NSW Department of Education

Smart and Skilled Fee Administration Policy

Version 6.0

For the 2026-27 contract period



Acknowledgement of Country

We recognise the Ongoing Custodians of the lands and waterways where we work and live. We pay respect to Elders past and present as ongoing teachers of knowledge, songlines and stories.

We strive to ensure every Aboriginal and Torres Strait Islander learner in NSW achieves their potential through education.

We advise this resource may contain images, or names of deceased persons in photographs or historical content.

Smart and Skilled Fee Administration Policy

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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 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: Since 1 July 2023, foundation skills qualifications are 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 Student Eligibility Policy.
- The NSW Skills List.
- The Schedule of Prices and Fees.
- The Declaring Student Status after Enrolment Policy.
- Any other relevant Smart and Skilled policy documents.

The NSW Skills List indicates 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 Student 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***.

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 various categories of student fees are also explained in detail in **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 **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 student fees. See **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 **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 **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 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.

3. Fee categories and eligibility

The student fee categories are:

1. Standard Student fees
    a. First Qualification
    b. Subsequent Qualification
2. Concession fees
3. Exemptions and fee free scholarships for eligible student cohorts
4. 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 Unique Student Identifier (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.

Any qualification completed overseas, whether formally recognised in Australia or not, is considered a previous post-school qualification.

The 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 enrols in another Smart and Skilled qualification (except an apprenticeship or traineeship), the student will be charged the 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 foundation skills qualifications
- any other qualification (up to and including Certificate III) that is aimed at developing foundation skills as identified in the National Foundation Skills Strategy (core skills or competencies that underpin workforce participation, productivity, and social inclusion), including:
    - English language, literacy, numeracy and digital (LLND) – listening, speaking, reading, writing, numeracy (the use of mathematical ideas) and digital literacy
    - Employability skills, such as initiative and innovation, planning and organising, problem solving and teamwork.

Under the NSW Government's Fee free Apprenticeship and Traineeship initiative, NSW apprentices and trainees whose training is funded under Smart and Skilled do not pay a fee. The qualification they undertake as part of their apprenticeship or traineeship is fully subsidised by the NSW Government.

3.2 Concession fees

A concession fee is a discounted fee for a student who meets the criteria outlined below. A concession 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.

3.3 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 when the relevant criteria is met:

i. an Aboriginal or Torres Strait Islander person
ii. a student with a disability
iii. a dependent child, spouse or partner of a recipient of a Disability Support Pension
iv. a refugee or asylum seeker (and eligible partners) – for training up to and including Certificate IV
v. a 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 are 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

- supplies documentary evidence that is assessed by the Provider and demonstrates a clear additional need because 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 dependant of a person with disability will be eligible for a fee exemption based on this category. These students will need to provide documentary evidence to show they are a dependent 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: Acceptable evidence for fee categories and loadings.** Students will need to provide evidence of their visa documentation, or documentation such as an ImmiCard where appropriate.

A waiver must be applied to an eligible enrolment to access funding under this initiative.

(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 can provide the required evidence (see **Appendix 1: Acceptable evidence for fee categories and loadings**) that 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 (see **Appendix 3: Eligibility for Smart and Skilled Fee free Scholarships**) 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
- are aged 15 and over and meet the domestic and family violence definition (see **Appendix 3: Eligibility for Smart and Skilled Fee free Scholarships**).
    - Students can self-declare that they meet the domestic and family violence definition at enrolment without providing evidence. However, evidence must be provided within 12 months or before the completion of training, whichever is sooner. Providers should ensure the student understands that they may be required to pay the student fee if evidence is not provided.
- A waiver must be applied to an eligible enrolment to make training fee free for students in Out of Home Care and people who are experiencing domestic or family violence. Please see note on waivers at Evidence of eligibility for further information.

3.4 Fee free courses and programs

In addition to fee free training arrangements for apprentices and trainees through the Fee free Apprenticeships and Traineeships Initiatives, fee free training is also available at the course and program level for:

i. the Targeted Priorities Prevocational 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 who meets the standard Smart and Skilled eligibility criteria will not be charged a fee for training in a full qualification that is identified as foundation skills on the NSW Skills List. This group includes the FSK Training Package and selected accredited courses.

(iii) NSW Fee Free initiative

Subject to the availability of fee free places (i.e., places are limited and may be exhausted during the commencement period), students who meet the standard Smart and Skilled eligibility criteria are eligible for the NSW Fee Free initiative. NSW Fee Free will apply to training in a qualification that is identified as a NSW Fee Free priority on the NSW Skills List, where:

- the enrolment date is the day after a Provider accepts their Review Notice, or later
- commencement period is from 1 July 2026 to 31 December 2026.

A waiver must be applied to an eligible enrolment to access funding under this initiative.

Note: NSW Fee Free waivers should not be applied to a student that is entitled to a fee exemption or fee free scholarship as detailed under **Exemptions and fee free scholarships for eligible student cohorts,** the Fee Free Apprenticeship Initiative or the Fee Free Traineeship Initiative.

Note: Fee exemptions, fee concessions, fee waivers and fee free scholarships should be applied by providers in accordance with the hierarchy detailed in **Hierarchy of fee exemptions, concessions, scholarships and waivers.**

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.

4. Determining the applicable student fee

4.1 Validation of student eligibility and fee

The Provider must use the Smart and Skilled 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 **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 **Credit transfer (CT) and recognition of prior learning (RPL)** for more information.

A Student Fee Estimator is available on the Skills NSW website at the link: https://skills.education.nsw.gov.au/. Once a course has been selected, students can 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 Smart and Skilled 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 request 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 of verification that confirm sighting 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) Veteran Gold 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)).

Note: The Provider is expected to check that the student is eligible for the relevant fee category at the time of enrolment. Waivers should only be applied for students eligible for that waiver. When enrolling the student and undertaking the Notification of Enrolment process, it is the Provider's responsibility to ensure the correct eligibility information is provided and the waiver is applied correctly to ensure that the student is not adversely impacted.

Approval of requests to apply a waiver retrospectively for an eligible student after the completion of the Notification of Enrolment is at the department's discretion.

4.3 Hierarchy of fee exemptions, concessions, scholarships and waivers

If a student qualifies for more than one fee exemption, concession, scholarship or waiver, the provider must apply them in the priority order set out below:

Priority	Fee exemption / fee concession category	Notes
1	Fee Exemption: Aboriginal person or Torres Strait Islander person	Exemption automatically applies to eligible students.
2	Fee Exemption: Person with Disability Fee Exemption: Dependant of a person with a disability	Exemption automatically applies to eligible students.
3	Fee free training - Fee free Scholarship (Concession eligible)	Scholarship automatically applies to eligible students.
4	Fee free training - Fee free Scholarship (Out-of-Home Care eligible) Fee free training - Fee free Scholarship (Domestic and Family Violence eligible) Fee Waiver: Refugee or Asylum Seeker (and their Partner)	Waiver must be manually applied. Do **not** apply this waiver if the student qualifies for any category in Priority 1–3.
5	Fee free training - Fee free Apprenticeships Fee free training – Fee free Traineeships NSW Fee Free initiative - identified full qualifications on the NSW Skills list (until 30 Dec 2026)	Waiver must be manually applied. Do **not** apply this waiver if the student qualifies for: • Priority 1 • Priority 2 • A waiver applied under Priority 4

Note: For Fee Free Foundation Skills Qualifications, all students are fee free so no waivers should be applied.

4.4 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,
- abide by the Declaring Student Status after Enrolment Policy (Version 2.0), located in the Support Documents section of STS Online, and
- ensure the relevant fee exemption / fee concession is applied in the correct order as detailed in Hierarchy of fee exemptions, concessions, scholarships and waivers.

4.5 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 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 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 example, 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 example, the reduction is 5 x $200 = $1,000
New Qualification Price	$8,000	$6,400

Field	Student A	Student B
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% of the proportion of UoCs granted RPL
- the variable cost will be reduced by 50% 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 example, 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 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.

4.6 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 the 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, 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.

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. This includes training materials, learning resources and assessment.

For each qualification, the Provider must publish on its website any additional costs that will or may be incurred and ensure that the student is aware of these costs prior to enrolment. Providers must issue receipts for any additional charges collected and retain copies of all receipts.

These requirements apply to full and part qualifications, including single units or modules, delivered 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 Costs not permitted to be charged

Fees for NSW Competency Cards (RSA, RCG, LT and ALT), Food Safety Supervisor certificates and White Cards are already included in the qualification price and must not be charged to students.

Post-training licensing fees are not part of the qualification price. Providers must not charge or pay these fees on behalf of students. Students must pay these costs directly to the relevant licensing body.

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

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 more than the training package rules, see section **Additional fees** 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 below apply.

5.2 Incidental expenses

In limited circumstances, the Provider may charge incidental expenses in addition to the student fee. These expenses are only permitted where the item is optional, becomes the student's personal property, or relates to an activity outside standard training delivery. The provider may charge for:

a. Essential equipment or tools that the student chooses to purchase from the Provider or an external supplier, provided the item becomes the student's personal property, is retained after training, and is not consumed during training.

   Example: *Chef knives, makeup kit, tool kit.*

b. Published learning resources that are non-essential to training delivery, that the student chooses to purchase and retain upon completion of the training.

   Example: Published textbook.

c. An optional item that is not essential for the student to complete 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.*

d. Field trip costs, including food, transport and accommodation, where the field trip forms part of the training.

e. 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 individual property of the student.

   2. The Provider may charge an employer if they request the development of alternative bespoke forms of materials/resources 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: The cost of developing *bespoke* forms of materials or resources (as described in Example 2) is not intended to cover the costs of designing or delivering training that already fits within the existing training package rules. For example, where the employer requests a Provider to deliver an elective unit of competency that exists as part of the training package but that the Provider does not currently offer, the Provider cannot charge the employer additionally to deliver this unit.

Note: A Provider cannot charge additional fees to buy, maintain or upgrade equipment in order to meet a request described in Example 3.

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 textbook 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 textbook 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.

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 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 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.

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 enrols.

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 (Workforce Australia) and the student is a client.

There are no other circumstances in which 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.

Note: As outlined in **Additional fees**, Providers should not charge post-training costs such as licensing fees or competency card costs, nor pay such costs on behalf of students.

6.2 Subcontracting

Where the Provider has a subcontracting arrangement, the subcontractor must not 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 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 qualifications approved for VET Student Loans (or any other Commonwealth Government loan program), 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 enrols in. For example, if a student enrols 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 initial 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 initial 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 more than 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: https://www.asqa.gov.au/resources/guides/users-guide-standards-rtos-2015

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***.

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 Australian Government's Department of Employment and Workplace Relations website at: https://www.dewr.gov.au/vet-student-loans/vet-information-students

Provider information on VET Student Loans is available from: https://www.dewr.gov.au/vet-student-loans/vet-information-providers

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 **3. Fee categories and eligibility**.

Note: The ***Smart and Skilled Student 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	• 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	• a letter from Services Australia (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 • a Department of Veterans' Affairs (DVA) Veteran Gold Card, Pensioner Concession Card or a DVA statement (e.g. from MyService) that the student has been assessed under the Military Rehabilitation and Compensation Act 2004 at 50 or more impairment points; 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 by Provider. Provider to maintain record of sighting evidence.
3.	Concession Fee: Dependant of Commonwealth Government Benefit Recipient	• A dependent child, spouse or partner of someone who is receiving a specified Commonwealth Government benefit or allowance must provide documentary evidence that the student is recognised as a dependant by the relevant agency (e.g. Centrelink). • A student is eligible for concession fee where they can provide DVA Veteran Gold Card in their own name, Pensioner Concession Card or document confirming their dependent status (e.g. from MyService). • A statutory declaration can be used where evidence from Centrelink or the DVA cannot be provided.	Evidence sighted by Provider. Provider to maintain record of sighting evidence.
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	• a letter from Centrelink confirming receipt of the Disability Support Pension. The letter should clearly show the Centrelink Reference Number (CRN); or
		• a current Disability Pensioner Concession Card that shows the CRN; or
		• a current Centrelink income statement for the Disability Support Pension, which clearly shows that income is for the disability pension and shows the CRN; or
		• a completed NSW School Leaver Individual Transition Plan that clearly identifies the student's disability; or
		• any other evidence that clearly shows the CRN and confirms receipt of the Disability Support Pension; or
		• documentary evidence of support demonstrating a clear additional need because of the student's disability. This evidence must be a letter or statement from:
		  • a medical practitioner; or
		  • an appropriate government agency such as Department of Veteran's Affairs or a TAFE NSW teacher consultant (for a student with a disability), a school counsellor or special education coordinator, Centrelink, a Disability Service Provider, or a Job Capacity Assessor; or
		  • a specialist allied health professional (including a rehabilitation counsellor, psychologist, speech pathologist, or occupational therapist).
			Evidence sighted by Provider. Provider to maintain record of sighting evidence.

6.	Fee Exemption: Dependant of a person with a disability	• Documentary evidence that Centrelink recognises the student as a dependent child, spouse or partner of someone who is receiving a Commonwealth Government Disability Support Pension. • The evidence should clearly show the Centrelink Reference Number (CRN) of the Disability Support Pension recipient.	Evidence sighted by Provider. Provider to maintain record of sighting evidence.
7.	Fee Waiver: Refugee or Asylum Seeker (and their Partner)	• Relevant visa documentation; or • ImmiCard (where appropriate) If the student holds a Bridging Visa, the student must provide a document from the Department of Immigration and Border Protection acknowledging that the bridging visa is linked to an application for a humanitarian visa. Note: eligible Partners must also provide evidence that their visa sponsor holds or held one of the eligible humanitarian visas.	Evidence sighted by Provider. Provider to maintain record of sighting evidence.
8.	Fee free training - Fee free Scholarship (Concession eligible)	• As per requirements 2 or 3, Concession Fee eligibility	Student declaration/signature at enrolment
9.	Fee free training - Fee free Scholarship (Out-of-Home Care eligible)	For a student currently in out-of-home care: • A copy of the Children's Court Care Order, or • A copy of the 'Confirmation of Placement' letter, or • A letter from the Department of Communities and Justice (DCJ) 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. For a student previously in out-of-home care: • A copy of the expired Children's Court Care Order, or • A copy of the 'leaving care' letter from the Minister for Families, Communities and Disability Services, or • A letter from DCJ 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 by Provider. Provider to maintain record of sighting evidence.

Requirement		Evidence	Evidence requirements
10.	Fee free training - Fee free Scholarship (Domestic and Family Violence eligible)	Documentary evidence that a student has experienced a domestic and/or family violence incident. The student need only supply one document from the options below: • a domestic violence offence resulting in a conviction or a finding of guilt against a person with whom you have a domestic relationship, or • a current Final Apprehended Domestic Violence Order (ADVO), or a Final Apprehended Domestic Violence Order, or • a court injunction granted because of evidence of domestic and family violence, or • a letter/declaration from one of the following categories of domestic and family violence support services or registered professionals, confirming that the student has experienced a domestic and/or family violence incident: ○ 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 *Staying Home, Leaving Violence* services, or ○ Organisations who deliver specialist homelessness services (i.e. refuges and crisis accommodation), or ○ Domestic Violence NSW, or ○ Any other organisation that provides support services for domestic and family violence (for example a non-government organisation or charity that is self-funded), or ○ A registered health practitioner, including in Aboriginal and Torres Strait Islander health, dental, medical, nursing/midwifery, pharmacy, physiotherapy, psychology, or ○ A registered social worker.	Evidence sighted by Provider within 12 months of enrolment or before completion, whichever is sooner. Provider to maintain record of sighting evidence. A student declaration is sufficient to apply the waiver at time of enrolment.
11.	Fee free training - Fee free Apprenticeships	• Date of commencement of Smart and Skilled training must be 1 July 2018 or later For additional information, refer to Appendix 4: Fee free Apprenticeships	Student declaration/signature at enrolment
12.	Fee free training – Fee free Traineeships	• Date of commencement of Smart and Skilled training must be 1 January 2020 or later For additional information, refer to Appendix 5: Fee free Traineeships	Student declaration/signature at enrolment
Loading to Provider: Evidence Requirements			
13.	Needs Loading: Aboriginal person or Torres Strait Islander person	• 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)	
14.	Needs Loading: Person with Disability	• A student that meets eligibility/evidence requirements for a fee exemption based on disability will automatically attract a loading (as per requirement 5). • Dependants of a recipient of a Disability Support Pension do not attract a loading.	
15.	Needs: Long-term unemployed person – over 12 months	• A letter from an Employment Services Provider is required.	
16.	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. This list is available at the Commonwealth Attorney General's Department website at: https://www.ag.gov.au/legal-system/statutory-declarations/about-commonwealth-statutory-declarations/who-can-witness-commonwealth-statutory-declaration

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.

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

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

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 limited number of Smart and Skilled Fee free Scholarships available per financial year. This limit does not apply to a student who meets the out-of-home care criteria for a fee free scholarship.

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 need 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, Communities and Disability Services
- **Supported care** - where the Secretary of the Department of Communities and Justice forms the opinion that the child or young person needs 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. Providers should ensure the student understands what is meant by the term "out-of-home care".

Domestic and family violence definition

The NSW Department of Communities and Justice website provides guidance about domestic and family violence or abuse:

https://dcj.nsw.gov.au/children-and-families/family-domestic-and-sexual-violence/about-domestic-and-family-violence.html

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, may demonstrate eligibility by supplying one of a range of documents. **See Appendix 1: Acceptable evidence for fee categories and loadings.**

Appendix 4: Fee free Apprenticeships

Apprentice eligibility

A NSW apprentice is eligible for fee free training if they:

- are funded under Smart and Skilled (including school based apprentices and Cross Border apprentices) and
- commence subsidised training on or after 1 July 2018.

This includes:

1. Apprentices who started subsidised training for the first time.

- Apprentices whose apprenticeship is cancelled and who recommence in the same vocation with a different employer, with subsidised training recommencing on or after 1 July 2018.
- Apprentices whose apprenticeship is cancelled and who commence a new apprenticeship in a new vocation with any employer, with subsidised training commencing on or after 1 July 2018 .

2. Apprentices who complete an apprenticeship and start a subsequent apprenticeship, with subsidised training commencing from 1 July 2018.

Additional requirements for points 2 and 3:

- apprentices must be granted CT and/or RPL where relevant
- CT/RPL must be recorded in the Notification of Enrolment and reported through eReporting
- only the proportion of training that is undertaken after 1 July 2018 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:

- with the same Provider, and is employed by the same employer and in the same vocation, or
- 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 is not eligible for fee free training for their full apprenticeship.

Legislative requirement

Under the *Apprenticeship and Traineeship Act 2001 (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. 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 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.

Appendix 5: Fee free Traineeships

Trainee eligibility

A NSW trainee is eligible for fee free training if they:

- are funded under Smart and Skilled (including school-based trainees), and
- commence subsidised training on or after 1 January 2020.

This includes:

1. Trainees starting subsidised training for the first time.
2. Trainees whose traineeship was cancelled and who recommenced in the same vocation with a different employer, with subsidised training recommencing from 1 January 2020.
3. Trainees whose traineeship was cancelled and who started a new traineeship in a new vocation with any employer, with subsidised training commencing from 1 January 2020.
4. Trainees who complete a traineeship and start a subsequent traineeship, with subsidised training in the subsequent traineeship commencing from 1 January 2020.

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:

- with the same provider, and is employed by the same employer and in the same vocation, or
- 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. A Provider must not withdraw a trainee who has started training prior to 1 January 2020 and re-enrol them with a start data 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 to make them fee free. 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.

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.

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E: MarketDesign.Implementation@det.nsw.edu.au

W: https://www.nsw.gov.au/education-and-training/resources/smart-and-skilled-fee-administration-policy

NSW GOVERNMENT