provider must also make the student aware of its policies or processes on:

- evidence required for student eligibility for Smart and Skilled, Smart and Skilled programs and fee exemptions and concessions where relevant.
- withdrawal without penalty.
- repeat attempts to complete a UoC.
- fee refunds.
- recovery of outstanding fees.
- levying of student fees

Appendix 1: Acceptable evidence for fee categories and loadings

(Should be read in conjunction with [Section 3: Fee categories and eligibility](#))

Note:

The **Smart and Skilled Eligibility Policy** outlines the acceptable evidence for Smart and Skilled eligibility.

At enrolment, a student declaration is acceptable where a form of evidence is required to be sighted or collected by the Provider. The required evidence, however, must be sighted or collected by the Provider prior to submitting Training Activity Data for an enrolled student who has commenced to ensure the student is charged the appropriate fee.

Requirement	Evidence	Evidence requirements	
Previous qualification vs first qualification fee			
1.	Previous qualification	<ul style="list-style-type: none"> Department's system may check against Smart and Skilled records and/or USI academic transcript records. 	Student declaration/signature at enrolment
Concession fee eligibility:			
2.	Concession Fee: Commonwealth Government Benefit Recipient	<ul style="list-style-type: none"> a letter from the Department of Human Services (Centrelink) confirming receipt of the benefit. The letter should clearly show the Centrelink Reference Number (CRN) and the benefit or allowance category; or a current concession card that shows the CRN and clearly shows the benefit or allowance category; or a current Centrelink income statement that clearly shows the CRN and the benefit or allowance category; or any other evidence that clearly shows the CRN and the benefit or allowance category; or documentary evidence from the Department of Veterans' Affairs stating their pension/benefits status; or for people applying for Austudy or Youth Allowance, an approval letter from Centrelink that shows the CRN and indicates that commencement date of their benefit is within two weeks of their enrolment or two weeks within the date of the first class attendance or participation in training 	Evidence sighted or collected by Provider
3.	Concession Fee: Dependant of Commonwealth Government Benefit Recipient	<ul style="list-style-type: none"> A dependant child, spouse or partner of someone who is receiving a specified Commonwealth Government benefit or allowance, must provide documentary evidence that Centrelink recognises the student as the dependant <p>The evidence must clearly show the CRN of the benefit or Commonwealth Government benefit recipient.</p>	Evidence sighted or collected by Provider
Exemptions, waivers and fee-free training eligibility:			
4.	Fee Exemption: Aboriginal person or Torres Strait Islander person	N/A	Student declaration/signature

Requirement	Evidence	Evidence requirements
5.	Fee Exemption: Person with Disability	Evidence sighted or collected by Provider
6.	Fee Exemption: Dependant of a person with a disability	Evidence sighted or collected by Provider
7.	Fee Waiver: Refugee or Asylum Seeker (and their Partners)	Evidence sighted or collected by Provider
8.	Fee-free training - Fee-free Scholarship (Concession eligible)	Student declaration/signature at enrolment

Requirement	Evidence	Evidence requirements	
9.	Fee-free training - Fee-Free Scholarship (Out-of-Home Care eligible)	<p>For a student currently in out-of-home care:</p> <ul style="list-style-type: none"> • A copy of the Children's Court Care Order, or • A copy of the 'Confirmation of Placement' letter, or • A letter from Family and Community Services or the Out-of-Home Care Designated Agency verifying that the student is in statutory or supported care, or • Any other evidence which clearly shows that the student is in out-of-home care. <p>For a student previously in out-of-home care:</p> <ul style="list-style-type: none"> • A copy of the expired Children's Court Care Order, or • A copy of the 'leaving care' letter from the Minister for Family and Community Services, or • A letter from Family and Community Services verifying the student was previously in statutory or supported care, or • Any other evidence which clearly shows that the student was previously in out-of-home care. 	Evidence sighted or collected by Provider
10.	Fee-free training - Fee-Free Scholarship (Domestic and Family Violence eligible)	<p>A letter of recommendation is required from a domestic and family violence service, refuge or other support agency such as:</p> <ul style="list-style-type: none"> • Legal Aid NSW through their Women's Domestic Violence Court Advocacy Services, or • Organisations who provide Integrated Domestic Family Violence Services, or • Organisations who provide <i>Staying Home, Leaving Violence</i> services, or • Organisations who deliver Specialist Homelessness Services (i.e. refuges and crisis accommodation), or • Domestic Violence NSW, or • Any other organisation which clearly shows that the student is or has been previously receiving support services for domestic and family violence (for example a non-government organisation or charity that is self-funded). 	Evidence sighted or collected by Provider
11.	Fee-free training - Fee-free Apprenticeships	<ul style="list-style-type: none"> • Date of commencement of Smart and Skilled training must be 1 July 2018 or later <p>For additional information, refer to Appendix 4: Fee-free Apprenticeships</p>	Student declaration/signature at enrolment
12.	Fee-free training – Fee-free Traineeships	<ul style="list-style-type: none"> • Date of commencement of Smart and Skilled training must be 1 January 2020 or later <p>For additional information, refer to Appendix 5: Fee-free Traineeships</p>	Student declaration/signature at enrolment
13.	NSW Fee Free	N/A	Smart and Skilled eligible student enrolled in a NSW Fee Free qualification
14.	NSW Fee Free – Veteran	<ul style="list-style-type: none"> • DVA White Card. 	Evidence sighted or collected by Provider
15.	NSW Fee Free – Veteran's Recognised Partner (includes Spouse, Recognised Defacto or Ex-Spouse/Recognised Defacto)	<ul style="list-style-type: none"> • Statutory Declaration 	Evidence sighted or collected by Provider

Requirement	Evidence	Evidence requirements
Loading to Provider: Evidence Requirements		
16.	Needs Loading: Aboriginal person or Torres Strait Islander person	<ul style="list-style-type: none"> A student that meets eligibility/evidence requirements for a fee exemption based on being Aboriginal or Torres Strait Islander person will automatically attract a loading (as per requirement 4)
17.	Needs Loading: Person with Disability	<ul style="list-style-type: none"> A student that meets eligibility/evidence requirements for a fee exemption based on disability will automatically attract a loading (as per requirement 5). <p>Dependants of a recipient of a Disability Support Pension do not attract a loading.</p>
18.	Needs: Long-term unemployed person – over 12 months	<ul style="list-style-type: none"> A letter from Employment Service Provider is required.
20.	Location Loading: Residential address – regional or remote	Evidence sighted or collected of any Commonwealth, NSW Government or local council issued document providing evidence of living location

NOTE:

- Where the evidence provided by the student is a copy of the original, the copy must be certified by a person who is on the list of approved witnesses who can verify documents. A list of which is available at the Commonwealth Attorney General's Department website at: www.ag.gov.au/Publications/Pages/Statutorydeclarationsignatorylist.aspx

Students who are inmates with NSW Corrective Services

Students who are inmates in NSW correctional facilities do not have access to many of the documents required to allow the Provider to assess program or fee eligibility.

NSW Corrective Services records information in the Offender Integrated Management System (OIMS) which can verify:

- Smart and skilled Eligibility:
 - Living or working in NSW
 - Citizenship: Australian citizen, New Zealand citizen and permanent Australian resident
 - Refugee or Asylum seeker
- Concession, exemptions, fee-free scholarship and other fee-free training eligibility:
 - Commonwealth benefit status
 - Disability status
 - Domestic and Family Violence status
 - Refugee or Asylum seeker – as above

Providers must make arrangements with the correctional facility on how information to support eligibility will be accessed/sighted. The sighting of information recorded on OIMS is deemed as sufficient evidence, however must be recorded by the Provider as per note 2 above.

Appendix 2: Specified Commonwealth Government benefits and allowances for concession fees

Commonwealth Government benefits and allowances	
Age Pension	Austudy
Carer Payment (see comment below)	Disability Support Pension
Farm Household Allowance	Family Tax Benefit Part A (maximum rate)
JobSeeker Payment	Parenting Payment (Single)
Special Benefit	Veterans' Affairs Pensions
Veterans' Children Education Scheme	Widow Allowance
Youth Allowance	

Comments:

- A NSW Apprentice on a JobSeeker Payment or a NSW Apprentice who is the dependant of a person receiving a JobSeeker Payment is not eligible for a concession fee.
- A NSW New Entrant Trainee on a JobSeeker Payment or a NSW New Entrant who is the dependant of a person receiving a JobSeeker Payment is not eligible for a concession fee.
- The Carer Payment is a specific benefit paid by the Commonwealth Government; this category does not include the Carer Allowance or Carer Adjustment Payment.

Changes to Commonwealth benefits and allowances affecting Smart and Skilled concession fees - JobSeeker Payment

From 20 March 2020, the Commonwealth Government introduced a new JobSeeker Payment as the main working age payment for people between 22 years old to Age Pension age. As a result, five current working age payments eligible for a concession fee under Smart and Skilled will be progressively consolidated or ceased.

Four payments which have ceased from 20 March 2020 and have been replaced by the new JobSeeker Payment are:

- Newstart Allowance.
- Wife Pension.
- Sickness Allowance.
- Widow B Pension.

The Widow Allowance, which also attracts a concession fee, will transition in 2022 as recipients reach Age Pension age.

Appendix 3: Eligibility for Smart and Skilled Fee-Free Scholarships

To be eligible for a Smart and Skilled Fee-Free Scholarship, a student must first meet the rules for the relevant program. A Smart and Skilled eligible student undertaking a full qualification up to and including Certificate IV may be eligible for a Smart and Skilled Fee-Free Scholarship if they are:

- aged between 15 and 30 (inclusive) at the start date for training and eligible for a concession fee (i.e. a Commonwealth Government benefit recipient); or
- meet the Out-of-Home Care definition at the time of enrolment and are:
 - aged 15-17 years and currently in out-of-home care, or
 - aged 18-30 years and previously in out-of-home care; or
- aged 15 and over, and be able to disclose (self-declare) at enrolment that they meet the domestic and family violence definition below.

A student is eligible for one scholarship per financial year and a maximum of two scholarships over four financial years. There is a limit of 50,000 Smart and Skilled Fee-Free Scholarships per financial year. This limit does not apply to a student who meets the fee-free criteria who are living in social housing in NSW or on the NSW Housing Register (waiting list); or a student who meets the out-of-home care criteria for a fee-free scholarship.

Social Housing definition

For the purposes of the Smart and Skilled Fee-Free Scholarship scheme, “NSW Social Housing” includes tenants of:

- public housing (owned and managed by the NSW Government or managed by a community housing provider)
- community housing (owned and/or managed by community housing providers)
- Aboriginal housing (owned and/or managed by the Aboriginal Housing Office (AHO) and Aboriginal Community Housing Providers)
- clients receiving crisis accommodation/supported accommodation (Specialist Homelessness Services)
- clients receiving private rental assistance funded by Department of Communities and Justice (for example: private rental subsidy, rental bond loans, tenancy guarantees)

Out-of-Home Care definition

The term ‘out-of-home care’ is defined in section 135 of the *Children and Young Persons (Care and Protection) Act 1985* and refers to children or young people who are cared for by a person other than their parent, in a place that is not their usual home. Children and young people enter out-of-home care because they are in need of care and protection. There are two main types of out-of-home care:

- **Statutory care** - where the Children’s Court has made a Care Order placing the child or young person in the parental responsibility of the Minister for Families and Communities
- **Supported care** - where the Secretary of the Department of Communities and Justice forms the opinion that the child or young person is in need of care and protection.

Children and young people in out-of-home care usually reside with relative/kinship carers, foster carers or in residential care services. It is up to Training Providers to ensure the student understands what is meant by the terms “social housing” and “out-of-home care”.

Domestic and family violence definition

For the purposes of the Smart and Skilled Fee-Free Scholarship scheme, people who have experienced or are experiencing domestic and family violence or their dependants must have a letter of recommendation from a domestic and family violence service, refuge or other support agency.

Appendix 4: Fee-free Apprenticeships

Apprentice eligibility

NSW apprentices, including school based apprentices, who are funded under Smart and Skilled and NSW apprentices funded through the Cross Border Contract, and who commence subsidised training on or after 1 July 2018 are eligible. This includes:

1. Apprentices who commence subsidised training for the first time on or after 1 July 2018; and
2. Apprentices whose apprenticeship is cancelled and subsequently recommence an apprenticeship in the same vocation with a different employer, and recommence subsidised training on or after 1 July 2018
3. Apprentices whose apprenticeship is cancelled and subsequently commence a new apprenticeship in a new vocation with a same/different employer, and commence in subsidised training on or after 1 July 2018
4. An apprentice who has completed an apprenticeship and is undertaking a subsequent apprenticeship and is commencing the subsidised training in the subsequent apprenticeship on or after 1 July 2018

For 2 and 3 above, this means that the apprentice must be awarded CT and/or RPL (where relevant). This must be reflected in the Notification of Enrolment through the Provider Calculator and reported in training activity data through eReporting.

Where this occurs, only the proportion of training that is undertaken after 1 July 2018 for the new apprenticeship qualification is fee-free.

The Provider can validate the apprentice's eligibility with the employer and may also use any other information available to assist in assessing eligibility.

Specific apprentice exclusions from eligibility

A NSW apprentice who commenced subsidised training prior to 1 July 2018 and subsequently, on or after 1 July 2018 recommences their subsidised training:

- a) with the same Provider, and is employed by the same employer and in the same vocation, or
- b) changes Provider and remains party to a training contract with the same employer and in the same vocation,

is not eligible for fee-free training. The apprentice must be granted CT and/or RPL and be subject to reduced fees due to CT and/or RPL.

A student who commenced subsidised training under a School Based Apprenticeship prior to 1 July 2018 and then transitions to a full apprenticeship on or after 1 July 2018 are not eligible for fee-free training for their full apprenticeship.

Legislative requirement

Under the Apprenticeship and Traineeship Act 2011 (NSW), a Provider must develop an apprentice's training plan in conjunction with the employer to ensure their capacity to support the proposed training arrangement. Providers must also report to the Department certain issues in relation to employer performance if identified.

Contractual compliance

The provider must comply with the policy and act in good faith. In particular, a Provider must not withdraw an apprentice who has started training prior to 1 July 2018 and re-enrol them with a start date of 1 July 2018 or later of their own volition or at the request of the employer and or apprentice for the financial gain of one or more parties.

Provider communication about fee free apprenticeships

Clause 1.3 of the Smart and Skilled Operating Guidelines states that the *'The Provider cannot suggest, or allow there to be any misunderstanding, that the Subsidised Training is 'free of charge', discounted or subsidised by the Provider or any other third party'* in relation to any communications about Smart and Skilled.

In communications related to apprenticeship training offered under Smart and Skilled, the Provider should use the following: *You may be eligible for fee free apprenticeship training. [Provider to insert instructions to check eligibility with their organisation.]*

The Department will monitor compliance with this policy, in accordance with clause 13 of the Smart and Skilled Contract Terms and Conditions.

Where the Department identifies a failure to comply with the Smart and Skilled Contract (including policies and operating guidelines), this will be considered an Event of Default which may lead to suspension or termination of a Provider's Smart and Skilled Contract.

Appendix 5: Fee-free Traineeships

Trainee eligibility

NSW trainees, including school based trainees, whose traineeship qualification is funded under Smart and Skilled and who commence subsidised training on or after 1 January 2020 are eligible. This includes:

1. Trainees who commence subsidised training for the first time on or after 1 January 2020.
2. Trainees whose traineeship is cancelled and subsequently recommence a traineeship in the same vocation with a different employer, and recommence subsidised training on or after 1 January 2020.
3. Trainees whose traineeship is cancelled and subsequently commence a new traineeship in a new vocation with the same/different employer, and commence in subsidised training on or after 1 January 2020.
4. A trainee who has completed a traineeship and is undertaking a subsequent traineeship and is commencing the subsidised training in the subsequent traineeship on or after 1 January 2020.

Trainees who fit eligibility category 2 and 3 above, and in some scenarios 4, must be awarded CT and/or RPL (where relevant). This must be reflected in the Notification of Enrolment through the Provider Calculator and reported in training activity data through eReporting.

Where this occurs, only the proportion of training that is commenced and undertaken after 1 January 2020 in the new traineeship qualification is fee-free.

The Provider can validate the trainee's eligibility with the employer and may also use any other information available to assist in assessing eligibility.

Students are eligible for a maximum of three fee-free traineeships under the initiative.

Specific trainee exclusions from eligibility

A NSW trainee who commenced subsidised training prior to 1 January 2020 and subsequently, on or after 1 January 2020 recommences their subsidised training:

- a) with the same provider, and is employed by the same employer and in the same vocation, or
- b) changes provider and remains party to a training contract with the same employer and in the same vocation,

is not eligible for fee-free training. The trainee must be granted CT and/or RPL and be subject to reduced fees due to CT and/or RPL.

Legislative compliance

Under the Apprenticeship and Traineeship Act 2011 (NSW), a Provider must develop a trainee's training plan in conjunction with the employer to ensure their capacity to support the proposed training arrangement. Providers must also report to the Department certain issues in relation to employer performance if identified.

Contractual compliance

The Provider must comply with this policy and act in good faith. In particular, a Provider must not withdraw a trainee who has started training prior to 1 January 2020 and re-enrol them with a start date of 1 January 2020 or later of their own volition or at the request of the employer and/or trainee for the financial gain of one or more parties.

Providers must also not delay commencing students with a planned start date in 2019 until 1 January 2020 or later in order to make them fee free. The Department will monitor compliance with this policy, in accordance with clause 13 of the Smart and Skilled Contract Terms and Conditions.

Where the Department identifies a failure to comply with the Smart and Skilled Contract (including policies and operating guidelines), this will be considered an Event of Default which may lead to suspension or termination of a Provider's Smart and Skilled contract.

Provider communication about fee free traineeships

Clause 1.3 of the Smart and Skilled Operating Guidelines states that the *'The Provider cannot suggest, or allow there to be any misunderstanding, that the Subsidised Training is 'free of charge', discounted or subsidised by the Provider or any other third party'* in relation to any communications about Smart and Skilled.

In communications related to apprenticeship training offered under Smart and Skilled, the Provider should use the following: *You may be eligible for fee free apprenticeship training. [Provider to insert instructions to check eligibility with their organisation.]*

The Department will monitor compliance with this policy, in accordance with clause 1.3 of the Smart and Skilled Contract Terms and Conditions.

Where the Department identifies a failure to comply with the Smart and Skilled Contract (including policies and operating guidelines), this will be considered an Event of Default which may lead to suspension or termination of a Provider's Smart and Skilled Contract.