

THE BAROSSA COUNCIL

SUPPLEMENTARY HARDSHIP FOR RESIDENTIAL WATER SERVICE CUSTOMERS POLICY



Corporate Plan Link:	6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements. 6.10 Embed a culture of continuous improvement across Council, with tools, processes and systems being used to achieve business efficiencies and customer service improvements. 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.		
Policy Owner:	Manager – Financial Services	Previous Approval Date(s):	New Policy
Document Control Officer:	Senior Rates Officer	Current Approval Date:	20/6/2017
TRIM Reference:	17/13644	Next Review Date:	9/2019

1. Purpose

- 1.1 The Barossa Council ("Council") is committed to assisting residential customers of sewerage services to manage their payments in a manner that best suits the customer, and where applicable they remain connected to a [Retail Service](#).
- 1.2 The purpose of this Supplementary Hardship for Residential Water Service Customers Policy (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.
- 1.3 This policy sets out:
- 1.3.1 processes to identify residential customers experiencing payment difficulties due to hardship, including:
 - a. identification by us;
 - b. self-identification by a residential customer;
 - c. identification by an [Accredited Financial Counsellor](#); or
 - d. identification by a welfare agency.
 - 1.3.2 an outline of a range of processes or programs that Council will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

2. Scope

- 2.1 This Policy is based on the Customer Hardship Policy for minor and intermediate retailers, made by the Minister for Communities and Social Inclusion. It is 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.

- 2.2 This Supplementary Hardship Policy for Residential Water Service Customers will be applied in concurrence with Council's Rates Hardship Policy.

3.	Definitions
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Accredited Financial Counsellor or Financial Counsellor	A financial counsellor in South Australia 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	An agreed point of supply at which a customer receives a retail service from a supplier
Consumer	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 or Residential Customers	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 <u>Consumer</u> 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)
Financial Hardship	A temporary or ongoing circumstance of experiencing a lack of financial means, but not where a person chooses not to meet a liability for an unpaid debt
Hardship Customer	A residential customer who has been identified under, accepted into, or is eligible for assistance under Council's Hardship Program, pursuant to Section 37 of the Water Industry Act 2012
Hardship Program or Arrangement	An agreement between Council and a Hardship Customer for payment of outstanding sums due for retail services
Intermediate retailer	A retailer that provides retail services to more than 500 but less than 50000 Connections
Policy	SUPPLEMENTARY HARDSHIP POLICY for Residential Water Service Customers
Regulations	Regulations under the Water Industry Act 2012
Retail Service	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)

4. Policy Statement

4.1 Identifying Residential Customers Experiencing Financial Hardship

- 4.1.1 A residential customer experiencing Financial Hardship is someone who is identified by themselves, by Council, by an Accredited Financial Counsellor, or by a welfare agency as having the intention, but not the ongoing financial capacity, to make required payments in accordance with our payment terms.
- 4.1.2 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.
- 4.1.3 Residential customers who are identified as experiencing ongoing hardship are generally those on low or fixed incomes. These customers may require ongoing assistance.
- 4.1.4 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.
- 4.1.5 All claims for and the extent of hardship will be determined by either our assessment process or by an external body, such as an Accredited Financial Counsellor.
- 4.1.6 Where a residential customer's eligibility for hardship assistance is assessed, Council will consider indicators including (but not limited to) whether:
 - a. the customer is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card;
 - b. the customer is eligible for a South Australian Government concession;
 - c. the customer has been referred by an Accredited Financial Counsellor or welfare agency;
 - d. the customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful);
 - e. the customer's payment history indicates that they have had difficulty meeting their retail services bills in the past;
 - f. the customer through self-assessment, has identified their position regarding their ability to pay.

4.2 Assisting Residential Customers Experiencing Financial Hardship

- 4.2.1 Council will inform a residential customer of this policy where it appears that non-payment of a bill for retail services is due to the customer experiencing payment difficulties due to hardship.
- 4.2.2 Where a residential customer has been identified as experiencing Financial Hardship, Council 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:

- a. an interest and fee free payment plan that complies with clauses 4.4.1 to 4.4.4;
 - b. Centrelink's Centrepay service (only where available); or
 - c. 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).
- 4.2.3 Council also recognises 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.
- 4.2.4 Council 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 policy, so long as the customer agrees to participate in our hardship program, upon reconnection.
- 4.2.5 Council will engage in discussion with the hardship customer to determine a realistic payment option in line with the customer's capacity to pay.
- 4.2.6 Council will work with a hardship customer's [Accredited Financial Counsellor](#) to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.
- 4.2.7 Where a hardship customer's circumstances change, Council will work with the customer, and their [Accredited Financial Counsellor](#), to re-negotiate their payment arrangement.
- 4.2.8 Council will not require a hardship customer to provide a security deposit.
- 4.2.9 Council will not restrict a hardship customer's retail services if:
- a. the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement;
 - b. Council has failed to comply with the requirements of this policy; or
 - c. the customer's retail service is a community wastewater management system or other sewerage service.
- 4.2.10 Council will also offer the hardship customer:
- a. information about the right to have a bill redirected (where appropriate) to a third person, as long as that third person consents in writing to that redirection;
 - b. information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs; and
 - c. information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is experiencing ongoing [Financial Hardship](#).
- 4.2.11 Where a hardship customer requests information or a redirection of their bills, Council will provide that information or redirection free of charge.
- 4.2.12 Council 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.
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- 4.2.13 Council 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 Council staff for a period of greater than 90 days.

- 4.2.14 Council will not take any action to remove a customer from our hardship program until the customer has been issued a written notice, allowing them 10 working days from the date of the notice to contact Council staff to re-negotiate their re-entry into the program.

4.3 Retail Services Provided By Council

- 4.3.1 Council rates are made up of retail services (as defined in this policy) and non-retail services, eg refuse collection, parks, playgrounds etc.
- 4.3.2 If you are a residential customer in receipt of a retail service provided by Council and you are experiencing [Financial Hardship](#), then the rates will be subject to the terms of this hardship policy. Any other sums that are due to the council for rates and non-retail services will be dealt with under the Rates Hardship Policy.

4.4 Payment Plans

- 4.4.1 A payment plan for a hardship customer will be established having regard to:
- a. the customer's capacity to pay and current financial situation;
 - b. any arrears owing by the customer; and
 - c. the customer's expected usage needs over the following 12 month period.
- 4.4.2 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).
- 4.4.3 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:
- a. the duration of the plan;
 - b. the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid;
 - c. if the customer is in arrears – the number of instalments to pay the arrears; and
 - d. if the customer is to pay in advance – the basis on which instalments are calculated.
- 4.4.4 Where a hardship customer is seeking assistance in accordance with this policy, but has failed to fulfil their obligations under an existing hardship arrangement, Council will require them to sign up for Centrepay or direct debit payments (where available).

4.5 Debt Recovery

- 4.5.1 Council will suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship customer.
- 4.5.2 Council 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:
- a. the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement, or
 - b. Council has failed to comply with the requirements of this policy.

4.6 Rights of Customers Experiencing [Financial Hardship](#)

- 4.6.1 Every residential customer experiencing [Financial Hardship](#) has the right to:
- a. be treated respectfully on a case-by-case basis, and have their circumstances kept confidential;
 - b. receive information about alternative payment arrangements, this policy, government concessions, rebates, grants and assistance programs;
 - c. negotiate an amount they can afford to pay on a payment plan or other payment arrangement;

- d. consider various payment methods, and receive written confirmation of the agreed payment arrangement within 10 business days;
- e. renegotiate their payment arrangement if there is a change in their circumstances;
- f. receive information about free and independent, accredited financial counselling services;
- g. receive a language interpreter service at no cost to the customer;
- h. be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement; and
- i. 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.

5.	Supporting Process
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- 5.1 Rates Hardship Relief Process

6.	Related Policies and Codes
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- 6.1 Rates Hardship Policy
- 6.2 Rating Policy
- 6.3 Debt Recovery Policy
- 6.4 Rebate and Remission of Rates Policy
- 6.5 Records Management Policy
- 6.6 Complaint Handling Policy

7.	Legislation and References
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- 7.1 Section 37, Water Industry Act 2012

8.	Review
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- 8.1 This Policy will be reviewed by [the Council / Document Control Officer] in consultation with the relevant stakeholders, within four (4) years or more frequently if legislation or Council's need changes.

9.	Further Information
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- 9.1 This Policy is available on Council's website at www.barossa.sa.gov.au. It can also be viewed electronically at Council's principal office at 43-51 Tanunda Road, Nuriootpa and all Council branches, during ordinary business hours. A copy of this Policy can be obtained at those venues upon payment of a fixed fee.
- 9.2 Any complaint in relation to this Policy or its application should be forwarded in writing addressed to the Chief Executive Officer, PO Box 867, Nuriootpa SA 5355 or barossa@barossa.sa.gov.au.
- 9.3 In the event that a complaint cannot be resolved, the right to escalate their complaint to the external dispute resolution body approved by the Essential Services Commission of South Australia.



9.4 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.

Signed:  Dated: 20/6/2017
[Mayor Bob Sloane or ☐ Chief Executive Officer under delegation]

10.	Policy Version History
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Version No:	Approval Date:	Description of Change:
1.0		New Policy, February 2017