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Rationale

Housing is a scarce resource. Application assessment, approval and allocation to a waiting list must be done fairly, transparently and within a contestable policy framework.

Scope

This policy and process applies to all applicants for housing owned and managed by MRAC, all MRAC waiting lists and includes current tenants applying for a transfer.

Related documents

Applying for MRAC Housing Fact Sheet
MRAC Housing application
Complaints & Appeals Fact Sheet and Appeals Form
Waiting list Management Policy
Housing Size Guidelines (Part of Waiting List Management Policy)
Standard applicant letters attached.

Underpinning principles

MRAC provides affordable, quality, and suitable properties to eligible First Nation people and their families.

MRAC has no income eligibility limits for two main reasons:

- An income eligibility limit precludes Aboriginal families from economic participation. Their decision is either to improve their financial wellbeing or keep their housing. This is a poverty trap and in conjunction with the item below, severely disadvantages Aboriginal people.
- Aboriginal people face systemic disadvantage in the private rental market whether due to their Aboriginality, the size of their family, the number of extended family that reside with them, or the perceptions of private landlords around Aboriginal people, and/or their cultural obligations.

MRAC has no asset eligibility limits apart from property ownership. This does not include owning a block of land or a property that cannot be accessed for legal or other verifiable reasons; for instance, the applicant owns a small percentage of the property, property ownership is subject to a Family Court hearing or Order, or the property is uninhabitable.

Property ownership in another location or in another State or Territory that may or may not be used by extended family is not exempt property for the purposes of this policy.

As MRAC is a small housing provider with no other recurrent funding, the needs of Aboriginal applicants must also be balanced with the Corporation's need to provide a sustainable and viable housing program.

This means at times MRAC will not approve housing applications from applicants that have repeated and ongoing failed tenancies. The costs are prohibitive and often result in large uncollected debts that a corporation this size cannot carry.

In making this assessment, MRAC balances the needs of all Aboriginal tenants and applicants against the need of an individual applicant with multiple failed tenancies.

The above applies to all properties owned by MRAC.

Where the Department of Communities (**Department**) has an interest in a property managed by MRAC, the Department's income and asset eligibility criteria is applied.

Legislative Provisions and Applicable Policy

Residential Tenancies Act 1987

Residential Tenancies Regulations 1989

For Department of Communities interest properties, the below policies are applicable:

- Community Housing Income and Asset Limits (CHIAL) Policy, 2020, Department of Communities Western Australia
- Social Housing Band A Income Eligibility Limits 2020, Department of Communities Western Australia.
- Community Housing Rent Setting Policy, 2009, Department of Communities Western Australia
- Community Housing Allocations Policy (CHAP), 2010 Department of Communities Western Australia

Introduction

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Section 1 - Housing eligibility

All applicants must be able to:

- Live independently;

- Manage their tenancy obligations including paying rent and any other tenancy charges regularly and on time;
- Care for the property they live in; and
- Make sure their behaviour and that of their household members and their visitors does not negatively impact on their neighbours.

All applicants must meet the following eligibility criteria for their application to be approved to the waiting list.

The above is applicable to all housing owned and managed by MRAC.

1.1 - Aboriginality

All applicants must be:

- Aboriginal or Torres Strait Islander or
- Be a non-Aboriginal person with custody of Aboriginal children.

In some circumstances where the applicant does not know their cultural group, or is from another part of Australia, they may be asked to provide proof of Aboriginality. If they are unable to do so, an application for Confirmation of Aboriginality can be made to the MRAC Board to consider at their next meeting. Where the Board is unable to confirm Aboriginality, the applicant will be asked to provide proof of Aboriginality from another verifiable source.

Joint applicants where one applicant is not Aboriginal will be considered, however only the Aboriginal applicant will be signed to the Residential Tenancy Agreement.

No discretion can be applied to this criterion.

The above is applicable to all housing owned and managed by MRAC.

1.2 - Residency

Applicants must be resident in the area they are applying for housing for a period of six months. There is discretion to accept applications from non-resident applicants depending on their circumstances; for instance, health needs, employment or demonstrated links to family.

The above is applicable to all housing owned and managed by MRAC.

1.3 – Rental History

Applicants are required to provide two rental references from former landlords (including Department of Communities Housing), sign relevant consent forms for MRAC to undertake reference checks and provide reference contact information.

Applicants with a poor tenancy history will not be offered housing. A poor tenancy history is defined as a failed tenancy with more than one issue. Tenancy issues include rent and other arrears, excessive property damage, anti-social behaviour, and proven drug dealing or trafficking. This criterion does not exclude drug users.

If an applicant has a failed tenancy, their application will not be approved. Applicants have the opportunity to lodge an appeal against this decision. The CEO has discretion to approve an exemption to this but only in limited circumstances.

Where discretion is applied for a failed tenancy, applicants must agree to participate in the Step-Up Program for an initial six month period when housed to contribute to converting the tenancy to a successful one.

Where applicants have no rental references apart from family, they will also need to agree to participate in the Step-Up Program to contribute to the success of the tenancy.

The above is applicable to all housing owned by MRAC.

1.4 – Outstanding debt

If the applicant has outstanding debt from a prior tenancy but otherwise a good tenancy record, the applicant can enter a repayment agreement whilst they wait to be housed.

Regular repayments for six months are required before MRAC will consider housing.

If the debt is to another landlord including Department of Communities Housing, regular repayments of that debt must be maintained for six months before MRAC will consider housing the applicant.

MRAC reserves the right to request proof of the repayment.

The CEO has some discretion to waive the debt repayment requirement where the applicant is participating in the Step-Up program and/or has attended 'Money Business' offered through Regional Alliance West.

The above is applicable to all housing owned by MRAC.

1.5 – Affordability, income, and assets eligibility

Affordability is based on 25% of income plus Commonwealth rent assistance for applicants on Centrelink and up to 30% of net income after tax for other applicants.

Applicants that do not meet affordability benchmarks may be offered a more affordable housing option but will not be offered housing that will place them in financial stress.

MRAC does not have an income eligibility criteria but any applicant that owns a property other than vacant land, an uninhabitable house, or a property unable to be accessed for legal reasons, is ineligible for MRAC housing. There is limited minimal discretion on this criterion.

The above is applicable to all housing owned by MRAC.

MRAC managed housing for Department of Communities; (through caveat or head lease), all applicants must be eligible for current social housing income and assets limits. These applicants will have income related tenancy agreements and rent is charged based on income.

1.6 – Special needs and housing exclusions

Homelessness or impending homelessness

Homeless or impending homeless applicants are normally assessed under the complex needs assessment of this policy.

MRAC implemented a time limited priority housing waiting list. From 15 October 2022, this list has now closed and priority housing is no longer be offered.

Applicants presenting under this category must be referred to the Step-Up program for advice and appropriate referral for other immediate housing options.

Complex needs assessment

Applicants with complex needs including those who are homeless, with challenging mental health issues, and/or serious drug and alcohol issues are not offered housing unless there is a documented support network and case management plan in place.

Family violence assessment

Women, and women and children escaping family violence also need a support network in place and will not be offered housing unless they have waited their turn on the waiting list. Their support network can be close family.

There is discretion to offer housing if there is evidence the family will be safe and secure, can manage their tenancy, and a suitable vacancy is available.

Family reunification assessment

Applicants with children in care of Child Protection seeking family reunification will have their individual circumstances assessed at the time of housing approval and when their application comes to the top of the waiting list.

MRAC will work with the applicant/s and Child Protection to achieve a sustainable housing outcome for the family if a support plan is in place,.

Note: There is often an issue with affordability with these housing allocations as the applicant will not receive parenting and/or child related payments until they have housing. These applicants do not then meet housing affordability guidelines unless they are working. These applicants can be referred to Step-Up and are strongly encouraged to apply for Department of Communities Housing.

Disability and medical housing assessment

People with disabilities and medical issues can be housed by MRAC subject to the extent of the disability and/or whether MRAC housing can substantially improve the applicant's condition.

MRAC will not make disability modifications to any property but may approve modifications, subject to what those modifications are; i.e., the property can still be used for housing future applicants, and it is funded externally to MRAC. This excludes grab rails and, in some instances, ramps, which MRAC may fund.

Existing tenants that require disability modifications or a transfer to manage deteriorating health conditions, will be approved to the out of turn waiting list to ensure that if a suitable property can be purchased or a vacant property modified, those tenant/s have first option on that property.

In all the above cases, appropriate supporting documentation must be supplied to MRAC's satisfaction.

History of drug dealing and/or drug trafficking

Where there is a proven history of drug dealing and/or drug trafficking, applicants will not be approved for MRAC housing. This reflects the Board's decision to take a strong stand against drugs given their impact on community.

This exclusion does not preclude applicants that have a history of drug use however where the drug use may impact on the applicant's ability to manage a tenancy, MRAC may reject the application unless there is a documented support plan in place.

The above is applicable to all housing owned by MRAC.

1.7 – Out of turn housing assessment

Out of turn housing replaces the former priority housing waiting list and covers applicants who:

- Need a specific property type as described under disability and medical assessment referred to in the previous section;
- Need to transfer for stock management purposes to suit MRAC; for instance, where MRAC proposes to sell the property they are in;
- Are assessed as having an urgent housing need that cannot be met by the private rental market or Housing due to the nature of the income type, or specific circumstances including cultural issues; and
- Need an urgent transfer for medical reasons that are fully documented and supported by a medical practitioner or other health professional.

Documentation required.

Two acceptable evidence documents needed apart from stock transfer purposes.

Any applicant needing disability or medical housing must provide supporting evidence from a medical practitioner, or any NDIS assessment, social worker or other recognized and verifiable practitioner.

Any allocation from the out of turn waiting list must be signed off by the CEO. This is a MRAC Board direction.

The above applies to all housing owned by MRAC.

1.8 - Transfer applications

MRAC does not generally accept transfer applications from existing tenants. Some discretion is allowed in the following circumstances:

- Overcrowding;

- Underutilisation;
- Affordability;
- Disability and health;
- Stock management purposes;
- Cross regional transfers subject to the circumstances;
- Applicants housed as entry level who have been advised they can transfer.

The above is applicable to all housing owned by MRAC.

1.9 - Transfer eligibility

MRAC considers the following in relation to eligibility for transfer:

- The application meets one or more eligibility criteria for transfer; and
- A good MRAC tenancy history including property management; and
- Tenant agrees to pay a new bond; and
- Tenant must wait their turn on the waiting list unless the transfer is for urgent health, disability or stock management purposes and a suitable property becomes available.

Cross regional transfers must go on a waiting list however where employment, education, health, and urgent family needs are clearly documented and supported, MRAC may offer a suitable property earlier if one becomes available.

These allocations must be signed off by the CEO.

The above is applicable to all housing owned and managed by MRAC.

1.10 - Adding household members to existing tenancies

MRAC does not allow tenants to add additional household members to tenancy agreements where the household member plans to move into the property or has moved into the property.

Any requests must have be responded to in writing to ensure there is clarity going forward.

This policy ensures that there is no actual or perceived queue jumping, particularly in the context of the current significant housing shortage.

The CEO has discretion to allow new tenants to an application subject to the circumstances; for instance, a family member giving up their own housing to move in and care for a parent. In these circumstances and subject to the property location, a fixed term tenancy must be considered so that the property does not end having a single person living in a three or four bedroom house.

The above is applicable to all housing owned by MRAC.

Section 2 – Housing size guidelines

MRAC actively discourages under and over utilisation of properties.

The principle to be applied on housing size guidelines is that the property must be suitable to the applicant's household composition.

Single applicants on JobSeeker are the only applicants eligible for one bedroom properties due to affordability and the shortage of this stock type.

Other singles on pensions, or couples with or without one child will be approved to the two bedroom waiting list.

Similarly, a single person with two young children can be approved to the two bedroom waiting list subject to the ages and gender of the children.

All other households will be assessed based on the number of adults, the gender and ages of the children including age differences, and affordability considerations.

Where some discretion is applied, for instance; medical equipment, etc., the CEO must sign off approval to the waiting list.

The above is applicable to all housing owned and managed by MRAC.

Section 3 – Application approval process

Administration

All housing applications are registered on Chintaro upon receipt of application. If further documentation needed, Administration follows up with the applicant. Concurrently a TICA search is arranged, and applicant reference checks commenced.

An affordability calculation is completed manually or through the CHIA-WA-Rent-Setting-Calculator to ensure the applicant/s meets affordability benchmarks.

In the event applicants do not provide all the required documentation within six weeks from the registration date, MRAC writes (or emails) the applicant advising that if the applicant fails to provide the necessary documentation within six weeks from registration date, their application will be made ineligible.

If no response, the application is made ineligible with the note insufficient documentation and the applicants will need to commence the application process again.

Finance

Finance reviews applicants to determine if there is a previous MRAC tenancy and the performance of the tenancy and any outstanding debt.

Approval

Fully assessed application are referred to management for final approval. Management determines the type of housing; size, location, growth, rental general, seniors, etc.; and whether the Step-Up Program is a pre requisite for housing.

Administration prepares letter for Management signature, application status on Chintaro updated and the approved application added to the relevant waiting list. (See waiting list management policy.)

If the application is assessed as ineligible, the applicant/s is advised by letter including the reasons for the ineligibility with an appeals process fact sheet and appeals application form included.

The appeal policy allows applicants to appeal a MRAC decision if they believe the decision is not fair or outside policy.

The above is applicable to all housing owned by MRAC.

Section 4 - Suspending MRAC housing applications

MRAC annually contacts applicants with applications older than 12 months to ensure applicants are still interested in MRAC housing and waiting lists are up to date.

If MRAC does not receive a response from the applicant within six weeks, the application is suspended for a two-year period. During that time, if the applicant contacts, their application can be reinstated with their original application registration date.

For more information refer the Waiting List Management Policy.

The above is applicable for all housing owned by MRAC.

Section 5 - Department of Communities Interest Properties

For Department of Communities interest properties all applicants must be registered on the Department's housing waitlist to be eligible for housing and must meet the Department's income and asset eligibility policy.

Allocation to these properties will be made via the Department's waitlist.

The above is applicable for all housing managed by MRAC.

Further processes will be developed when MRAC has a vacancy in any Department of Communities managed property.

Section 5 – Housing application and allocation processes pre 2016

The following informs staff on how application and allocations were managed historically.

An applicant may state they already have an application lodged from many years ago. Please see the information below noting that it was a policy requirement at that time for applicants to contact annually to follow up their applications.

If an applicant states they have had an application since Forrest Street, MRAC premises prior to 1998, and they are not on any MRAC waiting list, they will need to reapply for housing.

Prior to 2016, MRAC's application assessment and housing allocation processes were managed differently.

Major differences

- All applicants needed to contact every 12 months to confirm they were still interested in MRAC housing;
- Applicants were not advised whether their application was approved or not;
- No waiting lists operated. The applicant/s assessed as the most suitable was offered the next vacancy;
- Applications that did not appear to meet eligibility were stored separately and not considered for housing. Applicants were not advised they would not be housed.
- There was no transparency in the process from an applicant's perspective.

This meant MRAC suffered from some reputational damage that applicants were 'cherry picked', or that 'you had to know someone to be housed by MRAC'.

During 2016, MRAC reviewed all stored applications and wrote to all applicants requesting they confirm they were still interested in MRAC housing.

If they were, MRAC requested up to date income and other relevant documentation and undertook a formal assessment.

Where applicants were assessed as eligible, their application waiting list date was applied from the date they originally lodged their applications.

In some instances, this meant that applicants with application effective dates back to 2008 were formally approved and subsequently housed.

Compliance

It is your responsibility to understand and comply with this policy. You will not be excused for a breach of this policy because someone asked you or instructed you to act in a way that breaches this policy. Ignorance will not be accepted as an excuse.

If there is an alleged breach of this policy, MRAC will investigate. If after investigations a breach is confirmed, MRAC may take disciplinary action, which may include a formal warning, suspension, reassignment or demotion, or termination of employment.

Reporting

You are responsible for reporting known or suspected breaches of this policy to your supervisor, manager, or senior manager, including:

- day, date, time, and location of the incident;
- names of the people involved, including witnesses; and
- details of what happened.

If you raise a complaint or disclose an alleged breach of this policy in good faith and following the correct reporting procedures, you will not be disadvantaged or prejudiced. Reports will be dealt with in a timely and confidential manner. Any retaliation or threat made to a person for reporting an alleged breach of this policy will not be tolerated and will be investigated.

Questions

This policy does not cover every possible event or action. There will be circumstances where it is difficult to know what to do. In such cases you are asked to act with caution and common sense and comply with the underlying principles of this policy. If you have any questions or doubts about this policy please direct them to your supervisor, manager, or senior manager.

Variation

MRAC reserves the right to review, vary or revoke this policy at any time. Changes may require a Board of Director's resolution.