

FINANCIAL HARDSHIP POLICY

Policy Statement

We understand that customers experiencing financial hardship may find it difficult to pay their account. We recognise we have a social obligation to ensure vulnerable customers are treated with fairness, integrity and compassion. We are committed to working with our customers to find an appropriate payment solution that is effective and sustainable. A customer can be identified as being in financial hardship when they do not have the financial capacity to pay their utility accounts without affecting their ability to meet their individual or family basic living needs.

Purpose

The purpose of this policy is to outline the minimum standards we will adopt with consumer customers who do not have the capacity to pay their account due to financial hardship. This policy communicates our position and provides guidance to employees, customers and stakeholders.

Principles

Customers 'eligibility for hardship' assistance

A customer can be identified as being in financial hardship when they do not have the financial capacity to pay their utility accounts without affecting their ability to meet their individual or family basic living needs.

The following indicators should be considered when determining whether a customer is in financial hardship:

- The customer requests information about alternative payment arrangements.
- The customer's payment history indicates that they have had difficulty paying accounts in the past.
- The customer has had a change of circumstances that adversely affects their finances.
- Self identification with support from financial counsellor.
- Eligibility for Government funded concessions.
- The customer is eligible or has previously applied (successfully or unsuccessfully) for a Government funded financial assistance schemes e.g. HUGS.
- Medical conditions or disability impacting earning capacity.
- Advice received by an independent financial counsellor.
- Current financial commitments including any existing debt.

Although the above list is an indicator of possible hardship, each customer will be treated in accordance with their individual circumstances on a case by case basis and advised of assessment outcome within 3 working days.

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Payment Arrangement Options

Customers identified as experiencing financial hardship will be offered one or more of the following assistance measures:

- Customised payment plans that accommodate particular customer circumstances.
- Due to seasonal fluctuations in usage, paying in instalments may result in customer accounts being in credit or debit during the period of the plan. Should this result in the customer's account being significantly in credit or debit we will re-calculate the amount of the instalments.
- Customers who have negotiated revisions to payment plans are not at risk of being refused future assistance purely for this reason.
- Customers will be referred to the appropriate agency for any discounts or rebates that a customer is entitled to under any Government scheme/grant.
- Advice to customers applying to Centrelink for the Centrepay facility.
- Recommendation to seek advice from a financial counsellor to be assessed for Government support programs.
- Independent financial councillors' assessment will be considered when arranging payment plans.
- Customers may opt to pay in advance. The minimum payment in advance amount will be determined in consultation with relevant consumer representative organisations.
- In some circumstances, such as, permanent disability, bankruptcy or death a waiver of debt may be considered.

Kleenheat Gas will refer customers in financial hardship to other support agencies and schemes, where appropriate. Kleenheat Gas will not disconnect or charge late fees to customers due to non-payment if they are entering into a payment plan or while they are on a payment plan and have consistently demonstrated a commitment to it. Kleenheat will consider waiving all fees and charges issued prior to a payment arrangement being entered into. Kleenheat may also consider payment incentives such as matched payments.

Our Commitment to our Customers

Each customer experiencing financial hardship will be treated with sensitivity on a case by case basis and has the right to:

- Receive information and advice regarding the payment options and methods available.
- Nominate to have the bill redirected at no charge to a third party or an alternative postal address.
- Receive information and advice on Government funded concessions and financial assistance schemes e.g. Hardship Utility Grant Scheme.
- Receive information on our Financial Hardship Policy.
- Arrangements that are maintained will not be charged interest.
- Renegotiate the amount of their instalment if there is a change in circumstances.
- Residential customers who are able to demonstrate they have an appointment with an independent counsellor will be granted a temporary suspension of action for thirty days interest free. We will reasonably consider requests for extension of time in obtaining this information.
- Be advised of the amount of any historical debt and the basis of that debt.
- Be shielded from legal action, additional recovery costs and restriction of supply as long as they have agreed to an arrangement and are meeting their commitment to it.
- Be advised that recovery action will continue if they fail to meet the agreed payment arrangement schedule and fail to actively work with us to address the situation.

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- Receive written confirmation of the agreed arrangement including details of instalment numbers, amounts, commencement date and terms. We will specify the amount of the instalments which will pay your arrears and estimate usage during the period of the plan. This will be sent within two business days of the agreement being reached.
- Be referred to a free counselling service to receive independent advice. During this period of thirty days recovery action will cease pending the establishment of an agreed payment arrangement.

The Customer's Commitment to Us

We will do our best to assist customer's experiencing financial hardship. In return, we ask that the customer:

- Contact us as soon as they begin to experience financial difficulty.
- Agree and maintain a suitable payment arrangement.
- Keep us informed of any changes in their circumstances.
- Contact us to request an alternative arrangement if they are having difficulty maintaining the agreed payment plan.
- Contact a financial counsellor or relevant consumer representative if requested. It is important to meet with a person from a relevant consumer representative organisation to discuss their financial situation and consider the options available.

Provision of Information

We will be proactive in providing potential hardship customers with timely, transparent and accessible information including:

- An invitation to contact us to discuss alternative payment arrangements on all accounts and recovery notices.
- Information about concessions eligibility, other government funded assistance programs such as the Hardship Utility Grant Scheme (HUGS), Energy Ombudsman of WA (EOWA), Energy and Water Ombudsman of Victoria (EWOV) flexible payment options, and our hardship policy.
- We provide access to the Translation and Interpreting Service (TIS) to assist customers from non-English speaking backgrounds.
- We will promote awareness of the financial hardship policy which is available on the Kleenheat website to consumer customers, financial counsellors and key stakeholders.
- We will maintain a policy feedback mechanism.

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Staff Training

Frontline employees who assist customers having difficulty paying their outstanding charges will be trained and competent in relation to:

- The range of payment options and methods available.
- Our Financial Hardship Policy and procedures.
- Government funded concession entitlements.
 - Referrals to the Financial Counsellors Association of WA (FCAWA), Energy Ombudsman of WA (EOWA) or Energy and Water Ombudsman Victoria (EWOV).
 - Government financial assistance programs e.g. Hardship Utility Grant Scheme (HUGS).
- Credit Department staff who case manage individuals experiencing financial hardship have comprehensive training on a range of social and community issues to improve their understanding of the issues that effect people in financial hardship. Staff are also trained on how to communicate effectively with customers.

In addition we will:

- Provide training to new staff and schedule refresher courses where appropriate.
- Plan to work with key organisations to develop training packages.

Commitment to Best Practice and Continuous Improvement

We will undertake the following to facilitate best practice and continuous improvement:

- Willingness to work with financial counsellors and share information subject to privacy and customer consent requirements.
- Ongoing engagement at an industry level with Western Australia Council for Social Services (WACOSS), Financial Counsellors Association of WA (FCAWA) and relevant consumer representative organisations to improve our understanding of the complex issues surrounding financial hardship, communicate agreed processes and protocols and to review and improve practices and processes.
- Our hardship policy will be reviewed annually to ensure it meets the needs of customers experiencing hardship. This review will be completed in consultation with relevant consumer representative organisations.
- We will ensure appropriate procedures and work instructions are in place and maintained to ensure hardship customers are dealt with in a sensitive manner according to the guidelines set out in this policy.
- We will ensure that there are appropriate escalation procedures in place to deal with customer complaints regarding this policy.

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Review of Policy

- The **NATIONAL CREDIT MANAGER** is responsible for monitoring the effectiveness of the hardship policy and associated programs.
- Our hardship policy will be reviewed annually to ensure it meets the needs of customers experiencing hardship.
- All **CREDIT TEAM** employees are responsible for the application of the policy.
- All frontline customer service employees who assist customers having financial difficulties are required to be aware of this policy and the options available to assist them.

Rev	Description of Revisions	Date	Prepared By	Checked By	Approved By
0.1	Created	Dec 2010	Bernadette Doyle	David Andrews	Bernadette Doyle
1	Reviewed	July 2011	Bernadette Doyle	David Andrews	Bernadette Doyle