# Concessions

This fact sheet provides information about concessions under Skills First.

## Who can get a concession?

### Card holders

You must give a Skills First student a concession on their tuition fees if they hold a current and valid:

- ✓ health care card issued by the Commonwealth
- ✓ pensioner concession card
- ✓ veteran's gold card.

This applies to training at a certificate IV level or below and in skill sets.

### Dependants

A student who is a dependant spouse or dependant child of a card holder is also entitled to a concession.

The dependant is usually listed on the card. If they aren't, ask the student about their dependant relationship to the card holder as part of enrolment. Attach this information to the student's file with the card evidence.

### Asylum seekers

Even if they don't have a concession card, Skills First students enrolled under the Asylum Seeker VET Program are entitled to a concession for training at certificate IV level or below, or in a skill set.

## $ How much can I charge?

You must not charge a concession student any more than 20% of your published standard tuition fee. The standard fee is the amount you'd charge a non-concession student in the same program at the same time. Concession rates apply even if fees are paid by a third party e.g. a job network.

## Our contribution

We'll pay a contribution towards the revenue you lose when you must charge concession rates. This is called the fee concession contribution. You can track your concession activity using the current claim status export report in the 'claims' section of SVTS.

We calculate the fee concession contribution by multiplying:

The scheduled hours you're entitled to be paid

**by the lesser of**

4 times the hourly tuition fee paid by the student

**or**

the 'maximum fee concession contribution per hour' for the program in the funded programs report

See the scenarios in attachment 1 for examples of how we calculate the fee concession contribution payment.

### When we don't pay a contribution

You don't have to grant a concession on non-tuition fees (for example, materials fees). If you do, we don't pay a concession contribution for it.

You can charge any student lower or zero tuition fees if you choose, for example, if they're in financial hardship. But we only pay a fee concession contribution if the student has a concession entitlement.

## Checking entitlement

### Check before training starts

You must check a student's concession entitlement before their training starts. Do this as part of the enrolment process.

### Concession applies for the full program

Once you've checked the student is entitled to a concession as part of enrolment, it applies to all tuition fees for the program. This applies even if:

- you don't charge all fees for the program in one instance (for example, you charge per year, semester or subject)
- the card will expire before training starts
- the card will expire before the program ends.

### Grace period

If a student can't show you their concession as part of enrolment, you can allow a grace period for them to show it after training starts.

If you allow a grace period, you need to confirm that the concession was current on or before the date training started. Keep a record of this for audit or review.

You must have a documented business process for how you apply a grace period. We suggest your business process should:

- specify the maximum time you will allow for the grace period, and if you will allow for any exceptions to this. For example, where there is significant delay in Centrelink processing the student's application for a concession.
- contain your procedure for checking and retaining a record of the evidence of concession's start date. That way, all staff are clear about requirements.
- cover how you explain to students how the grace period works.

### If a student becomes eligible later

**If you don't charge all fees in one instance**

If a student gets a new concession entitlement during their training, they can bring it to you, and you must give them the concession rate for any fees you haven't charged them yet.

You must tell students about this opportunity to get a fee concession later.

**If you do charge all fees in one instance**

If a student who paid all their fees at the start of their program gets a new concession entitlement, you can choose to apply the concession to any subjects they haven't yet started.

This is at your discretion, and it should be part of a documented business process.

If you do this, you will need to re-calculate the tuition fees for those subjects and provide any refund owing to the student. Provide the student with updated fee information.

## Protecting student privacy

The customer reference number (CRN) on Commonwealth-issued concessions is a very sensitive form of personal information.

A CRN can't be changed if it is subject to a security breach, unlike other forms of identity evidence where a new card or document number can be issued.

To protect student privacy, **don't** keep a copy of the CRN for the purpose of evidencing Skills First concession entitlement. Instead, sight it and retain a declaration.

Only keep a copy of the CRN if you must do so for other purposes, for example when using Centrelink confirmation e-services.

# How to sight and retain evidence

There are 3 options for sighting and retaining evidence of concession.

| Sight | Retain |
|---|---|
| 1. Either:<br>• the original card<br>• correspondence from the card issuer confirming they can start claiming their entitlement<br>• the concession card displayed on a Digital Wallet through a Centrelink Express Plus mobile app. | A written declaration stating you've sighted the evidence showing the:<br>• name of your authorised delegate who sighted the evidence<br>• date the evidence was sighted<br>• concession holder's name<br>• card type.<br>**Don't** keep a copy of the CRN |
| 2. A record from Centrelink confirmation e-services | An extract showing the date it was made and card type. |
| 3. Confirmation the student's name and concession card number match a current and valid record of a concession entitlement in the Document Verification Service (DVS).<br>The DVS doesn't show what type of concession card the student holds or if they are a dependant, so ask the student as part of your enrolment process. | A transaction record that shows:<br>• the concession holder's name<br>• that their name and card number were verified to match a current and valid concession entitlement in the DVS.<br>Also retain a record of the card type and the student's relationship to the cardholder if they're a dependant. |

# Reporting

There are 2 key reporting fields for reporting concession:

- Fee concession/exemption type identifier, which identifies the fee concession you granted.
- Client tuition fee, which records in cents, the hourly fee charged to the student – that is, the concession amount you charged them.

Make sure you keep reporting the students' concession status if their training continues into a new data collection year. This is to make sure we pay you the concession contribution.

The scenarios in attachment 1 show how we use this data to calculate your fee concession contribution payment.

## Attachment 1 - fee concession contribution scenarios

In these scenarios, training providers A and B both deliver the Certificate IV in Music but charge different fees and deliver different scheduled hours. This table shows how we determine the concession contribution per hour.

| | Scenario 1 - we pay based on 4x the concession rate for the hourly tuition fee | Scenario 2 - we pay based on the maximum concession contribution amount listed in the FPR |
|---|---|---|
| **Standard tuition information** | **Training provider A**<br>Standard tuition fee: $3,230<br>Scheduled hours: 700 | **Training provider B**<br>Standard tuition fee: $4,015<br>Scheduled hours: 730 |
| **Concession tuition** | Concession tuition fee: $646 (20% of $3,230)<br>Hourly concession rate = $0.92 (646 ÷ 700) | Concession tuition fee: $803 (20% of $4,015)<br>Hourly concession rate = $1.10 ($803 ÷ 730) |
| **Reporting the concession** | Use fee exemption/ concession type identifier '**H**' to let us know the student has a health care card.<br>Report the $0.92 rate in cents in the client tuition fee field in the NAT120 file, formatted as: **00092.** | Use fee exemption/ concession type identifier '**H**' to let us know the student has a health care card.<br>Report the $1.10 rate in cents in the client tuition fee field in the NAT120 file, formatted as: **00110** |
| **How we determine the concession contribution** | We compare the maximum concession contribution amount listed in the funded programs report to 4x the concession rate for the hourly tuition fee. The **lesser value is the amount we pay:**<br>Maximum concession contribution per hour in the funded programs report: $4.26<br>4x the concession rate for the hourly tuition fee: $3.68 ($0.92 × 4)<br>Therefore, we'll pay training provider A a concession contribution based on 4x the concession rate for the hourly tuition fee - **$3.68 per the scheduled hours.** | We compare the maximum concession contribution amount listed in the funded programs report to 4x the concession rate for the hourly tuition fee. The **lesser value is the amount we pay:**<br>Maximum fee concession contribution per hour in the funded programs report: $4.26<br>4x the concession rate for the hourly tuition fee: $4.40 ($1.10 × 4)<br>Therefore, we'll pay training provider B a concession contribution based on the maximum concession contribution amount listed in the funded programs report - **$4.26 per the scheduled hours.** |