

# Customer Hardship Policy

Customers are able to obtain a copy of the Customer Hardship Policy by:

- (a) Contacting Wannon Water on 1300 926 666 and requesting a copy;
- (b) Visiting one of our customer service centres and requesting a copy; or
- (c) Visiting our website [www.wannonwater.com.au](http://www.wannonwater.com.au).

## 1.0 PURPOSE

This Customer Hardship Policy outlines the minimum standards that Wannon Water will adopt in relation to dealing with residential customers who are experiencing hardship. Procedures and work instructions are in place to ensure our staff adhere to this policy.

The policy defines Wannon Water's approach to supporting customers experiencing either temporary or permanent hardship. The policy aims to treat all customers in financial difficulty with dignity and respect without making value judgements. Wannon Water staff will identify early those customers in difficulty and provide them with access to financial assistance.

Chronic hardship customers will be provided with a nominated contact person to help address their issues and are shielded from further recovery action (i.e. water restriction and legal proceedings). Information will also be provided to hardship customers on all support and programs that are available.

## 2.0 Definition of Hardship Customer

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

There are two types of hardship customers; permanent and temporary. These two types of hardship customers may have different characteristics and may require different types of assistance.

Permanent hardship customers are generally those residential customers with low or fixed incomes and may require ongoing assistance.

Temporary hardship customers are those who have experienced a sudden change in living circumstances such as ill health, unemployment, 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 a payment arrangement.

A customer can be identified as a hardship customer either by self-assessment, an internal assessment process or by an independent accredited financial counsellor. Whatever assessment takes place, our customer service staff should consider the following indicators when determining a customer's eligibility to be treated as a hardship customer:

- (a) The customer is eligible for Government funded concessions (e.g. Health Care Card, Social Security Benefit or Pensioner).
- (b) The customer requests information about alternative payment arrangements.
- (c) The customer has previously applied for a Utility Relief Grant (irrespective of whether or not their application was successful).
- (d) The customer's payment history indicates that they have had difficulty paying the account in the past.
- (e) The customer has had a sudden change of circumstances that adversely affects their finances.
- (f) The customer, through self-assessment has identified their position regarding affordability.
- (g) The customer may have a low level of income, not be employed or live alone.

- (h) The customer is experiencing family violence or is providing indications that they might be experiencing family violence.

Although the above list is an indicator of possible hardship, each customer will be managed in accordance with their individual circumstances with the identification process being the responsibility of Wannon Water.

### 3.0 Rights of Hardship Customers

Each hardship customer has the right to:

- (a) be treated sensitively on a case by case basis and have their circumstances kept confidential;
- (b) receive information about alternative payment arrangements, Government concessions including the Utility Relief Grant Scheme, Wannon Water's policies and other internal and Government programs, which may assist in reducing their current arrears and long term water accounts;
- (c) agree to an amount he or she can reasonably afford to pay on an arrangement plan;
- (d) choose from various payment methods in accordance with the customer's circumstances and capacity to pay and to receive written confirmation of the agreed alternative payment arrangement within 10 business days of an agreement being reached;
- (e) renegotiate the amount of their arrangement if there is a change in their circumstances;
- (f) receive, at no cost to the customer, timely, independent, financial counselling from an accredited financial counsellor;
- (g) receive, at no cost to the customer, a language interpreter service;
- (h) be shielded from Wannon Water legal action and additional debt recovery costs while they continue to make payments according to the current agreed schedule of payments;
- (i) access Wannon Water's Financial Assistance Procedure if the payment amount that they can reasonably afford is not adequate to cover both arrears and future estimated water accounts. Customers who meet their payments by the due dates can receive bonus credits in accordance with the procedure and if they continue to meet their payments over an extended period of time they can receive a write off of their long term debt in accordance with the procedure;
- (j) access to water conservation information to assist in reducing consumption; and
- (k) not have water supply restricted as long as they have maintained the agreed payment arrangement.

Customers identified as experiencing family violence as set out in Wannon Water's Family Violence Procedure – Customers are eligible for hardship assistance.

### 4.0 Management of Hardship Customers

Each customer will be dealt with sensitively on a case by case basis and subject to the following guidelines:

- (a) The customer should be asked to nominate an amount he or she can afford to pay without defaulting on any payment arrangement plan.
- (b) If the customer is unable to agree to a payment arrangement the customer should be referred for assistance in accordance with Wannon Water's Hardship Manual.
- (c) A moratorium will be placed on debt recovery pending the establishment of an agreed payment arrangement.
- (d) Wannon Water will accept payment amounts from hardship customers below the suggested payment range guidelines even if the payment amount is insufficient to cover the current usage and outstanding arrears.

An independent financial counselling service is offered, at no charge to the customer, if they are experiencing financial distress.

Wannon Water must confirm the details of the payment arrangement in writing within 10 business days and should offer the customer a choice of various payment methods in accordance with the customer's capacity to pay.

Hardship customers have the right to request a review of the amount of their arrangement if there is a change in their circumstances.

Legal action, water supply restriction and additional debt recovery costs will not be instituted against customers who meet the criteria to be treated as hardship customers and continue to make payments according to an agreed schedule.

Suspension of payments, reduced payment arrangements and waiver of part or all of the customer's debt shall be in accordance with the delegation of authority in the Wannon Water's Instrument of Delegation, Appointments and Authorisations, Financial Assistance Procedure and Credit Management Procedure.

If the customer fails to meet the agreed payment arrangement instalments and does not actively work with Wannon Water to address the situation then the customer will be advised in writing that standard credit follow up processes will be implemented and the Customer Hardship Policy will cease to apply.

## **5.0 Pro-Active Provision of Information**

Wannon Water will be pro-active in providing potential hardship customers with timely information regarding payment assistance, including:

- (a) An invitation to contact us to discuss alternative payment arrangements included with all bills.
- (b) Details about concession eligibility and other Government funded assistance programs (e.g. an application for a Utility Relief Grant) no later than the third notice/request for payment.

To remind eligible concession card holders of their entitlements, on all final notices Wannon Water will remind customers to provide their concession details so that they can be given their entitlements (if they have not already done so).

Customers that have been identified as hardship customers will receive access to any current Wannon Water and Government funded assistance programs.

A no-charge interpreter service is available to customers from non-English speaking backgrounds.

Customers will be advised about their right to lodge a complaint with the Energy and Water Ombudsman (Victoria) or any other relevant external dispute resolution forum if their affordability issue is not resolved by Wannon Water.

Customers that have been identified as hardship customers will have access to information detailing Wannon Water's Customer Hardship Policy and related procedures.

## **6.0 Corporate Responsibility for Hardship Customers**

Wannon Water 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 so that favourable outcomes are achieved for both our customers and Wannon Water.

Wannon Water will ensure that there are appropriate escalation procedures in place to deal with customer complaints regarding this policy.

The Branch Manager Retail Services has been allocated responsibility for the strategic direction, operation and management of Wannon Water's Customer Hardship Policy and related procedures.

## **7.0 Staff Training**

Wannon Water will ensure that customer contact staff are adequately trained to deal sensitively with hardship customers and are well informed about:

- (a) Government funded concession schemes.
- (b) Wannon Water’s legal responsibilities (e.g. Customer Charters, Energy and Water Ombudsman (Victoria)).
- (c) The Essential Service Commission’s Customer Service Code requirements for hardship customers.
- (d) Wannon Water’s Customer Hardship Policy, procedures and work instructions, including delegated authorities to renegotiate hardship arrangements.
- (e) Hardship customers' circumstances.
- (f) Our programs that support customers in financial difficulty.

Relevant Wannon Water staff will receive ongoing training on a range of social and community issues to assist in improving our understanding of the issues that low income and vulnerable customers face to ensure we provide a supportive and appropriate level of service.

## 8.0 Continual Improvement

Wannon Water is committed to ongoing dialogue at an industry level with the Essential Services Commission, the Department of Health and Human Services and the Energy and Water Ombudsman (Victoria). Wannon Water will also work with financial counsellors, welfare agencies, other utilities and other hardship customer representative bodies to develop and improve an understanding of the complex issues confronting low income and vulnerable customers.

Wannon Water will liaise with customers and the financial counselling sector to improve the service offerings to the hardship customer segment and jointly develop commercially realistic, innovative ways to reduce the accrued debt levels attributed to hardship customers.

The Customer Hardship Policy and associated procedures of Wannon Water will be reviewed on a regular basis but no less frequently than once every three years to ensure they are adequate to meet customer needs.

## 9.0 Measures of Success

To determine whether this policy is being implemented successfully, Wannon Water will have regard to the following:

Measure of Success	Indicator
Annual audits conducted by the Essential Services Commission for compliance with the Customer Service Code.	Audit finds that Wannon Water’s policies, procedures and work instructions fully comply with the Customer Service Code.
Approval of hardship grants and Utility Relief Grants.	Wannon Water is above the industry average as reported in the Essential Services Commission’s annual Water Performance Report.
Number of residential customers on instalment plans.	Wannon Water is above the industry average as reported in the Essential Services Commission’s annual Water Performance Report.
Hardship Guaranteed Service Level (GSL) payments.	No Hardship GSL payments have been made.

## 10.0 DOCUMENT CONTROL



### Customer Hardship Policy

Only the Board may authorise development and approval of Board policies. The policy development and approval process is coordinated and documented in the agenda and minutes of the Board. For document control purposes, the approver detailed below is the relevant employee responsible for managing the Policy on behalf of the Board.

Custodian	Branch Manager Retail Services
Approver	General Manager Community & Corporate Services
Status	Approved
Version	5
Approved Date	21/03/2019
Review Due Date	21/03/2022