

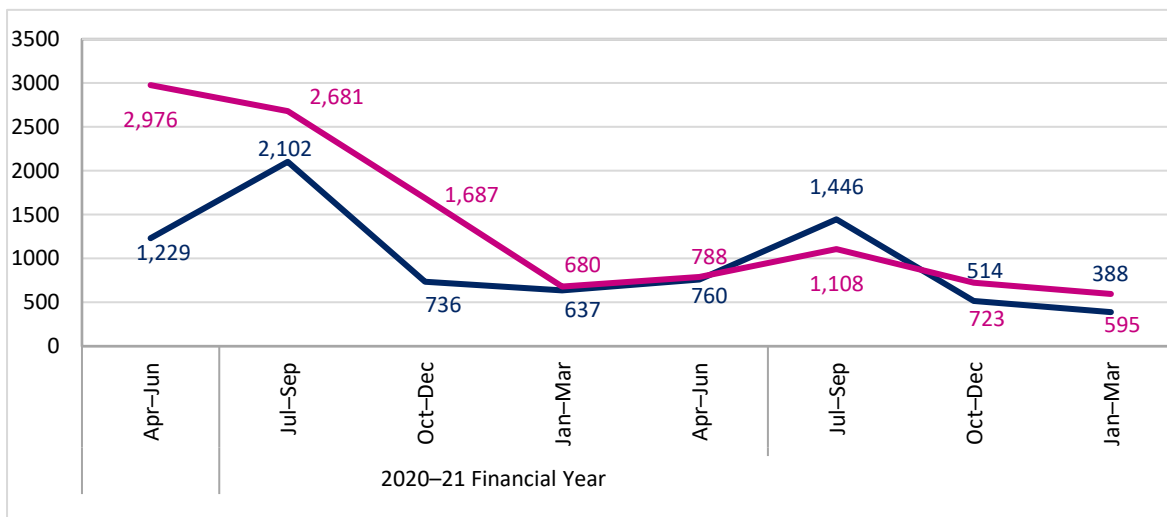
## Quarterly Update: 1 January – 31 March 2022

### VET FEE-HELP

Between 1 January and 31 March 2022, the Office of the Commonwealth Ombudsman (the Office) received 388 VET FEE-HELP complaints. This was a 39 per cent decrease compared to the same period last year, when we received 637 complaints. This is in line with the gradual decline in complaint numbers we have experienced since the peak, around the start of the Student Redress Measures on 1 January 2019. We expect this trend to continue given that most people who are aware that they incurred inappropriate VET FEE-HELP debts have probably already contacted our Office.

During this quarter, we finalised 595 complaints, which was a 12.5 per cent decrease compared to the 680 complaints we finalised in the same period last year. The current caseload includes a high proportion of complaints (39 per cent) about providers who are still operating, which means they are more complex and take longer to finalise.

**Figure 1: VET FEE-HELP complaints received and finalised**



### VET FEE-HELP Student Redress Measures

The [Student Redress Measures](#) will close to new complainants from 1 January 2023. This leaves just over 6 months for eligible complainants with a VET FEE-HELP debt to complain to our Office. A person's awareness of their VET FEE-HELP debt often relies on them interacting with the tax system or being required to start paying their debt when their income increases.

Public awareness of the need to check their VET FEE-HELP debt status before 31 December 2022 continues to be a key part of discussions between the Office and the Department of Education, Skills and Employment (DESE). Efforts to raise awareness include social media campaigns, outreach to financial counselling professional and charitable organisations, signage at Services Australia offices and on various consumer and fair-trading information sites. Similar initiatives will continue until the end of 2022.

On 31 March 2022, the Office had 1,316 open VET FEE-HELP complaints, a 13 per cent decrease compared to 1,521 open complaints on 31 December 2021. The Office is progressing assessments to finalise these outstanding VET FEE-HELP complaints by 31 December 2022.

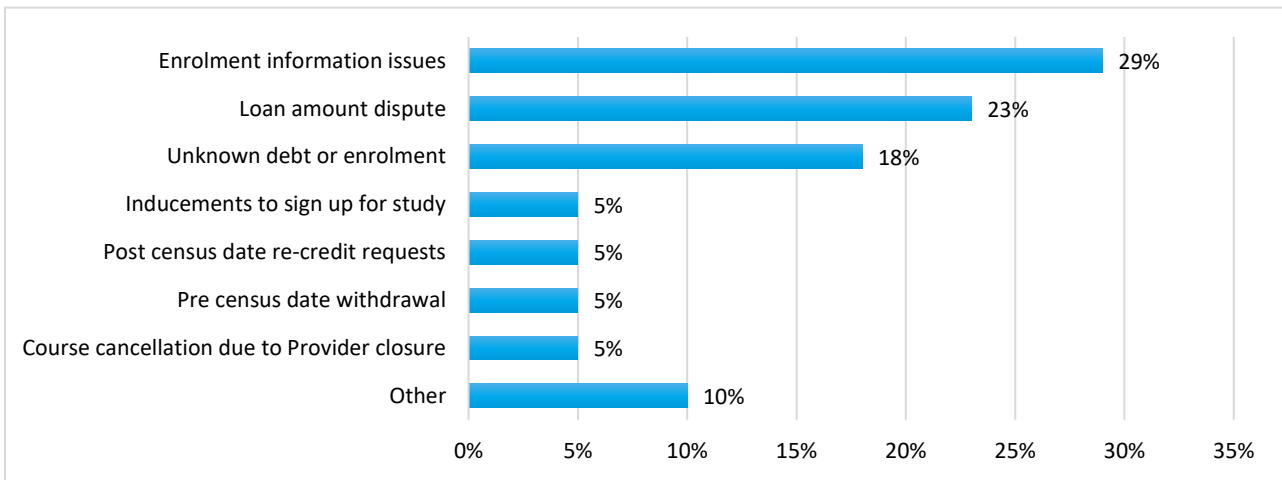
From the start of the measures on 1 January 2019 to 31 March 2022, the Office has recommended DESE re-credit VET FEE-HELP debts for 11,402 complaints comprising 64,817 units of study. The total value of this debt was \$178.59 million, consisting of \$148.98 million in tuition fees and \$29.61 million in loan fees.

In addition to making individual recommendations, the Office works with DESE to develop Secretary Initiated Actions (SIAs). These enable DESE to re-credit debts for multiple students at once and as of 31 March 2022, resulted in more than \$3 billion dollars re-credited to students.

**VET FEE-HELP complaint issues**

**Error! Reference source not found.** 2 shows the type and percentage of all issues we identified in the VET FEE-HELP complaints finalised during the quarter.

**Figure 2: Issues in VET FEE-HELP complaints finalised during 1 January–31 March 2022**



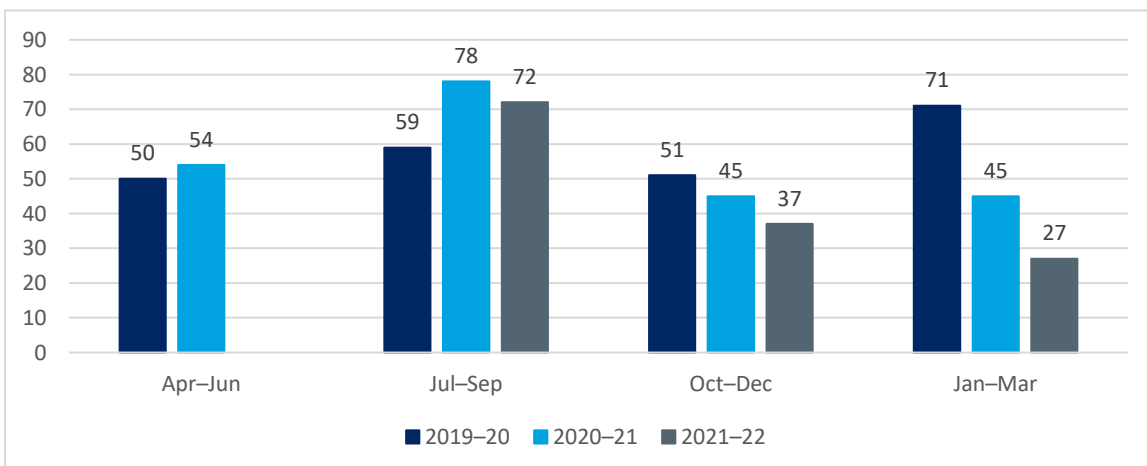
**VET Student Loans**

Between 1 January and 31 March 2022, the Office received 27 complaints about VET Student Loans approved course providers. This was a 40 percent decrease compared to the same period last year, when we received 45 complaints. This decrease was the result of fewer loans being issued as more students were able to access state sponsored courses since COVID-19 began. Furthermore, a single provider caused a high number of complaints in 2021, which did not continue in 2022.

Figure 3 shows the number of complaints the Office received about VET Student Loans providers during each quarter since 1 April 2019.

Complaints to the Office include complaints about operating providers and those that stopped trading. Our approach to handling complaints may vary according to the provider’s trading status.

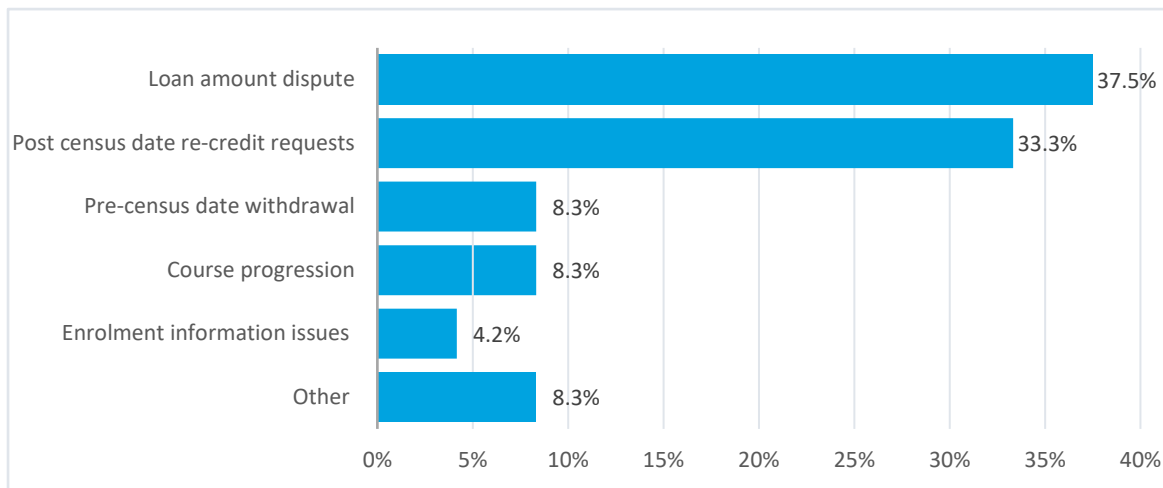
**Figure 3: VET Student Loans complaints received**



## VET Student Loans complaint issues

Figure 4 shows the issues identified in the VET Student Loans complaints the Office finalised during the quarter.

**Figure 4: Issues in VET Student Loans complaints finalised during 1 January–31 March 2022**



### Case Study

A student was part way through their diploma in 2018 when they learned their provider had gone into voluntary administration. The student requested a Statement of Attainment (SOA) and noticed several units they had completed were missing. The Tuition Assurance operator, appointed under Interim Tuition Assurance arrangements, offered the student the opportunity to complete the qualification with a replacement provider. However, the student declined as the replacement provider would only recognise the units listed on their SOA and they did not wish to re-do units they had already completed.

After investigation we concluded the provider had not accurately maintained the integrity of its student records. This resulted in the student accumulating a VSL debt without the benefit of obtaining formal recognition for the units they completed.

With the student's consent, we referred the case to DESE who has the authority to re-credit debts in similar circumstances.

DESE assessed the complaint and decided to re-credit the VSL debt in full under tuition assurance provisions at sections 69 and 70 of the *VET Student Loans Act 2016* (as they applied at the time the debts were incurred).

From 1 January 2020, Government-managed tuition protection arrangements for the VSL program commenced. These arrangements help students in the event of a provider default and are delivered by the Tuition Protection Service (TPS). The arrangements provide for the TPS Director to re-credit a student's loan if a suitable replacement course is not available.

### Information for providers: Committing to a culture that values complaints

The foundation of good complaint handling lies in an organisational culture where staff understand the value of complaints and are committed to delivering a high-quality service. Starting at the executive and modelled throughout the organisation, complaints should be treated as a valuable opportunity to engage with customers and an important source of information about performance. This will drive efficiencies and improve customer relations.

Here are some ways to assist in building a culture that values complaints:

- ✓ Ensure all staff understand their role in managing complaints
- ✓ Use staff meetings to talk about complaints, lessons learned, and resulting improvements
- ✓ Recruit suitable staff and provide regular complaint handling training
- ✓ Provide internal processes and guidance material
- ✓ Implement quality assurance and reviews of the complaint handling process.

Further information and tips on effective complaint handling for providers can be found in our [Better Practice Complaint Handling Guide](#).

### Data and glossary of terms

Refer to [Data and glossary summary VET Student Loans Ombudsman quarterly updates](#) for definitions of complaints, issues and other terms. Our data is dynamic and regularly updated. This means there may be minor differences when compared to the last quarterly update. Previous quarterly updates are available on the Ombudsman's [website](#).

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More information is available at [vet.ombudsman.gov.au/how-we-can-help](http://vet.ombudsman.gov.au/how-we-can-help)