

Refugee Airfare/ Assistance Loans Scheme

FUND RULES

Effective date: 1 December 2012

Last revision date: 5 December 2012 (Revision no.: 03)

Last revision approved by: BUV Leadership Team

1. PURPOSE

The purpose of this procedure is to direct the assessment, approval, payment and collection of all Refugee Airfare/ Assistance Loans Scheme [RAALS] loans.

2. SCOPE

This procedure is applicable to all loans issued by RAALS and operates within the guidelines of the RAALS constitution.

3. DEFINITIONS

3.1 Refugee

A person who owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail him/herself of the protection of that country; or who, not having a nationality and being outside the country of his/her former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it.

For the purpose of this procedure a refugee will also be someone issued with a refugee or family reunion visa by the Australian Department of Immigration & Citizenship.

3.2 Asylum-seeker

An individual who is seeking international protection. In countries with individualised refugee status determination procedures, an asylum-seeker is someone whose claim has not yet been finally decided on by the country in which he or she has submitted it. Not every asylum-seeker will ultimately be recognised as a refugee, but every refugee is initially an asylum-seeker.

3.3 Necessitous circumstances

A person is in necessitous circumstances where his or her financial resources are insufficient to obtain all that is necessary, not only for a bare existence, but for a modest standard of living in the Australian community. A strong indicator of this would be where a person's level of income is such that they are eligible to receive income tested government benefits. While a person's level of income is a useful guide, it does not on its own indicate necessitous circumstances. For example, a person whose income level exceeds the welfare limit but who could demonstrate special or unusual circumstances which resulted in a marked lowering in their standard of living causing hardship could still be considered to be in necessitous circumstances.

3.4 Immediate family member

For purposes of this procedure only, a spouse, child, parent, brother or sister of the applicant.

4. MAIN RESPONSIBILITIES

- It is the responsibility of the Leadership Team to approve RAALS loans.
- It is the responsibility of the RAALS Assessment Working Group to assess and recommend loans to the Leadership Team for approval.
- It is the responsibility of the Director Finance & Administration to ensure that loan records are kept.

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5. RULES

5.1 Criteria for applicants

To qualify for a loan, an applicant must be:

- a) A refugee or former refugee and in possession of a refugee or family reunion visa issued by the Australian Department of Immigration and Citizenship
- b) Living in Australia for less than 5 years after being issued with a refugee or family reunion visa
- c) Able to demonstrate that there is no other reasonable means to raise the funds needed
- d) A low income earner such that he/she is eligible to receive income tested government benefits (less than \$350 per week can be used as a guide)
- e) Able to contribute at least 10% of the expense to be covered by the loan (not applicable to vehicle loans)
- f) Able to demonstrate a fixed address in Victoria for at least 6 months
- g) Able to provide a statement of support from a Baptist Church/ Community recommending the applicant and offering support in the event of repayment difficulties

5.2 Loan terms

The following boundaries will apply to all loans:

- a) Not more than \$7,000 being on loan to any one applicant/beneficiary at any one time
- b) Not more than \$7,000 being usually considered for a second hand car loan
- c) Not more than \$2,500 being usually considered for a first month's rent/bond loan
- d) Not more than 25% of the applicant's income being used for loan repayments
- e) No longer than 5 years as a loan term, with 3 years being the preferable maximum
- f) Not more frequent than fortnightly and not less frequent than monthly as repayment basis

5.3 RAALS Assessment Working Group

A RAALS Assessment Working Group shall interview each applicant and prepare a recommendation for approval to the Leadership Team. The Working Group shall consist of 3 people:

- a) BUV NESB Consultant (alternatively BUV Community Engagement Consultant)
- b) RALS Administrator – appointed by the BUV Leadership Team (alternatively BUV Accountant)
- c) Relevant community leader – as determined by the NESB Consultant

5.4 Loan assessments

Within the target population and lending guidelines, the gender, age, disability, sexual preference, race, politics, or religious beliefs of either the applicant or the beneficiary will not influence assessments.

Every effort must be made to ensure that the dignity of the applicant/beneficiary is respected, that confidentiality is maintained, that due process and documentation is observed, that successful applicants fully understand and have a realistic strategy to meet their obligations, and that they understand that meeting their obligations will benefit other refugees.

5.5 Administration and record keeping

No administrative charges will apply for the processing of any RAALS loans.

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It is not intended that the applicant/beneficiary receive loan funds directly. Wherever possible, they are to be directly applied to an invoice or otherwise directed to the relevant entity (travel agent, estate agent, car dealer, etc).

Two accounts will operate:

- An account into which loans are contributed
- An account into which gifts apply

For the purposes of tax deductible status, all gifts or deductible contributions or any kind that are received will be credited solely to this latter account. Repayments will be made by direct debit into the account the relevant loan was made from.

5.6 Complaints

Problems, which cannot be resolved by the immediate parties concerned, may result in complaints. The RAALS Working Group will attempt to address any concerns. If, however, the complainant wishes to go further or is not satisfied with any outcome, then, they may bring the matter in writing to the BUW Leadership Team for resolution.

5.7 Collections

The Finance team will publish a list of overdue repayments on a monthly basis. The NESB Consultant and RAALS Administrator will follow up on overdue payments with borrowers and supporting Churches.

6. APPLICATION PROCEDURE

6.1 Step 1: Provide documentation

Provide potential applicant with instructions and application documentation. Explain instructions and requirements as necessary

6.2 Step 2: Complete application

Applicant complete the application and all the necessary accompanying documents

6.3 Step 3: Interview

Applicant is interviewed by the RAALS Assessment Working Group and the Working Group ensures that all application documents have been provided and completed correctly.

6.4 Step 4: Decision to recommend

The Working Group recommends the application to the Leadership Team, or notifies the applicant that his/her application was not successful. If the application falls outside one of these rules, the recommendation must include a justification to set the relevant rule aside.

6.5 Step 5: Approval

The Leadership Team approves, or rejects the loan and notifies the NESB Consultant of the decision. The NESB Consultant notifies the applicant.

6.6 Step 6: Loan agreement

If the loan was approved, a loan agreement is signed and a direct debit is put in place for loan repayments.

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6.7 Step 7: Payment

Loan payment is made to the applicant

6.8 Step 8: Loan transfer

In exceptional circumstances the original applicant can transfer the loan agreement to the direct beneficiary. This will only be done if the beneficiary is willing and able to enter into a loan agreement for the remaining loan amount and the new loan agreement is approved by the Leadership Team.

7. REVISION HISTORY

Revision date	Revision no.	Summary of changes	Section/s that changed
25-Jul-2006	00	First issue	
18-Jan-2011	01	Scheme widened to include loans other than airfares	Procedural elements removed
31-Oct-2012	02	Comprehensive re-write	Most sections
5-Dec-2012	03	Replace humanitarian visa with family reunion visa. Increase amount for 2 nd hand car loans from \$6,000 to \$7,000. Allow applications to be submitted if they are outside the rules.	3.1; 5.1 5.2 6.4