

Approval of Shire of Morawa Customer Service Charter

30 June 2008

Economic Regulation Authority



WESTERN AUSTRALIA

DECISION

The Economic Regulation Authority (**Authority**) has approved the Shire of Morawa Customer Service Charter (**charter**) on 30 June 2008.

Background

A charter can be broadly defined as a published statement containing:

- a list of customer entitlements;
- details regarding a licensee's services; and
- information relevant to the relationship between the customer and the licensee.

Charters have a range of purposes which may include customer education and the differentiation of service providers in a competitive market. The benefit derived from a charter is usually commensurate with the effort invested by the licensee in the development and review process.

The operating licence for water service providers (water licence) requires that a licensee, through the development of a charter set out, in writing, the principles, terms and conditions upon which it intends to provide water services to its customers. In doing so, the licensee must address all of the issues that are reasonably likely to be of concern to customers.

The water licence requires that the licensee produce a charter, submit the charter to the Authority for approval, review the charter at either 24 or 36 month intervals depending on the individual licence, and after that review or any amendment, seek the Authority's approval.

In August 2006, the Authority published the Customer Service Charter Guidelines (charter guidelines). The charter guidelines provide information regarding:

- the minimum requirements for charters in the water, electricity and gas industries;
- the review of charters, where review is required; and
- the process that will be employed by the Authority in reviewing charters in the case of electricity and approving charters in the case of water¹.

In these guidelines, the Authority recommends that charters in the water industry contain elements including:

- An introduction which provides a brief description of the utility and a commitment to service that states the service values underpinning the operations of the utility.

¹ Currently gas licensees are required to produce a charter and to provide that charter to the Authority. However, the Authority does not have a role to review or approve the charter.

- A section detailing conditions for connection including how customers can obtain services and a list of products and services offered. These should be clearly and individually identifiable.
- A statement of standards and customer rights including the level of service that customers can expect should be specified.
- A section detailing the utility's powers including, for example, the power to prohibit the discharge of unauthorised substances into the wastewater system.
- A section detailing communication procedures including information on customer committees, notice for work to be undertaken, and dealing with correspondence.
- Contact information containing the address, telephone number and general business hours of the agency. It should also contain the positions and telephone numbers of relevant contact officers, and make it clear who is the appropriate point of contact. The charter also needs to explain how customers can obtain emergency assistance with a list of appropriate telephone numbers.
- A section dealing with complaints resolution mechanisms, including relevant contact details for the Department of Water.

The Authority guidelines provide the following criteria for the Authority's assessment of the charter:

Existence

Has the licensee undertaken a review process, at regular intervals and within the required timeframe?

Accuracy

Does the charter comply with all relevant legislative, code or regulatory requirements and is it in line with the standard form contract and/or the licence requirements?

Consultation

Has the licensee engaged with customers and/or their representatives in the development and/or review process?

Accessibility

Has the final document been prepared in simple language that is easily understood by customers?

ASSESSMENT AGAINST GUIDELINES

Existence

Section 19(a) of the Shire of Morawa water licence requires that the licensee must produce a charter outlining the principles, terms and conditions upon which the licensee intends to provide the service. Section 19(e) of the licence requires that the Shire of Morawa undertake a review of the charter at least once every 36 months. Section 19(f)

requires that any proposed amendments be submitted to the Authority for approval prior to implementation.

The Shire of Morawa first submitted their charter to the Authority for approval on 20th December 2007. The charter required further amendments to ensure that it contained up to date references to legislation and government agencies and the public consultation process had not yet been implemented. The Shire of Morawa re-submitted the final version of the charter on 18th June 2008. The previous charter was approved by the Authority in January 2005. The Authority finds that the Shire of Morawa has submitted their new charter for approval within an acceptable timeframe.

Accuracy

The Authority finds that the Shire of Morawa charter is generally consistent with relevant legislation and licence requirements.

Consultation

The Shire of Morawa has provided a copy of its customer service charter advertisement which invites public comment on the charter. The Shire did a 'letter-box drop' of the advertisement and sought public comment over a period of 25 days from 4 April 2008 to 29 April 2008.

The Authority finds that, on the basis of the information provided, the Shire of Morawa undertook the minimum requirement in relation to public consultation with regard to this review.

Accessibility

Section 19(c) of the Shire of Morawa water licence requires that the charter be developed in 'plain english' and that it should address all of the service issues likely to be of concern to its customers.

The Authority finds that the Shire of Morawa charter is generally consistent with the licence provision in covering all of the service issues likely to be of concern to its customers.

The Authority finds that the Shire of Morawa charter accessibility could be further improved through the simplification of some technical and legalistic language.

LYNDON ROWE
CHAIRMAN

For further information, contact:

Economic Regulation Authority
Perth, Western Australia
Phone: (08) 9213 1900