

Concessions

This fact sheet explains the Skills First requirements for concessions, including entitlement, checking and documenting evidence, the contribution from the Department of Education and Training for revenue forgone, and how to report concessions.

Who is entitled to a concession on tuition fees?

Card holders

You must give a Skills First student a concession on their tuition fees for training at a Certificate IV level or below if they hold a current and valid:

- ✓ Health Care Card issued by the Commonwealth
- ✓ Pensioner Concession Card
- ✓ Veteran's Gold Card.

Dependants

A student who is a dependant spouse or dependent child of a card holder is also entitled to a concession. The dependant is usually listed on the card

Other concession entitlements

Even if they don't have a concession card, a student is entitled to a concession if they:

- ✓ self-identify as being of Aboriginal or Torres Strait Islander descent, for training at any level
- ✓ are referred to training under the Asylum Seeker VET Program for training at Certificate IV level or below.

Students can also get a concession if they are eligible to participate in the JobTrainer program. See the fact sheet 'Understanding the new JobTrainer arrangements' for more information.

How much can I charge a concession student?

You must charge a concession student no more than 20% of your published standard tuition fee, being the amount you'd charge a non-concession student in the same program at the same time.

You apply a concession rate for all the hours they've paid tuition fees for - even if their concession entitlement expires before they complete those hours.

Checking evidence of concession

Check before training starts

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

It doesn't matter if the card will expire before the training starts or during the training, as long as it is valid and current when you check it as part of enrolment.

Grace period

If a student can't show you their concession evidence as part of enrolment, you can allow a reasonable grace period for them to show it after training starts. You must have a documented business process for how it is applied.

If you allow a grace period, you must keep a record of the start date or 'valid from' date of the concession card. This is to show the student was entitled to a Fee Concession at the time they started their training.

For the purpose of the grace period, you can determine the start date of a card as follows:

- physical concession card – displays the start date
- Express Plus Centrelink mobile app via its Digital wallet – displays the start date
- Centrelink Confirmation eServices – does not display the start date. However, you can enter a ‘point in time’ check for the last 18 months to find a concession card’s validity on a chosen date.

The Document Verification Services (DVS) does not display the start date.

Rechecking concession

You might need to check the student’s concession again after training starts, depending on how you charge tuition fees.

If you don’t charge all fees for an enrolment in a program in one instance (for example, you charge per semester or subject), you must recheck the student’s concession entitlement when you invoice them for new fees.

If you charge all fees upfront but arrange with the student to pay in instalments (a payment plan), you don’t need to re-check their concession entitlement each time you invoice the student for an instalment amount.

Sighting and retaining evidence of concession

You must sight and retain evidence of a student’s concession entitlement in a way that enables us to confirm it for audit or review purposes.

You must document the date you checked the concession entitlement, showing it was current and valid at the appropriate time.

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

1. Original documents

You can sight the physical card or a letter from the card issuer confirming the student is entitled to a concession.

You must retain a copy and indicate the date you sighted it.

Remember to make sure that your copy shows the:

- concession holder’s name
- card number
- ‘valid from’ or card start date
- expiry date.

2. Digital card

You can sight a concession status displayed on an Express Plus Centrelink mobile app via its Digital wallet. This can’t be a screenshot or reproduced image of the digital card.

A concession card displayed in the Digital wallet is current and valid unless:

- EXPIRED appears across the card
- the card no longer shows up in the Digital wallet.

You’ll need to retain a written declaration on the student’s file that shows the:

- name of the authorised delegate who sighted the card
- date the card was sighted
- concession holder’s name
- card number.

3. Centrelink Confirmation eServices extract

You can extract a record from Centrelink Confirmation eServices.

You’ll need to retain the extract and it must show the:

- date the extract was made
- concession holder’s name
- card number.

4. Document Verification Service (DVS)

To use the DVS, you must engage a Gateway Service Provider. This is an organisation authorised by the Commonwealth Government to match information requests to and from the DVS.

When you use the DVS, you don’t have to sight and retain a copy of the student’s physical card.

You'll need to sight confirmation from the Gateway Service Provider that the card holder's details on their card match a current and valid record in the DVS database. You'll need to retain a transaction record that shows:

- the concession holder's name
- that the name and card number were verified to match a DVS record.

You don't need to keep a paper record of the DVS transaction. An electronic record can usually be kept within the administrative platform provided by the Gateway Service Provider, but if not, you should keep a secure electronic version that can't be easily altered.

The DVS doesn't show what type of concession card the student holds, so you also need to ask the student to give you this information as part of your enrolment process. You must attach a record of this information to their file to verify that it's a type of card we accept.

Our contribution

We will pay a contribution towards the revenue you lose by charging concession rates. This is called the **Fee Concession Contribution**.

You can choose to charge a student lower or zero tuition fees if they are experiencing financial hardship. However, we only pay a Fee Concession Contribution if the student is entitled to a concession.

We calculate the Fee Concession Contribution using this formula:

The number of Scheduled Hours for which you're entitled to be paid Contact Hour Funds for the Skills First Student

MULTIPLIED BY (the lesser of):

Four times the actual hourly tuition fee paid by the student (as reported via the Client Tuition Fee field of the Student Statistical Report).

OR

The 'Maximum Fee Concession Contribution per hour' for the Program, Enrolment Type and relevant concession type as identified in the Funded Programs Report.

Refer to the example scenarios at the end of this fact sheet for more information about how we determine the hourly rate and calculate the Fee Concession Contribution.

Recordkeeping

To support claims for Fee Concession Contribution, your accounts and records must:

- distinguish between fee-for-service income and government-subsidised income
- consist of a separate ledger demonstrating income from, and refunds of, tuition fees
- demonstrate the evidence of concession and the date it was sighted.

Reporting concessions

The two key reporting fields for reporting concession are the:

- Fee Concession/Exemption Type Identifier, which identifies the relevant Fee Concession or Fee Waiver that has been granted
- the Client Tuition Fee, which records in cents, the hourly fee charged to the student – that is, the concession amount you charged them.

You can track your concession activity using the Current Claim Status export report in the 'Claims' section of SVTS.

Resources

- [2022 Guidelines About Fees \(Version 1.0\)](#)
- [Victorian VET Student Statistical Collection Guidelines – 2022 \(Version 1.1\)](#)
- [Fact sheet: Understanding the 2022 JobTrainer arrangements](#)
- Guide to SVTS Claims 2021 (Version 1.1)

Further information

Submit an enquiry via [SVTS](#) using the category 'Skills First VET Funding Contract – Fees and Concessions'.

Example scenarios

Scenario	How do I report?	How is the concession contribution calculated?	What is the contribution?
<p>Training provider Scenario 1</p> <p>I've enrolled a student in Certificate III in Technical Security.</p> <p>The student has a current and valid Health Care Card.</p> <p>There will be 424 scheduled hours of supervised training and assessment (Contact Hours).</p> <p>Our standard tuition fee for this program is \$600.</p> <p>I've charged the student \$120, being 20% of our standard published fee.</p>	<p>Fee Exemption/ Concession Identifier = H (Health Care Card).</p> <p>Convert the \$120 you charged the student to an hourly rate by dividing it by the Contact Hours ($\\$120 \div 424 = \\0.28 / hour).</p> <p>Report this amount in cents in the Client Tuition Fee field in your NAT120 file, formatted as: 00028.</p>	<p>First, we determine the hourly contribution amount. This is done by taking the hourly amount you have charged to the student (\$0.28) and multiplying that by 4 (\$1.12).</p> <p>Then, we check this figure against the Maximum Concession Contribution amount (general concession) per hour for this program in the Funded Programs Report (FPR).</p> <p>Option 1 – If the Maximum Concession Contribution rate published in the FPR is <i>higher</i> than \$1.12, then the contribution will be calculated based on \$1.12 per hour (this is the 80% that was not paid by the student).</p> <p>Option 2 – If the published Maximum Concession Contribution rate is <i>lower</i> than \$1.12 then the contribution will be calculated based on the Maximum Concession Contribution per hour in the FPR.</p> <p>In this case, Option 1 applies as the Maximum Concession Contribution per hour in the FPR is higher at \$2.26, so the Contribution Payment will be based on \$1.12 / hour.</p>	<p>For each Contact Hour reported, you will receive a Concession Contribution payment of:</p> <p>\$1.12 ($00.28 \times 4$) / hour.</p> <p>When, for example, you are paid for 10 Contact hours, you will receive a Concession Contribution payment of \$11.20 ($\\1.12×10 hours).</p>

Scenario	How do I report?	How is the concession contribution calculated?	What is the contribution?
<p>Training provider Scenario 2</p> <p>I've enrolled a student in Certificate IV in Music Industry.</p> <p>The student has a valid and current Veteran's Gold Card.</p> <p>There will be 730 scheduled hours of supervised training and assessment (Contact Hours).</p> <p>Our standard tuition fee for this course is \$3,600.</p> <p>I've charged \$720, being 20% of our Standard Published Fee.</p>	<p>Fee Exemption/ Concession Identifier = V (Veteran Gold Card).</p> <p>Convert the \$720 you charge the student to an hourly rate by dividing it by the Contact Hours ($\\$720 \div 730 = \\$0.99 / \text{hour}$)</p> <p>Report this amount in cents in the Client Tuition Fee field in your NAT120 file, formatted as: 00099.</p>	<p>The hourly contribution amount is determined by taking the hourly amount you have charged to the student (\$0.99) and multiplying that by 4 (\$3.96).</p> <p>Then, we check this figure against the Maximum Concession Contribution amount (general concession) per hour for this program in the Funded Programs Report (FPR).</p> <p>Option 1 –If the Maximum Concession Contribution rate published in the FPR is <i>higher</i> than \$3.96, then the contribution will be calculated based on \$3.96 (this is the 80% that was not paid by the student).</p> <p>Option 2 –If the published Maximum Concession Contribution rate is <i>lower</i> than \$3.96 then the contribution will be calculated based on the Maximum Concession Contribution per hour in the FPR.</p> <p>In this case, scenario 2 applies as the Maximum Concession Contribution per hour in the FPR is lower at \$3.06, so the Contribution Payment will be based on \$3.06 / hour.</p>	<p>For each Contact Hour reported, you will receive a Concession Contribution payment of:</p> <p>\$3.06 / hour.</p> <p>When, for example, you are paid for 10 Contact Hours, you will receive a Concession Contribution payment of \$30.60 (\$3.06 x 10 hours).</p>