

Quarterly Update: 1 October-31 December 2021

VET FEE-HELP

Between 1 October and 31 December 2021, the Office of the Commonwealth Ombudsman (the Office) received 513 VET FEE-HELP complaints. This was a 30 per cent decrease compared to the same period last year, when we received 736 complaints.

During this quarter, we finalised 723 complaints, which was a 57 per cent decrease compared to the 1687 complaints we finalised in the same period last year. The current caseload includes a high proportion of complaints (40 per cent) about providers that are still operating, which means they are more complex and take longer to finalise.

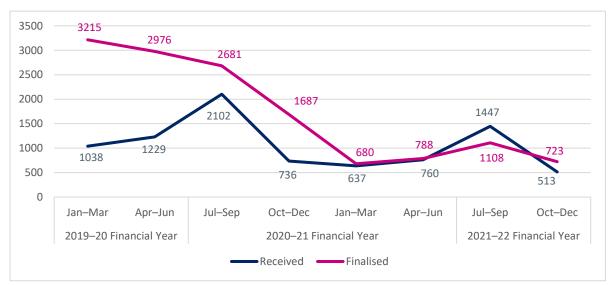


Figure 1: VET FEE-HELP complaints received and finalised

VET FEE-HELP Student Redress Measures

The <u>Student Redress Measures</u> will close to new complainants from 1 January 2023. There is a risk that some eligible complainants may miss the deadline to have their debt considered under the Redress Measures because they are not aware they have a VET FEE-HELP debt or do not know they can make a complaint to our Office. The Office continues to discuss with the Department of Education, Skills and Employment (DESE) ways to raise awareness of the Office's role in handling these complaints and highlight the importance of students contacting the Office by 31 December 2022.

As of 31 December 2021, the Office had recommended DESE re-credit VET FEE-HELP debts for 11,196 complaints comprising 63,940 units of study. The total value of this debt was \$175.14 million, consisting of \$146.10 million in tuition fees and \$29.03 million in loan fees.

In addition to making individual recommendations, the Office continues to work with DESE to develop Secretary Initiated Actions (SIAs). These enable DESE to make re-credits for multiple students at once and as of 31 December 2021, resulted in more than \$3 billion dollars being re-credited to students.

On 31 December 2021, the Office had 1,521 open VET FEE-HELP complaints, a 22 per cent increase compared to 1,247 open complaints on 30 September 2021. The Office is investing additional resources to progress these assessments and finalise more VET FEE-HELP complaints.

VET FEE-HELP complaint issues

Figure 2 shows the type and percentage of all issues we identified in the VET FEE-HELP complaints we finalised during the quarter.

33% Loan amount dispute Unknown debt or enrolment 21% **Enrolment information issues** 18% Post census date re-credit requests 6% Pre-census date withdrawal 4% Course cancellation due to Provider closure 4% Inducements to sign up for study 3% Other 11% 15% 20% 25% 30% 35% 0% 5% 10% Percentage of all issues recorded in finalised complaints

Figure 2: Issues in VET FEE-HELP complaints finalised during 1 October-31 December 2021

VET Student Loans

Between 1 October and 31 December 2021, the Office received 37 complaints about VET Student Loans approved course providers. This was an 18 percent decrease compared to the same period last year, when we received 45 complaints.

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

Complaints to the Office include complaints about providers that are open and providers that stopped trading. Our approach to handling complaints may vary according to the provider's trading status.

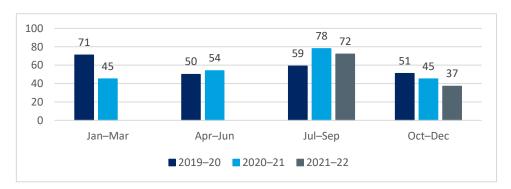


Figure 3: VET Student Loans complaints received

VET Student Loans complaint issues

Inability to access provider grievance procedure

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

Post census date re-credit requests

Loan amount dispute

Unknown debt or enrolment

Pre-census date withdrawal

Debt refund not actioned by provider

Enroment information issues

Figure 4: Issues in VET Student Loans complaints finalised during 1 October-31 December 2021

Complaint management tips for providers: acknowledging complaints

Other

A clear, well timed contact to acknowledge a complaint sets the scene for the overall complaint experience and reduces the risk of student dissatisfaction. In the complaints about providers we handle, we often identify mistakes at this early stage which impact the relationship and/or exacerbate the central complaint.

6%

8%

Percentage of all issues recorded in finalised complaints

10%

12%

Sometimes providers do not give an acknowledgement, which results in the student repeatedly contacting their provider or seeking support from our Office. Other times, the student's expectations are not managed, and they are dissatisfied when they do not receive a quick outcome or discover the outcome they hoped for was not possible or practical.

Here are some simple ways to smooth your complaints process with good acknowledgements:

- Wherever possible, acknowledge the complaint within 2 business days and provide a reference number.
- Include details about how and when the student should provide any further information regarding their complaint.
- Explain the complaint process, including:
 - o the likely timeframes for contacting the complainant again and resolving the complaint, and
 - o possible outcomes.
- Provide contact details, preferably including the name of a contact person.

Further information can be found in the Office's <u>VSL Code of Practice</u> and <u>Better Practice Complaint Handling Guide</u>.

18%

Case Study: Special circumstances complaint

When enrolling in a diploma a student disclosed to the provider they had a mental health condition. They subsequently complained to the provider, saying they were unable to complete their diploma because the provider did not give them adequate support. The student was seeking a full reimbursement of their VET Student Loan under the provider's special circumstances policy, but the provider refused the request.

The student contacted our Office after they completed the provider's grievance process, saying they thought the decision was unfair.

The provider advised us it was aware of the student's mental health condition and, to meet its obligations, it attempted to establish a support plan for them. It advised the student did not return the requested documentation for the support plan and, in fact, asked not to receive any special treatment.

The provider advised repeated absenteeism impacted the student's ability to complete the required work and provided our Office with records showing its staff offered supportive interventions to the student including catch-up classes, meetings to discuss course progression and a 6-month deferral. Although the student accepted some of the interventions, they did not complete the requirements of their enrolled units and did not provide medical evidence to support all their absences.

Ultimately the provider determined that the student did not meet the requirements for special circumstances and denied their re-credit request. Instead, it offered to support the student to return and complete their diploma under the guidance of another teacher.

The student disputed the provider's statements that they did not supply the requested medical documentation or that appropriate support was offered.

Our assessment of the complaint focused on whether the provider correctly followed its own internal policies and procedures, and whether these were consistent with legislation. We concluded that the provider's offer of deferral and support to the student to complete their studies was a reasonable response to the student's circumstances and concerns.

Data and glossary of terms

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

More information is available at vet.ombudsman.gov.au/how-we-can-help