

# Customer Hardship Policy – Water and Sewerage Services



COUNCIL POLICY	
Reference Number	724337
Responsible Business Unit	Corporate Services
Responsible Officer	General Manager Corporate Services
Legislation	Water Industry Act 2012 Water Industry Guidelines No. 2 (WG2/01) Water Industry Regulations 2012 Water Retail Code – minor and intermediate retailers Australian Standards AS ISO 10002-2006
Relevant Delegations	
Related Policies Management Guidelines Frameworks	Water & Sewerage Retail Services Customer Charter Water & Sewerage Enquiry, Complaints and Dispute Handling Procedure
Link to Strategic Plan	Objective 1.2 - Infrastructure Development
Council resolution	67.3
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## INTRODUCTION

The Rural City of Murray Bridge is committed to assisting **residential customers** of **water** and **sewerage services**, who are experiencing **financial hardship**, to manage their payments in a manner that best suits the **customer**, and ensuring they remain connected to a **retail service**.

### Context

The purpose of this **policy** is to identify **residential customers** who are experiencing payment difficulties due to **hardship**, and assist those **customers** to better manage their bills on an ongoing basis.

### Scope

This **policy** sets out:

- processes to identify **residential customers** experiencing payment difficulties due to **hardship**, including identification by us, self-identification by a **residential customer**, identification by an **accredited financial counsellor**, or welfare agency, and
- an outline of a range of processes or programs that **we** will use, or apply, to assist **our customers** who have been identified as experiencing payment difficulties.

## POLICY OBJECTIVES

This **policy** is based on the customer hardship policy for minor and intermediate retailers, made by the Minister for Communities and Social Inclusion, pursuant to section 37 of the *Water Industry Act 2012*, under a delegation by the Minister for Water and the River Murray, with modification. The modifications contained in this policy have been approved by the Essential Services Commission of South Australia.

## POLICY STATEMENTS

### Identifying residential customers experiencing financial hardship

A **residential customer** experiencing **financial hardship** is someone who is identified by themselves, by **us**, by an **accredited financial counsellor**, or by a welfare agency as having the intention, but not the financial capacity, to make required payments in accordance with **our** payment terms.

There are two types of **financial hardship**: ongoing and temporary. Depending on the type of **hardship** being experienced, **hardship customers** will have different needs and will require different solutions.

**Residential customers** that are identified as experiencing ongoing **hardship** are generally those on low or fixed incomes. These **customers** may require ongoing assistance.

**Residential customers** that may be identified as experiencing temporary **hardship** are those that have experienced a short-term change in circumstances, such as serious illness, disability or death in the family, loss or change in income, separation, divorce or other family crisis, a loss arising from an accident, or some other temporary financial difficulty. These **customers** generally require flexibility and temporary assistance, such as an extension of time to pay or an alternative payment arrangement.

The extent of **hardship** will be determined by either **our** assessment process or by an external body, such as an **accredited financial counsellor**.

Where we assess a **residential customer's** eligibility for **hardship** assistance, we **will** consider indicators including (but not limited to) whether:

- the **customer** is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
- the **customer** is eligible for a South Australian Government concession
- the **customer** has been referred by an **accredited financial counsellor** or welfare agency
- the **customer** advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)

- the **customer's** payment history indicates that they have had difficulty meeting their **retail services** bills in the past
- the **customer**, through self-assessment, has identified their position regarding their ability to pay.

## Assisting residential customers who are experiencing financial hardship

We will inform a **residential customer** of this **customer hardship policy** where:

- it appears to **us** that non-payment of a bill for **retail services** is due to the **customer** experiencing payment difficulties due to **hardship**, or
- **we** are proposing to install a flow restriction device.

Where a **residential customer** has been identified as experiencing **financial hardship**, **we** will offer the **customer**, as soon as is reasonably practicable, flexible and frequent payment options that have regard to the **hardship customer's** usage, capacity to pay and current financial situation. These options will include the following:

- an interest and fee free payment plan which complies with the terms of this policy
- Centrelink's Centrepay service (only where available), or
- other arrangement, under which the **customer** is given more time to pay a bill or to pay in arrears (including any disconnection or restriction charges),

recognising that some **residential customers** have a short-term **financial hardship** issue which may be resolved in the near to medium-term, where others may require a different type of assistance for ongoing financial issues.

**We** will not charge a **residential customer** a reconnection charge where that **customer** is experiencing **financial hardship** and should have been identified as eligible for this **customer hardship policy**, so long as the **customer** agrees to participate in **our hardship program**, upon reconnection.

**We** will engage in discussion with the **hardship customer** to determine a realistic payment option in line with the **customer's** capacity to pay.

**We** will work with a **hardship customer's financial counsellor** to determine the payment arrangement and instalment amount that best suits the **customer** and their individual circumstances.

Where a **hardship customer's** circumstances change, **we** will work with the **customer**, and their **financial counsellor**, to re-negotiate their payment arrangement.

**We** will not require a **hardship customer** to provide a security deposit.

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**We** will not restrict a **hardship customer's retail services** if:

- the **customer** has agreed to a payment arrangement and continues to adhere to the terms of that arrangement, or
- **we** have failed to comply with the requirements of this **customer hardship policy**, or
- the **customer's retail service** is a community wastewater management system or other sewerage service.

**We** will also offer the **hardship customer**:

- where appropriate, information about the right to have a bill redirected to a third person, as long as that third person consents in writing to that redirection
- information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs
- information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a **customer** that is identified as experiencing ongoing **financial hardship**.

Where a **hardship customer** requests information or a redirection of their bills, **we** will provide that information or redirection free of charge.

**We** will provide information to the **hardship customer** on how to reduce usage and improve **water** efficiency, which may include referral to relevant government **water** efficiency programs. This will be provided at no charge to the **customer**.

**We** will explain to the **hardship customer** how and when the **customer** will be returned to regular billing cycles (and collection), after they have successfully completed the **hardship program**.

**We** will also explain to the **hardship customer** that they will be removed from **our hardship program**, and be returned to **our** standard collection cycles, including debt recovery, should they cease to make payments according to the agreed payment arrangement or fail to contact **us** for a period of greater than 90 days.

**We** will not take any action to remove a **customer** from our **hardship program** until **we** have sent the **customer** a written notice, allowing them 10 working days from the date of the notice to contact **us** to re-negotiate their re-entry into the program.

## Retail services provided by Councils

Council rates are made up of **retail services** (as defined in this policy) and non-retail services, for example refuse collection and parks and playgrounds.

If you are a **residential customer** in receipt of a **retail service** provided by a council and you are experiencing **financial hardship**, then only the **retail service** percentage element of the

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council rates will be subject to the terms of this **hardship** policy. All or any other sums that are due to the council for rates or non-retail services will be dealt with under the council's existing **hardship** policies.

## Payment plans

Our payment plan for a **hardship customer** will be established having regarded:

- the **customer's** capacity to pay and current financial situation
- any arrears owing by the **customer**, and
- the **customer's** expected usage needs over the following 12 month period.

The payment plan will also include an offer for the **hardship customer** to pay for their **retail services** in advance or in arrears by instalment payments at a frequency agreed with the **customer** (e.g. weekly, fortnightly, monthly or as otherwise agreed with the **customer**).

Where a payment plan is offered to a **hardship customer**, **we** will inform the **customer** in writing, within 10 business days of an agreement being reached, of:

- the duration of the plan
- the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid
- if the **customer** is in arrears – the number of instalments to pay the arrears, and
- if the **customer** is to pay in advance – the basis on which instalments are calculated.

**We** will waive any fees for late payment of a bill for a **hardship customer**.

Where a **hardship customer** is seeking assistance in accordance with this **policy**, but has failed to fulfil their obligations under an existing hardship arrangement, **we** will require them to sign up for direct debit deductions or Centrepay (where available).

## Debt recovery

**We** will suspend debt recovery processes while negotiating a suitable payment arrangement with a **hardship customer**.

**We** will not engage in legal action or commence proceedings for the recovery of a debt relating to a **retail service** for a **hardship customer** if:

- the **customer** has agreed to a payment arrangement and continues to adhere to the terms of that arrangement, or
- **we** have failed to comply with the requirements of this **customer hardship policy**.

## Rights of residential customers experiencing financial hardship

Every **residential customer** experiencing **financial hardship** has the right to:

- Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
- Receive information about alternative payment arrangements, this **customer hardship policy**, and government concessions, rebates, grants and assistance programs.
- Negotiate an amount they can afford to pay on a payment plan or other payment arrangement.
- Consider various payment methods, and receive written confirmation of the agreed payment arrangement within 10 business days.
- Renegotiate their payment arrangement if there is a change in their circumstances.
- Receive information about free and independent, **accredited financial counselling services**.
- Receive a language interpreter service at no cost to the customer.
- Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.
- Not have **retail services** restricted or disconnected as long as they have agreed to a payment arrangement and continue to make payments according to an agreed plan.

## General provisions

**We** will ensure **residential customers** have equitable access to this **customer hardship policy**, and that this **policy** is applied consistently.

**We** will ensure appropriate training of staff dealing with **residential customers in hardship** to enable them to treat **customers** with respect and without making value judgements. Training will also assist staff in the early identification of **hardship customers**, with establishing payment plans based on a **hardship customer's** capacity to pay, and include processes for referral to an **accredited financial counsellor** or welfare agency for assistance.

This **customer hardship policy** is available on **our** website: [www.murraybridge.sa.gov.au](http://www.murraybridge.sa.gov.au).

**We** will also make a copy of this **policy** available to a **customer**, upon request, and at no charge to the **customer**, as soon as practicable following a request to do so.

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This **customer hardship policy** does not limit or prevent **us** from waiving any fee, charge or amount of arrears for the provision of **retail services** to **customers** who are experiencing **financial hardship**.

## Confidentiality

Any information disclosed by a **customer** is confidential and will not be used for any purpose other than the assessment of an application for assistance.

## Complaints handling

Details of **our** customer complaints and dispute resolution process are available at **our** website: [www.murraybridge.sa.gov.au](http://www.murraybridge.sa.gov.au). **We** will also make a copy of this process available to a **residential customer**, upon request, and at no charge to the **customer**.

A **residential customer** experiencing **hardship** has a right to have any complaint heard and addressed by **us**, and in the event that their complaint cannot be resolved, the right to escalate their complaint to the Energy and Water Ombudsman SA.

## DEFINITIONS

In this **policy**:

in South Australia, **accredited financial counsellor** means a person who holds a Diploma of Community Services (Financial Counselling), and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association

**connection** means an agreed point of supply at which a **customer** receives a **retail service** from a supplier

**consumer** means a person supplied with **retail services** as a **consumer** or user of those services (as defined in the *Water Industry Act 2012*) (Note: you may be a consumer by virtue of being a council ratepayer)

**customer** means a person who owns land in relation to which a **retail service** is provided and includes:

- where the context requires, a person seeking the provision of a **retail service**, and
- in prescribed circumstances, a person supplied with **retail services** as a **consumer** or user of those services (without limiting the application of this definition to owners of land), and
- a person of a class declared by the **regulations** to be **customers**

(as defined in the *Water Industry Act 2012*) (Note: you may be a **customer** by virtue of being a council ratepayer)

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**customer hardship policy** means this **policy** for **minor** and **intermediate retailers**, which has been adopted by the Rural City of Murray Bridge in accordance with section 37 of the *Water Industry Act 2012*

**financial counsellor** means **accredited financial counsellor**

**financial hardship** means a circumstance of experiencing a lack of financial means, which may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt

**hardship** means **financial hardship**

**hardship customer** means a **residential customer** who has been identified under, accepted into, or is eligible for assistance under **our hardship program**

**hardship program** means an agreement between **us** and a **hardship customer** for payment of outstanding sums due for **retail services**

**intermediate retailer** means a **retailer** that provides **retail services** to more than 500 but less than 50000 **connections**

**minor retailer** means a **retailer** that provides **retail services** to less than 500 **connections**

**our, us, we** means Rural City of Murray Bridge

**policy** means this **customer hardship policy**

**regulations** means regulations under the *Water Industry Act 2012*

**residential customer** means a **customer** or **consumer** who is supplied with **retail services** for use at residential premises (as defined in the *Water Industry Act 2012*) (*Note: you may be a residential customer by virtue of being a council ratepayer*)

**retail service** means a service constituted by:

- the sale and supply of **water** to a person for use (and not for resale other than in prescribed circumstances (if any)) where the **water** is to be conveyed by a reticulated system, or
- the sale and supply of **sewerage services** for the removal of **sewage** (*including but is not limited to community wastewater management systems*)

(even if the service is not actually used) but does not include any service, or any service of a class, excluded from the ambit of this definition by the **regulations** (as defined in the *Water Industry Act 2012*).

**retailer** means the holder of a licence issued by the Essential Services Commission of South Australia under the *Water Industry Act 2012*



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**sewage** includes any form of waste that may be appropriately removed or dealt with through the use of a **sewerage service** (as defined in the *Water Industry Act 2012*)

**sewerage service** means:

- a service constituted by the collection, storage, treatment or conveyance of **sewage** through the use of a reticulated system, or
- any other service, or any service of a class, brought within the ambit of this definition by the **regulations**

*(as defined in the Water Industry Act 2012) (Note: sewerage service includes but is not limited to community wastewater management systems (CWMS))*

**water** includes rainwater, stormwater, desalinated water, recycled water and water that may include any material or impurities, but does not include **sewage** (as defined in the *Water Industry Act 2012*)

**water service** means:

- a service constituted by the collection, storage, production, treatment, conveyance, reticulation or supply of **water**, or
- any other service, or any service of a class, brought within the ambit of this definition by the **regulations**.

*(as defined in the Water Industry Act 2012)*