



Water Corporation

Financial Hardship Policy for Water Services

December 2018

Water Corporation

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Policy statement

We understand customers experiencing financial hardship find it difficult to pay their account. All customers, regardless of circumstances, will not face judgement and will be treated with fairness, integrity and compassion. We work with our customers to ensure they are listened to and understood, so we can proactively assist them in managing their bills and accessing the support they need. We are committed to working with our customers to find an appropriate, realistic and effective payment solution.

Purpose

This policy outlines the minimum standards Water Corporation (“our”, “we” or “us”) will apply to assist a residential customer (“you”) who does not have the capacity to pay their account due to financial hardship.

The policy communicates our position and provides guidance to employees, customers and stakeholders. If you are experiencing financial hardship our main aim is to ensure:

- you receive the most appropriate solution to meet your needs once contacting Water Corporation directly or via financial counsellors;
- you will engage early to identify hardship
- you are treated with fairness, integrity and confidentiality
- you have a range of flexible options tailored to meet your individual needs
- you are encouraged and receive assistance to proactively manage your account
- you are provided with information and advice on concession eligibility, water efficiency and the relevant support programs available; and
- once you’ve engaged you are protected from additional recovery costs, supply restriction, referral to mercantile agents and legal action.

This policy reinforces our commitment to manage overdue bills effectively and aligns with our social responsibility.

The policy does not apply to non-residential customers however we encourage any customer experiencing financial hardship to still contact us.

We are committed to working with customers experiencing financial hardship to find an appropriate arrangement that works for both you and us. We understand it can be difficult to ask for support, so be assured we will treat your situation sensitively and respectfully.

All options referred to in this policy are available to owners as the owner is liable for all charges for the property. However we are continually looking for ways to also support tenants with some of what’s offered to owners also being available to tenants. For this support to occur, tenants will need to be registered to receive water use bills as directed by the owner.

Definitions

| Term | Definition |
|----------------------|--|
| Customer | A “customer” is defined as a person to whom water services are provided by Water Corporation or who is entitled to the provision of water services by Water Corporation, being – a) an owner of the land in respect of which the water services are provided; or b) an occupier of the land in respect of which the water services are provided |
| Financial Liability | Under Section 126 of the Water Services Act 2012, the land owner is liable for all charges |
| HUGS | Hardship Utility Grants Scheme |
| Financial Hardship | An ongoing state of financial disadvantage in which the ability of a customer who is a residential customer to meet the basic living needs of the customer or a dependant of the customer would be adversely affected if the customer were to pay an unpaid bill |
| Payment difficulties | A state of financial disadvantage that is not likely to be ongoing in which the customer is unable to pay an unpaid bill |

What is financial hardship?

You will be considered to be in financial hardship if paying your water account will affect your ability to meet your basic living needs. In short, if you have the intention but not the financial capacity to pay.

Financial hardship maybe caused by:

- loss of your (or a family member’s) primary income
- separation or divorce from your spouse
- loss of a spouse or loved-one
- domestic or family violence
- physical or mental health problems
- a chronic medical condition
- budget management difficulties because of a low income
- other unforeseen factors affecting your capacity to pay, such as a reduction in income or an increase in non-discretionary spending.

Temporary financial hardship

Customers experience payment difficulties due to a sudden and/or temporary change in circumstances that adversely affect their finances. These customers generally require flexibility. We can assist by offering an extension of time to pay or a payment plan.

Identifying customers in financial hardship

If you think you may be experiencing financial hardship we encourage you to contact us as soon as possible. If you have been assessed by a financial counsellor they can contact us on your behalf.

The following indicators are considered when determining whether a customer is experiencing financial hardship:

- the customer requests information about alternative payment arrangements.
- the customer's payment history indicates they have had difficulty paying accounts in the past.
- the customer has had a change of circumstances that adversely affects their finances.;
- eligibility for Government funded concessions.
- the customer is eligible or has previously applied (successfully or unsuccessfully) for the Government funded Hardship Utilities Grant Scheme (HUGS).
- advice has been received from an independent financial counsellor.
- total income after tax (take home pay)
- the number of properties owned.
- the number of children or dependants involved.
- current financial commitments including any existing debt.
- medical conditions or disability impacting earning capacity.
- domestic or family violence.

Although the above list displays indicators of possible hardship, each customer is treated with sensitivity and understanding according to their individual circumstance.

Will we assess within five business days whether we consider you to be in financial hardship. If we cannot make our assessment in five business days, we will refer you to a financial counsellor for assessment.

As part of our assessment we will consider any information provided by you and, if applicable, your financial counsellor. We will also take into account your payment history.

As soon as the assessment has been made, we will advise you of the outcome.

Payment plans

If we determine you are in financial hardship, we will offer you more time to pay your account or have you enter into a payment plan. A payment plan is an agreement between you and us where we agree to receive a certain amount of money in regular instalments over an agreed timeframe. We do not charge any fees or interest as part of your extension or payment plan.

We will involve you and your financial counsellor (if applicable) in setting up a payment plan. When setting the conditions of the plan, we will consider your capacity to pay and, if relevant, your water consumption history.

We will work with you to base a payment plan on how much you can afford to pay and determine a realistic amount based on your individual circumstance.

We will review and revise your payment plan where appropriate. If our review indicates you are unable to meet your obligations under the plan, it will be revised.

If you do not adhere to the terms of the arrangement, reasonable efforts will be made to contact you before taking further action.

A payment plan may not be offered if you have previously had two payment plans cancelled because of non-payment.

Tenants

Tenants registered to receive water use bills experiencing payment difficulties can contact us directly to discuss options. We will negotiate a proposed payment plan with you and notify the owner of the proposed plan on your behalf, as their consent is required for the plan to proceed. We can also provide you with assistance and information on ways to manage future water use bills.

Owners

As a service to landlords, on request we will issue water use bills to either their nominated real estate agent or tenant. By authorising a tenant to receive water use bills, you also authorise us to discuss matters in relation to the water use bills directly with them. However, this does not affect your liability for the charges. Where the water use bill is sent to anyone other than the owner and remains unpaid, formal recovery action will commence against the owner. If you are having payment difficulties or financial hardship, please contact us to make a suitable arrangement. If your tenant is registered to receive water use bills and contacts us to request assistance with water use charges, we will inform you of the proposed plan for your consent.

Debt reduction and collection

If you are experiencing financial hardship, we will consider reducing the amount you owe to us. In addition, we will not commence or continue proceedings to recover your debt:

- while we are assessing if you are experiencing financial hardship or payment difficulties
- if you are complying with your payment plan or another arrangement you have with us.

If you do not comply with your payment plan or other arrangements, we may commence debt recovery proceedings. When collecting your debt, we will comply with Part 2 of the Australian Competition and Consumer Commission's (ACCC) debt collection guidelines for collectors and creditors.

We may partner with a debt collection agency if debt remains outstanding. Additional fees may apply in this case.

Restricting and restoring your water flow

We will not reduce the rate of flow of your supply of drinking water in the following cases;

- while we are assessing if you are in financial hardship or
- if you have been identified by us as experiencing payment difficulties or financial hardship and you are complying with your payment plan or another arrangement you have with us.

If we restrict the supply of water to you, we will provide a flow sufficient for health and hygiene purposes. We will restore the water supply when:

- the amount owing is paid or
- you enter into a mutually agreed and suitable arrangement.

We will not cut off the water supply to an occupied residence.

Useful information

Redirection of bills – you can nominate to have your bill redirected at no charge to a third party or an alternative postal address

Payment options - you may pay your bill by Centrepay, internet, direct debit, telephone, mail or POST Billpay. Centrepay is only available to customers who receive Centrelink payments. Paying by Centrepay may help you manage your bills more easily, as your bills will be paid via regular deductions. For more information on payment methods please refer to your bill or visit

www.watercorporation.com.au/billenquiries

Concessions – you may be eligible for a concession if you hold a Pensioner or State Concession Card, Commonwealth Seniors Health Card with a WA Seniors Card. For further information on eligibility criteria visit www.watercorporation.com.au/concessions

Financial relief - the Hardship Utility Grants Scheme (HUGS) is a State Government scheme that assists the citizens of Western Australia with their connection to essential services in situations where they are incapable of meeting their financial obligations to a utility retailer. Customers may be eligible for financial assistance where arrangements between customers and retailers have been exhausted and other hardship strategies have proven unsuccessful. HUGS is only available to owner-occupiers of residential properties. Tenants are not eligible for HUGS to pay outstanding water consumption charges. For eligibility criteria please contact us.

Financial Care - our Financial Care program is designed for customers in financial hardship who require a greater level of assistance. For a comprehensive list of benefits and eligibility criteria visit www.watercorporation.com.au/billhelp

Financial counsellors – we will advise you of any financial counselling services or other agencies that may be available to you. Financial counsellors offer free, confidential and independent information to help you take control of your financial situation. We can refer you to a financial counsellor in your area or you can make direct contact by visiting financialcounsellors.org or e-mailing admin@fcawa.org

If you are unable to visit a face-to-face financial counsellor in person, you can call the National Debt Helpline on 1800 007 007.

Training of staff - frontline employees deal with all matters with sensitivity and understanding. They are assessed for competency in relation to:

- the range of payment options and methods available
- this Financial Hardship Policy, procedures and work instructions
- Government funded concession entitlements
- Government and community programs/services

To ensure the desired standard is maintained, staff performance is assessed through monitoring of interactions. Financial Support staff who case manage individuals experiencing financial hardship have comprehensive training on a range of social and community issues to improve their understanding of situations that affect people in financial hardship. In addition:

- we engage with stakeholders in the development and review of training programs.
- we provide training to new staff and schedule refresher courses where appropriate.

The customer's commitment to us

We do our best to assist customers experiencing financial hardship. If you are experiencing financial hardship, please contact us as soon as possible to discuss your situation. We offer several long term options if you adhere and maintain an agreed arrangement.

In return, **we ask** that you:

- keep us informed of any changes in your circumstances.
- agree and maintain a suitable payment arrangement.
- contact us to request an alternative arrangement if you are having difficulty maintaining the agreed payment plan.
- contact a financial counsellor or relevant consumer representative if requested. It is important if you are in financial hardship to meet with a financial counsellor or a person from a relevant consumer representative organisation to discuss your financial situation and consider the options available.
- minimise water use.

Complaints handling

We have appropriate escalation procedures in place to deal with customer complaints regarding this policy. To read our complaints handling process visit www.watercorporation.com.au/complaintspolicy

If you have a complaint, please contact via:

Address: 240 Balcatta Road, Balcatta WA

Phone: 13 13 85 Account enquiries (8am-5pm weekdays)

Email: www.watercorporation.com.au/contact

Website: www.watercorporation.com.au/billhelp

National Relay Service - 13 36 77 (for customers with hearing or speech difficulties)

 **Translating and Interpreter Service** - to arrange an interpreter call us on 13 14 50

If your complaint isn't resolved or you are unhappy with the outcome, you may refer your complaint to the Energy & Water Ombudsman. The Energy & Water Ombudsman will investigate your complaint and may mediate the dispute.

Address: Energy and Water Ombudsman Western Australia, PO Box Z5386, St Georges Terrace, Perth WA 6831

Phone: (08) 9220 7588 or 1800 754 004 (toll free for country callers)

Email: energyandwater@ombudsman.wa.gov.au

For further information on the Energy and Water Ombudsman complaint process and matters they can and cannot investigate please visit www.ombudsman.wa.gov.au

Application of the policy

The Head of Contact Centre is responsible for the strategic direction, operation and management of our Financial Hardship Policy and associated programs, including monitoring the effectiveness of the policy. All Customer Financial Solutions employees are responsible for the application of the policy. All frontline customer experience consultants and billing services staff who assist customers having financial difficulties are required to be aware of this policy and the options available to assist them.

Approval and review

Our policy was approved by the Economic Regulation Authority.

This policy will be reviewed at least every five years to ensure it meets the needs of customers experiencing financial hardship and remains relevant. The review will incorporate the views and recommendations of our stakeholders.

We will ensure procedures and work instructions are reviewed and maintained to ensure our interactions with customers experiencing financial hardship are conducted in a sensitive manner according to the guidelines set in this policy.