



# Private Rental Aboriginal Assistance Loan (PRAAL) Policy

## Purpose

This document outlines the conditions under which a PRAAL will be granted to an applicant and the obligations of the recipient if it is granted.

The PRAAL scheme is a Department of Communities (**Communities**) initiative that aims to prevent homelessness by providing an interest free loan to help Indigenous Australians pay their rental arrears where they are at risk of losing their private rental tenancy.

## Scope

This policy applies to applicants of the PRAAL Scheme.

## Policy Statements

### The Loan

1. The assistance provided by PRAAL is an interest-free loan of up to (but not exceeding) six weeks' rental arrears for a current private rental tenancy.
2. PRAAL approval is wholly at the discretion of Communities.
3. The approved loan amount will be paid directly to the lessor (or authorised agent) on behalf of the PRAAL recipient.

### Eligibility

4. To be eligible for a PRAAL applicants must:
  - be an Indigenous Australian or have an Indigenous Australian child/family member in the household;
  - be income and asset eligible for a Bond Assistance Loan;
  - reside in private rental accommodation (not community housing or public housing);
  - be a signatory to the Tenancy Agreement and contribute to the weekly rent; and

- reside in a household at risk of eviction with a minimum of two weeks and a maximum of six weeks' rental arrears.
5. Applicants must provide consent for Communities to provide information to and receive information from the lessor (or authorised agent) in relation to the loan provided and the tenancy to which it relates.

## Existing Debt

6. Applicants with existing debt to Communities or a history of default may be refused a PRAAL.

## Loan Repayment

7. Recipients must enter into an arrangement to repay the loan at the time of loan approval. Any arrangement for the household to share responsibility for the debt is a private matter between the recipient and members of the household.
8. Communities has the right to set the terms of the repayment arrangement.
9. Failure to repay the loan in accordance with the loan agreement may result in the debt being referred to a commercial debt collection agency.

## Definitions

Term	Definition
Bond Assistance Loan	An interest-free loan provided by Communities to eligible applicants for bond and rent-in-advance (or part thereof) to help them obtain accommodation in the private rental market.
Communities	The Department of Communities, including the Housing Authority, the Department for Child Protection and Family Services, the Disability Services Commission and other entities.
Default	Failure to meet the legal obligations or conditions of a loan; failure to maintain a payment or repayment arrangement.
Indigenous Australian	A person of Aboriginal or Torres Strait Islander descent who identifies as an Aboriginal or Torres Strait Islander person and is accepted as such by the community in which they live, or formerly lived.
Lessor	A person or group who grants a lease; a landlord.

## Related Legislation

- *Housing Act 1980*

- *Residential Tenancies Act 1987*
- *Residential Tenancies Regulations 1989*

## Related Communities Policies

- Bond Assistance Loan Policy

## Document Control

<b>Version Number</b>	1.0
<b>Publication date</b>	[month / year]