



VET Student Loans (VSL Tuition Protection Levy) (Risk Rated Premium and Special Tuition Protection Components) Determination 2025

I, Tanya Benton-Hall, Acting VSL Tuition Protection Director, make this determination.

Dated 23 July 2025

Tanya Benton-Hall
Acting VSL Tuition Protection Director

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Part 1—Introduction

1 Name

This instrument is the *VET Student Loans (VSL Tuition Protection Levy) (Risk Rated Premium and Special Tuition Protection Components) Determination 2025*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

| Commencement information | | |
|--------------------------|---------------|--------------|
| Column 1 | Column 2 | Column 3 |
| Provisions | Commencement | Date/Details |
| 1. Parts 1 to 3 | 31 July 2025 | |
| 2. Schedule 1 | 1 August 2025 | |

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under section 13 of the *VET Student Loans (VSL Tuition Protection Levy) Act 2020*.

4 Definitions

Note: A number of expressions used in this instrument are defined in section 5 of the Act, including the following:

- (a) leviable provider;
- (b) risk rated premium component;
- (c) special tuition protection component;
- (d) year.

- (1) In this instrument:

Act means the *VET Student Loans (VSL Tuition Protection Levy) Act 2020*.

approved course provider charge has the same meaning as in the *VET Student Loans (Charges) Act 2016*.

financial statement means the statement provided by a leviable provider to the Secretary in accordance with section 52 of the *VET Student Loans Act 2016* and section 113 of the *VET Student Loans Rules 2016* for the financial year ending on a date in 2024.

risk management purposes means purposes relating to a leviable provider's ability to comply with, or continue to comply with, the requirements of their registration, where the regulator takes a risk management approach and determines a shorter renewal period is warranted.

Note: A leviable provider's registration may be renewed for a period less than the maximum period allowed for reasons that are not due to risk management. For example, where an entity changes its name and so must be re-registered and the existing registration end date is retained.

statement of general information means information or documents given by a leviable provider to the Secretary in accordance with a notice given under section 53 of the *VET Student Loans Act 2016*.

(2) An expression used in this instrument that is also used in the *VET Student Loans Act 2016* has the same meaning as in that Act.

5 Schedules

Each instrument that is specified in a Schedule to this instrument is repealed as set out in the applicable items in the Schedule concerned.

Part 2—Risk rated premium component

6 Risk rated premium component

- (1) The amount for the purposes of step 1 of the method statement in subsection 11(2) of the Act is \$6.00
- (2) The percentage for the purposes of step 2 of the method statement in subsection 11(2) of the Act is 0.13%.
- (3) For the purposes of step 4 of the method statement in subsection 11(2) of the Act, the following risk factors are specified:
 - (a) financial strength risk factor;
 - (b) completion rate risk factor;
 - (c) non-compliance history and registration renewal risk factor.

7 Risk factor – financial strength

Risk factor value

- (1) For the purposes of step 4 of the method statement in subsection 11(2) of the Act, the risk factor value for the financial strength risk factor for a leviable provider is:
 - (a) if the provider did not submit its financial statement (except in the circumstances outlined in paragraph (b))—2.5;
 - (b) if the provider was not required to submit a financial statement—0.0;
 - (c) if the provider submitted its financial statement—to be worked out in accordance with the following table:

| Financial Strength | | |
|--------------------|--|-----------------------------------|
| Column 1 | Column 2 | Column 3 |
| Item | If the financial strength score of the provider, as determined under subsections (2) and (3) is... | then, the risk factor value is... |
| 1 | 9 | 0.0 |
| 2 | 6 or 7.5 | 1.0 |
| 3 | 3 or 4.5 | 2.0 |

Determining the financial strength score

- (2) A leviable provider's financial strength score is the sum of the following scores:
 - (a) return on assets score;
 - (b) debt to equity score.

- (3) For the purposes of subsection (2), the scores are worked out in accordance with the table below:

| Ratio | Formula | Low | Medium | High |
|------------------|---|---|--|--|
| Return on assets | $\left[\frac{\text{NPBT}}{\text{Total assets}} \right]$ | less than or equal to 0.0 | greater than 0.0 but less than or equal to 0.1 | greater than 0.1 |
| Debt to equity | $\left[\frac{\text{Total liabilities}}{\text{Total equity}} \right]$ | greater than or equal to 2.5; or if the total equity is less than or equal to 0.0 | less than 2.5 but greater than or equal to 1.5 | less than 1.5 but greater than or equal to 0.0 |
| Score | | 1.5 | 3.0 | 4.5 |

where:

NPBT means the net profit before tax as stated or derived from the financial statement.

Total assets means the total assets as stated or derived from the financial statement.

Total equity means the total equity as stated or derived from the financial statement.

Total liabilities means the total liabilities as stated or derived from the financial statement.

8 Risk factor – completion rate

Risk factor value

- (1) For the purposes of step 4 of the method statement in subsection 11(2) of the Act, the risk factor value for the completion rate risk factor for a leviable provider is:
- if the provider did not report any units of study for the calendar year beginning on 1 January 2024 (previous calendar year) in its statement of general information—0.0;
 - otherwise—the risk factor value is set out in the following table:

| Completion Rate | | |
|-----------------|---|-----------------------------------|
| Column 1 | Column 2 | Column 3 |
| Item | If a leviable provider's completion rate percentage, as determined under subsection (2) is... | then, the risk factor value is... |
| 1 | 85% or more | 0.0 |
| 2 | 60% or more but less than 85% | 1.0 |
| 3 | 35% or more but less than 60% | 2.5 |
| 4 | 0% or more but less than 35% | 3.5 |

Determining the completion rate percentage

(3) A leviable provider's completion rate percentage is worked out using the formula:

$$\frac{\text{Passed EFTSL}}{\text{Passed EFTSL} + \text{Failed EFTSL} + \text{Ongoing EFTSL} + \text{Data Missing EFTSL}} \times 100$$

where:

Data missing EFTSL means the total EFTSL value for units of study with a census date in the previous calendar year for which no unit of study completion status has been reported by the provider in the provider's statement of general information.

EFTSL has the same meaning given by subsections (3) and (4).

EFTSL value, of a unit of study, has the meaning given by subsections (5), (6) and (7).

Failed EFTSL means the total EFTSL value for units of study with a census date in the previous calendar year reported by the provider as having a unit of study completion status of 'failed' in the provider's statement of general information.

Ongoing EFTSL means the total EFTSL value for units of study with a census date in the previous calendar year reported by the provider as having a unit of study completion status of 'unit of study to be commenced later in the year or still in process of completing or completion status not yet determined' in the provider's statement of general information.

Passed EFTSL means the total EFTSL value for units of study with a census date in the previous calendar year reported by the provider as having a unit of study completion status of 'successfully completed all the requirements' in the provider's statement of general information.

Note: For the definition of statement of general information, see section 4.

Meaning of EFTSL

- (3) An **EFTSL** is an equivalent full-time student load for a year. It is a measure, in respect of a course, of the study load for a year of a student undertaking that course of study on a full-time basis.
- (4) A particular amount of EFTSL is an amount of study, undertaken with an approved course provider as part of a course, represented by units of study with EFTSL values the sum of which equals that amount.

Meaning of EFTSL value

- (5) The **EFTSL value** of a unit of study is the value that the approved course provider with which the unit may be undertaken determines in writing to be the EFTSL value of the unit, expressed as a fraction of one EFTSL.
- (6) If the unit can form part of more than one course, the provider may determine an EFTSL value of the unit for each such course.

- (7) If a unit of study is subject to separate determinations in relation to different courses, a reference in this instrument to the EFTSL value of the unit is, when the unit forms part of such a course, a reference to the EFTSL value of the unit determined under subsection (6) for the course.

9 Risk factor – non-compliance history and registration renewal

Risk factor value

- (1) For the purposes of step 4 of the method statement in subsection 11(2) of the Act, subject to subsection (2), the risk factor value for the non-compliance history and registration renewal risk factor for a leviable provider is set out in the following table:

| Non-compliance history and registration renewal | | |
|---|--|-----------------------------------|
| Column 1 | Column 2 | Column 3 |
| Item | If a leviable provider... | then, the risk factor value is... |
| 1 | has a weighted late payment measure of 30 days or more, as worked out under subsection (3) | 2.0 |
| 2 | has a weighted late payment measure of 15 days or more but less than 30 days, as worked out under subsection (3) | 0.9 |
| 3 | has a weighted late payment measure of 1 day or more but less than 15 days, as worked out under subsection (3) | 0.7 |
| 4 | has a weighted late payment measure of less than 1 day, as worked out in accordance with subsection (3) | 0.0 |
| 5 | i. applied under section 16 of the <i>National Vocational Education and Training Regulator Act 2011</i> to renew the leviable provider's registration and, for risk management purposes, the period of registration set out in the most recent notice given to that provider under section 18 of that Act is less than the maximum period specified in subsection 17(5); or ii. applied under section 4.3.15 of the <i>Education Training and Reform Act 2006</i> (Vic) to renew the leviable provider's registration and, for risk management purposes, the most | 1.0 |

| Non-compliance history and registration renewal | | |
|---|---|-----------------------------------|
| Column 1 | Column 2 | Column 3 |
| Item | If a leviable provider... | then, the risk factor value is... |
| | <p>recent period of registration granted by the Authority under that Act in respect of that provider is less than the maximum term specified in section 4.3.18 of that Act; or</p> <p>iii. applied under regulation 16 of the <i>Vocational Education and Training (General) Regulations 2009</i> (WA) to renew the leviable provider's registration and, for risk management purposes, the period of registration set out in the most recent registration document given under regulation 12(7) of those Regulations is less than the maximum period specified in regulation 14.</p> | |
| 6 | <p>i. applied under section 16 of the <i>National Vocational Education and Training Regulator Act 2011</i> to renew the leviable provider's registration and the period for which the registration was renewed is the maximum period as specified in subsection 17(5); or</p> <p>ii. applied under section 4.3.15 of the <i>Education Training and Reform Act 2006</i> (Vic) to renew the leviable provider's registration and the period for which the registration was renewed is the maximum period as specified in section 4.3.18 of that Act; or</p> <p>iii. applied under regulation 16 of the <i>Vocational Education and Training (General) Regulations 2009</i> (WA) to renew the leviable provider's registration and the</p> | 0.0 |

| Non-compliance history and registration renewal | | |
|---|--|-----------------------------------|
| Column 1 | Column 2 | Column 3 |
| Item | If a leviable provider... | then, the risk factor value is... |
| | period for which the registration was renewed is the maximum period as specified in regulation 14. | |

- (2) Where more than one item in the table at subsection (1) applies, the risk factor value for the non-compliance history and registration renewal risk factor for a leviable provider is the sum of the applicable risk factor values in column 3 of the table in subsection (1).

Working out the weighted late payment measure

- (3) A leviable provider's weighted late payment measure is worked out by adding the results of the calculations in the following paragraphs:
- (a) for 2024, work out $0.7 \times [VSLPC + VSLTPL]$
 - (b) for 2023, work out $0.2 \times [VSLPC + VSLTPL]$
 - (c) for 2022, work out $0.1 \times [VSLPC + VSLTPL]$

where:

VSLPC, for a year, means:

- (a) the number of days after the due date on which the approved course provider charge for that year was received; or
- (b) if payment of the approved course provider charge was received on or before the due date—zero; or
- (c) if the approved course provider charge was not payable—zero.

VSLTPL, for a year, means:

- (a) the number of days after the due date on which the VSL tuition protection levy for that year was received; or
- (b) if payment of the VSL tuition protection levy was received on or before the due date—zero; or
- (c) if the VSL tuition protection levy was not payable—zero.

Part 3—Special tuition protection component

10 Special tuition protection component

The percentage for the purposes of subsection 12(2) of the Act is 0.10%.

Schedule 1—Repeals

VET Student Loans (VSL Tuition Protection Levy)(Risk Rated Premium and Special Tuition Protection Components) Determination 2024

1 The whole of the instrument

Repeal the instrument.