

District Council of Peterborough



Amalgamated 1997

DISTRICT COUNCIL of PETERBOROUGH

Community Wastewater Management Scheme (CWMS) Hardship Policy



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COMMUNITY WASTEWATER MANAGEMENT SCHEME (CWMS) HARDSHIP POLICY

Adoption Reference:	Council Meeting 17/09/2018 Resolution 123/18
Applicable Legislation:	<i>Water Industry Act 2012</i> <i>Local Government Act 1999</i>
Version:	The electronic version of this document is the controlled version. Printed copies are considered uncontrolled. Before using a printed copy, verify that it is the current version.
Accessibility:	This Policy, and all policies and By-Laws, are available for viewing, downloading or printing from Council's website: www.peterborough.sa.gov.au Hard copies can be provided in accordance with Council's Fees and Charges at the Council office at 108 Main Street, Peterborough, SA 5422 during ordinary business hours.
Grievances:	Any grievances in relation to this Policy or Code, or its application, should be forwarded in writing addressed to the Chief Executive Officer of Council.
Review Dates:	17/06/19 Res: 67/19 19/09/22 Res: 89/22 Amended

1. PURPOSE

- 1.1 District Council of Peterborough is committed to assisting **residential customers** of **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**.
- 1.2 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.
- 1.3 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.

2. BACKGROUND

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, without modification.

3. DEFINITIONS AND INTERPRETATION

In this **policy**:

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

community wastewater management system means any septic tank effluent drainage system or scheme provided or made available by the Council for the collection, treatment, storage, distribution and disposal (including by sale of recycled water) of effluent

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)

council means District Council of Peterborough

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)

customer hardship policy and **policy** mean this policy for minor and intermediate retailers, that has been adopted by the District Council of Peterborough, 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, that 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 mean the District Council of Peterborough

regulations mean the *Water Industry Regulations 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*. 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 sewerage services for the removal of sewage, including but 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

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

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 (including, but not limited to a CWMS), or
- any other service, or any service of a class, brought within the ambit of this definition by the regulations

4. IDENTIFYING RESIDENTIAL CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP

- 4.1 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.
- 4.2 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.
- 4.3 Residential customers who are identified as experiencing ongoing hardship are generally those on low or fixed incomes. These customers may require ongoing assistance.
- 4.4 Residential customers who may be identified as experiencing temporary hardship are those who 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.
- 4.5 The extent of hardship will be determined by either our assessment process or by an external body, such as an accredited financial counsellor.
- 4.6 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.

5. ASSISTING RESIDENTIAL CUSTOMERS WHO ARE EXPERIENCING FINANCIAL HARDSHIP

- 5.1 Council 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.

5.2 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 that complies with sections 7.1 to 7.5 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 that may be resolved in the near to medium-term, where others may require a different type of assistance for ongoing financial issues.

5.3 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 customer hardship policy, so long as the customer agrees to participate in our hardship program, upon reconnection.

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

5.5 Council 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.

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

5.7 Council will not require a hardship customer to provide a security deposit.

5.8 Council 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.

5.9 Council 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 is experiencing ongoing financial hardship.

- 5.10 Where a hardship customer requests information or a redirection of their bills, we will provide that information or redirection free of charge.
- 5.11 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.
- 5.12 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 us for a period of greater than 90 days.
- 5.13 Council 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.

6. RETAIL SERVICES PROVIDED BY COUNCILS

- 6.1 Council rates are made up of retail services (as defined in this policy) and non-retail services, for example refuse collection.
- 6.2 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 element of the council rates will be subject to the terms of this hardship policy. All or any other sums that are due to the council for non-retail services may be dealt with under the council's existing hardship policies. The council may exercise its discretion to apply this hardship policy to other sums due.

7. PAYMENT PLANS

- 7.1 Council's payment plan for a hardship customer will be established having regard to:
- 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.
- 7.2 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).
- 7.3 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:
- 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.

- 7.4 Council will waive any fees for late payment of a bill for a hardship customer.
- 7.5 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).

8. DEBT RECOVERY

- 8.1 Council will suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship customer.
- 8.2 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:
- the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement, or
 - Council have failed to comply with the requirements of this customer hardship policy.

9. RIGHTS OF RESIDENTIAL CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP

- 9.1 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.

10. SPECIFIC ASSISTANCE FOR RESIDENTIAL CUSTOMERS WHO ARE EXPERIENCING FINANCIAL HARDSHIP IN CONNECTING TO THE CWMS

- 10.1 Following the commissioning of the Council CWMS in July 2018, the Council resolved to apply a grace period for connection, during which, residential

customers could make application for and connect to, the CWMS and benefit from waived connection and application fees.

10.2 However, the Council has an obligation to recover whole of life capital and operating costs for the CWMS. In which case, following the conclusion of this grace period, at its Ordinary Meeting on 18 October 2021, the Council determined that connection to the CWMS would be mandatory from 1 October 2022.

10.3 From 1 October 2022, the following fees will apply to connect to the CWMS:

Application Fee:	\$115
Inspection Fee:	\$128
Connection Fee:	\$120

10.4 These fees will be reviewed annually as part of Council's annual fees and charges review.

10.5 However, the Council is aware that for a number of residential customers, financial capacity to pay 'up-front' for the connection to the CWMS is a barrier to them connecting to the CWMS.

10.6 In accordance with the Council's social responsibility to support residential customers who are experiencing hardship to connect to the scheme, on provision of:

- a completed CWMS Application Form (available from the Council's website);
- a quotation from a suitably qualified plumber of the property owners choosing, and
- evidence of hardship, obtained and provided in accordance with this Policy;

if approved by the Council at its absolute discretion and based on the public policy intent of this Policy, on completion of the works and following inspection to confirm the works have been completed to its satisfaction, the Council will pay at least 50% of (or, at the discretion of the Council, upon consideration of financial counselling advice, at a higher rate), the fees associated with the connection to the CWMS, in full, on provision of a tax invoice.

10.7 The Council will then collect this capital contribution on account of the connection to the CWMS on the property, over a minimum period of 5 years and, depending upon the particular personal circumstances of the residential customer, up to a maximum period of 10 years as part of the annual CWMS imposition of service charges, with a built-in financing cost being at the LGFA Cash Advance Debenture Rate declared as at the date of the lodged Application Form under this Policy.

10.8 Importantly, to be eligible for assistance under this Policy, works associated with connection to the CWMS must not be commenced, prior to the Council's receipt of an Application Form, assessment thereof and notification to the residential customer of its approval, or not, of the application for assistance under this clause.

10.9 Any Application Form received by the Council prior to 1 October 2022, will still be eligible for the existing grace period benefits, being the waiver of connection and application fees, in addition to assistance in connection to the CWMS under this clause. This is regardless of whether a final determination has been made by the Council under this clause by that date.

10.10 Any relief provided to a residential ratepayer under this clause 10, will become due and payable to the Council in full (as part of the settlement sum) when the title to the relevant land is transferred to another person.

11. GENERAL PROVISIONS

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

11.2 Council 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.

11.3 This customer hardship policy is available on our website:
www.peterborough.sa.gov.au/Policies

11.4 Council 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.

11.5 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.

12. 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.

13. COMPLAINTS HANDLING

13.1 Details of our customer complaints and dispute resolution process are available at our website: www.peterborough.sa.gov.au/Policies We will also make a copy of this process available to a residential customer, upon request, and at no charge to the customer.

13.2 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 external dispute resolution body approved by the Essential Services Commission of South Australia.