



Hardship Policy

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1. POLICY STATEMENT AND PURPOSE

This Policy is consistent with, the Residential Hardship Guide developed by the Victorian Water Industry.

Gippsland Water acknowledges that there are complex social-economic factors in the communities that we serve, and understands that some of our customers will experience some form of financial hardship from time to time.

This Policy has been developed commensurate with Victorian Water Industry guidelines to ensure a minimum level of service and respect is delivered to customers who are experiencing financial hardship.

Gippsland Water is committed to open, inclusive dialogue with key stakeholders including the Essential Services Commission (ESC), the Department of Human Services (DHS), Energy and Water Ombudsman Victoria (EWOV), financial counsellors and other customer representative bodies to improve mutual understanding of the complex issues involving financial hardship. Gippsland Water is also keen to develop realistic and innovative assistance programs for customers experiencing financial hardship.

This policy should be read in conjunction with Gippsland Water's Customer Charter.

2. RESPONSIBLE OFFICER

The Manager Customer Services is responsible for the implementation and maintenance of this policy

3. REFERENCES

Gippsland Water Customer Charter
ESC Customer Services Code
Water Act 1989

4. KEY DEFINITIONS

4.1 Definition of a Customer Experiencing Financial Hardship:

A customer experiencing financial hardship is someone who is identified either by themselves, by Gippsland Water, or by an independent accredited financial counsellor, as having the intention to pay but not the financial capacity to make the required payments within the timeframe set out in Gippsland Water's payment terms.

4.2 Long-term and Temporary Financial Hardship

Gippsland Water recognises two types of financial hardship - long term and temporary.

Gippsland Water understands that, depending on the type of hardship being experienced, customers will have different needs and will require different solutions to these needs.

Customers who are considered to be suffering long-term financial hardship are generally those customers with low or fixed incomes. These customers may require ongoing assistance.

Customers that may be considered to be in temporary financial hardship are those that have experienced a sudden change in circumstances such as ill-health, unemployment, separation, a death in the family, 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, a one-off grant, or an alternative payment arrangement.

The degree of hardship will be determined by either an internal assessment process or by an external body eg. An independent accredited Financial Counsellor. Where an internal assessment takes place to determine a customer's eligibility, consideration will be given to indicators, including (but not exclusively) the following:

- The customer is eligible for a Government funded concession (eg. Health Care Card, Social Security benefit, Pensioner)
- The customer is a tenant or owner/occupier
- The customer has previously applied for a Utility Relief Grant (irrespective of whether or not their application was successful)
- The customer's payment history indicates that they have had difficulty meeting payment of Gippsland Water's invoices in the past
- The customer, through self-assessment, has identified their position regarding their ability to pay
- Gippsland Water has other objective criteria as indicators of financial hardship.

4.3 Rights of Customers Experiencing Financial Hardship

Each *Customer Experiencing Financial Hardship* has the right to:

- Be treated sensitively on a case-by-case basis and have their circumstances kept confidential
- Receive information about alternative payment arrangements, Gippsland Water's Hardship Policy and government concessions, including the Utility Relief Grant Scheme (URGS)
- Negotiate an amount the customer afford to pay on an arrangement plan that is acceptable to both parties
- Consider various payment methods, and receive written confirmation of the agreed payment arrangement (excluding short term payment extensions) within ten (10) business days
- Renegotiate the amount of their instalment if there is a change in their circumstance. Any re-arrangement will need to be acceptable to both parties.
- Receive information about a free and independent financial counselling service from an accredited financial counsellor, if available
- 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 schedule, or an agreed altered schedule of payments
- Not have water supply restricted as long as they have agreed to a payment arrangement and continue to maintain payments according to an agreed schedule.

4.4 Guaranteed service levels

The Essential Services Commission has established a hardship related guaranteed service level, which outlines minimum reasonable endeavours guidelines that must be followed in respect to restrictions and legal action. Prior to commencing a restriction or legal action, these guidelines require Gippsland Water, or an authorised agent, to: Gippsland Water will guarantee to:

- Issue a bill, reminder notice and final notice;
- Make at least two attempts to contact the customer by phone or in person on separate weekdays; and
- If two attempts at personal contact is unsuccessful, a further attempt to contact via registered mail and/or a personal visit will be required
- Make one further attempt to contact the customer in person

Gippsland Water's attempt for personal contact via phone or personal visit may be undertaken by an authorised agent of Gippsland Water.

Failure by Gippsland Water to adhere to the "minimum reasonable endeavours" guidelines will result in a breach of the hardship related Guaranteed Service Level. In the event that a breach occurs, Gippsland Water will apply a rebate of \$300 to the customer's account.

5. APPLICATION/PROCESS

5.1 Process:

Gippsland Water has adopted an internal assessment process that:

1. Will determine a customer's eligibility using objective criteria as indicators of hardship
2. Is designed to make an early identification of a customer's hardship
3. Will determine the internal responsibilities for the management, development, communication and monitoring of the policy

Gippsland Water will ensure that as a minimum service standard to customers experiencing financial difficulty, Gippsland Water will:

- Engage in discussion with a customer to determine the best option
- Offer a range of payment options recognising that some customers have a short term financial hardship issue which may be resolved in the near to medium term future where others may require a different type of assistance for long-term financial issues
- Provide written confirmation of any alternative payment method (excluding short term payment extensions) to be sent to customers within ten (10) business days of an agreement being reached
- Provide for staff training about Gippsland Water's policies and procedures to ensure customers in hardship are treated with sensitivity and without making value judgements
- Suspend debt recovery processes while negotiating a suitable arrangement with a customer
- Offer information and referral to government concession and assistance programs (including the Utility Relief Grant Scheme)
- Have available Gippsland Water's Hardship Policy and other payment assistance information available at the customer's request.
- Offer information and referral to no-cost independent financial counsellors
- Exempt customers in hardship from supply restriction, legal action, and additional debt recovery costs while payments are maintained by the customer to Gippsland Water, according to an agreed flexible payment plan or other payment schedule
- Provide information to customers that have been identified as experiencing financial hardship about how to reduce consumption, and invite them to seek further assistance from Gippsland Water, in reducing water usage

- Offer information about Gippsland Water's dispute resolution policy, and the customer's right to lodge a complaint with EWOV and any other relevant external dispute resolution forums if their hardship claim is not resolved to their satisfaction by Gippsland Water
- Ensure appropriate escalation procedures are in place for any customer complaints regarding Gippsland Water's Hardship Policy.
- Detail the circumstances in which Gippsland Water's Hardship Policy will cease to apply to customers
- Provide for a review mechanism of Gippsland Water's Hardship Policy and its associated procedures

5.2 Collection:

The following action will be implemented if a breakdown in arrangement with the customer occurs and Gippsland Water is unsuccessful in their attempts to contact the customer or the customer is unwilling to re-negotiate or discuss an alternate option acceptable to both parties.

5.2.1 Reminder Notices

If a customer fails to pay by the required date stated on the invoice, Gippsland Water will issue a Reminder notice (in the same manner in which it sent the original invoice)

5.2.2 Warning Notices

At least seven (7) days prior to taking action for non-payment, Gippsland Water will issue a payment warning notice (in the same manner in which it sent the invoice) that:

- Specifies any assistance that is available to the customer, including information about Gippsland Water's hardship policy and the customer's right to lodge a complaint with a dispute resolution scheme (in Victoria, this scheme is the Energy and Water Ombudsman, EWOV) if their affordability issue is not resolved with Gippsland Water
- Advises the customer that the tax invoice is overdue and must be paid for the customer to avoid debt recovery action or water supply restriction
- Cautions that, if debt recovery action and/or water restriction action is taken for non-payment, the customer may incur additional costs in relation to those actions

FOR THIS POLICY TO BE SUCCESSFUL IT REQUIRES THE COOPERATION OF BOTH PARTIES TO MAINTAIN COMMUNICATION.

6. RESPONSIBILITIES FOR IMPLEMENTATION

The responsibilities for implementation of this policy lie with the Team Leaders, Customer Assistance and the Customer Contact team.

7. POLICY APPROVAL AND REVIEW

This policy has been approved by the General Manager Customer Service and Communications and will be reviewed by the Manager Customer Contact in-line with the annual operational policy review.