

Provider e-newsletter—January 2020

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In this edition

Welcome to the December edition of the VET Student Loans Ombudsman newsletter. In this edition we cover:

- VET Student Loans Ombudsman quarterly update July–September 2019
- Student subsidies and concessions
- VET FEE-HELP Student Redress Measures
- Spotlight on managing unreasonable complainant conduct.

VET Student Loans quarterly update

The VET Student Loans quarterly update for July–September 2019 is available [here](#).

This update provides information on the complaints we have received and finalised, as well as common issues that were complained about during the July–September 2019 quarter.



Student subsidies and concessions

Some students who wish to use a VET Student Loan to pay for their course are also eligible for subsidies such as reduced or waived fees. These can vary from state to state, and eligibility can be based on a range of criteria.

Sometimes, we receive complaints from students who believe they were eligible for a subsidised course or concession rate but who did not follow the correct process to apply, or who were not aware of their eligibility at the time.

This has resulted in situations such as students finding that they had larger VET Student Loan debts than they should have due to:

- the subsidy or concession not being applied
- beginning a course and finding out later that they were eligible for a subsidy or concession, or
- applying for a subsidy and not being provided with information on how much this will be, how to apply for it, or whether there will still be a gap fee.

In addition, if an application for a subsidy or concession is declined, the student is then faced with paying the full fee for their course, either up front or as a student loan.

Criteria for concessions and subsidies vary across Australia. Depending on the state or territory the student chooses to study in, there will be different eligibility requirements for reduced fees on VET courses. Eligibility can depend on whether:

- the student holds a Health Care Card or other concession card
- the course of study is being offered at a reduced rate to increase enrolments
- the course is the student's first course of study following completion of Year 12
- the student has a disability, or is of Aboriginal or Torres Strait Islander origin.

To avoid complaints about students missing out on subsidies or concessions to which they are entitled, providers should be aware of the subsidies in their state or territory that are available for the courses they offer, and ensure students entitled to these subsidies are supported to apply.

Providers should also ensure students are made aware of the differences between the VET Student Loan program and the concessions or subsidies schemes available in the relevant state or territory.

Case Study

Luke* came to us to make a complaint about a VET FEE-HELP loan of over \$22,000 that he had discovered when lodging his tax return. He told us that he had no idea how he had accrued the debt, and was concerned that it would affect his tax return. Luke stated that he was seeking to have the debt removed.

We investigated the complaint and found that Luke had previously been enrolled in a dual diploma course through an education broker, but had been told that it would not cost anything. Upon finding out the actual course fees, Luke told us that he immediately withdrew from the course. The provider confirmed this was the case, but said that Luke had withdrawn after the census date, and according to their policies was not eligible for a refund.

Our investigation identified some discrepancies with Luke's Commonwealth Assistance Form, or CAF, that rendered it invalid. For example, the name of the broker was recorded in place of the name of the education provider, and the course number was not identified. As the CAF was the basis upon which Luke's debt had been created, the debt was found to be invalid. We advised the provider of this and they agreed to re-credit the full amount of Luke's VET FEE-HELP debt.

*Identifying information changed for privacy purposes.

VET FEE-HELP Student Redress Measures

On 1 January 2019, the VET FEE-HELP Student Redress Measures came into effect. The measures provide a remedy for students who, due to the inappropriate conduct of their VET provider, incurred debts under the VET FEE-HELP scheme.

Under the redress measures, we assess complaints and decide whether we will make recommendations to the Department of Employment, Skills, Small and Family Business (the department) to remove individual VET FEE-HELP debts.

As at 5 November 2019, the Office had recommended the removal of VET FEE-HELP debts for 2,429 complaints, comprising 16,206 units of study. The total value of this debt was \$43.9 million, including \$36.6 million in tuition fees and \$7.3 million in loan fees.

If you have any questions about this process, you can email us at <mailto:VET.StudentLoans@ombudsman.gov.au>

Spotlight on managing unreasonable complainant conduct

Most complaints are resolved with respectful communication between all parties, but in a small number of cases complainants can exhibit unreasonable behaviour. This can include a range of characteristics including:

- excessive volume of calls or correspondence
- lack of cooperation
- disrespectful language including swearing and shouting
- rude or aggressive conduct
- unrealistic demands
- in extreme cases, physical violence.



These characteristics can be stressful for those dealing with the complainant, however there are strategies that can be used to address these behaviours and still resolve the complaint.



It is important to keep in mind in these cases that it is the complainant's behaviour that is unreasonable, not the complainant themselves. Their behaviour may be a response to their strong feelings about their case, such as feeling dismissed or not taken seriously, that the process is putting them at a disadvantage, or that there is bias involved. It is critical to continue to treat the complaint impartially and on the evidence, regardless of the complainant's behaviour or conduct during the process.

This does not mean that the behaviour needs to be accepted. Some strategies, such as implementing service limits, may be an appropriate way to manage a complainant's behaviour. This can include, where appropriate, putting restrictions around the method or frequency of contact. You may also ask the complainant to summarise lengthy correspondence and include clarification of its relevance.

The Commonwealth Ombudsman has a better practice guide to managing unreasonable complainant conduct, which you can find on our website [here](#).

More information is available at vet.ombudsman.gov.au

Please note: This document is intended as a guide only. For this reason, the information should not be relied on as legal advice or regarded as a substitute for legal advice in individual cases. To the maximum extent permitted by the law, the Commonwealth Ombudsman is not liable to you for any loss or damage suffered as a result of reliance on this document. For the most up-to-date versions of cited Acts, please refer to the [Federal Register of Legislation](#).