

Customer Financial Hardship

1. HARDSHIP CUSTOMER DEFINED

A Residential or Non Residential customer experiencing hardship is someone who is identified either; by themselves, East Gippsland 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 East Gippsland Water's payment terms.

There are two types of Financial Hardship Customers; permanent and temporary. These two types of Financial Hardship Customers may have different characteristics and may require different types of assistance.

Customers that are considered to be in the long-term or permanent group of financial hardship are generally those 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, family violence 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. Any assistance or relief granted to customers is dependent upon a thorough evaluation of the individual circumstances appropriate to a particular customer.

The degree of hardship will be determined by either an internal assessment process or by an external body such as an independent accredited financial counsellor. Where an assessment takes place to determine a customer's eligibility, consideration will be given to indicators, including the following:

- The customer's eligibility for Government funded concession card; or
- The customer's previous application/s for a Utility Relief Grant (URGS) (irrespective of whether or not their application was successful); or
- The customer's payment history that indicates any difficulty meeting East Gippsland Water's payment terms; or
- The customer identifying their position regarding affordability; or
- The customer requesting information about alternative payment arrangements; or
- The customer's sudden change of circumstances that adversely affect their ability to meet any financial obligation's; or
- Other objective criteria determined by East Gippsland Water as an indicator of financial hardship.

Although the above list is an indicator of possible financial hardship, each customer will be managed according to their individual circumstances as assessed by East Gippsland Water staff.

2. RIGHTS OF FINANCIAL HARDSHIP CUSTOMERS

Each Customer experiencing financial hardship and/or family violence has the right to:

- Be treated with respect and sensitivity on a case by case basis and have their circumstances kept confidential;
- Receive information about alternative payment arrangements such as Government concessions including Utility Relief Grant Scheme (URGS), East Gippsland Water's policies and other internal and Government programs, which may assist in reducing their current payment arrears;
- Nominate an amount he or she can reasonably afford to pay on an arrangement plan;
- Choose from various payment methods in accordance with the customers' 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;

- Re-negotiate the amount of their arrangement if there is a change in their circumstances;
- Receive at no cost to the customer, timely, independent, financial counselling from an accredited financial counsellor;
- Receive information on specialist support networks available
- Receive, at no cost to the customer, a language interpreter service;
- Be shielded from legal action and additional debt recovery costs while they continue to make payments according to the agreed schedule of payments; or an agreed altered schedule of payments;
- Have access to water conservation information to assist in reducing consumption;
- Not have their water supply restricted as long as they meet payments as part of the agreed schedule of payments;
- Be advised their right to lodge a complaint with the independent dispute resolution scheme (Energy and Water Ombudsman of Victoria) if their affordability issue is not resolved with East Gippsland Water.

3. RESPONSIBILITIES OF FINANCIAL HARDSHIP CUSTOMERS

- Advise East Gippsland Water of their financial hardship as soon as practicable;
- Be reasonable in their negotiations with East Gippsland Water staff in pursuit of a mutually acceptable outcome;
- Be honest and realistic in their assessment of their capacity to pay;
- Seek independent financial advice or representation where appropriate;
- Maintain any arrangement payment plan and advise East Gippsland Water if they are unable to meet a scheduled payment.

4. PROCEDURES – PAYMENT ARRANGEMENTS

East Gippsland Water will negotiate customised instalment plans and arrangements with customers to meet their need and their ability to pay. Customers will be asked 'what they can afford'? East Gippsland Water strongly encourages regular payments to be made where possible, even when the amount is insufficient to cover the new charges as well as arrears. The customer's account will continue to be monitored in an endeavour to avoid further indebtedness.

East Gippsland Water is very flexible with a variety of payment plans and methods of payment as demonstrated below:-

		Arrangements/Payment Plans
Amount	○	As indicated on the account balance
	○	As projected for future bills/usage
	○	As indicated by customer and according to capacity to pay
Frequency	○	Weekly
	○	Fortnightly
	○	Monthly (<i>approval required</i>)
	○	Extensions
	○	Full amount according to agreement
Options	○	East Gippsland Water Easyway Payment card at Australia Post
	○	AustPost Billpay by phone, internet or in person
	○	Direct Debit from customers designated bank account
	○	Centrepay from any Centrelink benefit
	○	BPay by debit account
	○	Mail – Cheque and Money order (no cash)
	○	Credit Card by phone
Access	○	In person over the counter
	○	By phone to 1800 671 841 Mon to Fri 8.30 am – 5.00pm

5. EAST GIPPSLAND WATER'S INCENTIVE PLAN

This incentive plan is provided to encourage customers to:

- Establish a regular payment routine
- Reduce the arrears amount
- Prevent interest and future debt
- Build and encourage a relationship of trust with East Gippsland Water
- Raise the priority of water as an essential service when paying accounts.

Customers will only be entitled to receive one incentive payment at a time that is the one most advantageous to them.

Incentive payments will be applied prior to each account being issued. Any customer who has failed to maintain their agreed incentive plan and fails to make good any shortfall before the last week of the billing cycle, shall forfeit their incentive payment. Incentive payments will not be applied retrospectively.

The following incentive payments will be available to Customers;

Pay and Save Plan – customers can apply for a customer Pay & Save Plan, which will provide assistance to those who are experiencing financial difficulties. This will offer customers in arrears and currently maintaining their arrangements an equal incentive payment. The customer must meet East Gippsland Water's internal eligibility criteria. The Corporation will effectively make every fourth payment up to a maximum of \$500 per annum if a customer continues to meet their payment arrangement obligations.

However, the pay and save incentive will not continue after arrears are cleared, resulting in an account balance going into credit.

To be eligible for inclusion in East Gippsland Water's incentive plan a customer must have been assessed as experiencing either long-term/permanent or temporary financial hardship.

The customer will be on East Gippsland Water's Pay & Save plan for a period of 12 months and an East Gippsland Water staff member will review this annually. The customer can update East Gippsland Water of their circumstances and reapply after 12 months.

Utility Relief Grants Scheme Program – residential customers can apply for the government Utility Relief Grant Scheme (URGS) Program, which eligible customers can receive up to a maximum of \$650 in a two year period. This program is available to those customers who hold an eligible concession card or are apart of a low-income household. The customer must meet URGS eligibility criteria to be successful in receiving financial assistance.

The corporation will provide an additional one-off payment to customers who have been successful under the URGS program equal to 20 percent of that approved payment and have a remaining account debt of \$150 or greater.

6. MANAGEMENT OF CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP

A customer participating in the Financial Hardship program:-

- Will be given the opportunity to nominate an amount that they feel they can realistically afford on a schedule of payments plan so as to avoid any further payment defaults.
- Should agree to a schedule of payments plan not exceeding 12 months, or some other period considered appropriate to East Gippsland Water sufficient to recover both the amount in arrears, and enable the customer to meet future bills.
- Shall have interest and debt recovery action suspended for a reasonable period to allow a revised payment proposal and schedule of payments plan to be established.
- Will be encouraged to enter into a schedule of payments plan that sufficiently meets arrears and ongoing charges but East Gippsland Water may accept a flexible schedule of payments that provides for a longer term payment arrangement.



East Gippsland Water

Customers experiencing financial hardship and/or family violence will be provided with information regarding the services of a free independent financial counsellor and/or other specialist support networks.

East Gippsland Water must confirm the details of the schedule of payments in writing within 10 business days and should offer the customer the choice of various payment methods in accordance the customer's capacity to pay.

Financial Hardship Customers have the right, to re-negotiate 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 financial hardship customers who continue to make regular payments according to the agreed schedule of payments.

Customers that fail to meet the agreed schedule of payments arrangement and do not advise East Gippsland Water of changes to the payment arrangement within the spirit of this document will have normal debt collection processes activated which may lead to further costs and legal action.

East Gippsland Water is committed to being pro-active in providing potential Hardship customers with information regarding payment assistance. This may involve meetings onsite or home/site visits to customers to initiate communication and engagement to discuss concession entitlements, Government schemes and alternative payment arrangements. These visits will also provide assistance in the completion of appropriate forms. Once an arrangement has been secured the customer will receive written confirmation within 10 working days.

7. MANAGEMENT OF CUSTOMERS EXPERIENCING FAMILY VIOLENCE

East Gippsland Water will case manage customers affected by family violence on an individual basis with consideration given to debt waiver or deferment, allocation of debt and debt collection activities, financial assistance programs, concessions and Utility Relief Grant eligibility.

The customer will be referred to a staff member within the Customer Business Team to be case managed and if the customer will engage with our financial assistance program, East Gippsland Water will cease debt collection recovery, legal action and associated costs.

East Gippsland Water has an internal process to identify these customers and ensure their details are managed with a high degree of privacy and sensitivity. All staff are trained to identify and engage with family violence customers. Our staff are aware of the importance of specialist help for family violence victims and are trained to provide information to customers regarding appropriate referral pathways.

8. PROVISION OF INFORMATION

East Gippsland Water will be pro-active in providing potential Financial Hardship Customers with timely information regarding payment assistance, including:

- An invitation to contact us to discuss alternative schedule of payment arrangements;
- Information about concession eligibility and other Government funded assistance programs (eg. application for a Utility Relief Grant) no later than the issuing of the third notice/request for payment.

Payment notices will include details to remind eligible concession card holder customers of their obligations to provide their concession card details to East Gippsland Water to receive their entitlements. Notices will also include information on payment assistance and financial hardship programs.

Customers that have been identified as Financial Hardship Customers will receive access to any current East Gippsland Water and Government funded water conservation incentives.

A free interpreter service is available to customers from non-English speaking backgrounds.

Customers will be advised about their right to lodge a complaint with a dispute resolution scheme (Energy & Water Ombudsman of Victoria) if their affordability issue is not resolved by East Gippsland Water.

The Financial Hardship Policy and information associated with this policy will be available on East Gippsland Water's internet site and in hard copy on request.

9. STAFF TRAINING

East Gippsland Water customer service staff and debt collection agency staff will complete training and refresher programs to ensure that they understand this procedure and that they are trained to deal sensitively and without making value judgements with customers experiencing financial hardship and/or family violence. Training will ensure staff are well informed about:

- East Gippsland Water programs;
- East Gippsland Water policies and standard operating procedures
- Government funded concession schemes;
- Customer's legal rights and responsibilities eg: Energy and Water Ombudsman of Victoria;
- Industry Code of Practice for Hardship Customers.

Training will be made available from internal and external sources, on a range of topics, to assist the Customer Service team understand the issues confronting East Gippsland Water's financial hardship customers and to ensure these customers are treated respectfully, non-judgementally and confidentially.

10. EFFICIENCY FOCUS

An important element of East Gippsland Water's response to customers suffering financial hardship is to help them manage their water consumption. This will assist customers control their water costs.

East Gippsland Water's Customer Service team will offer advice about water saving in and around the house and garden, will send information to assist customers in the management of their water usage and will refer customers to any relevant government funded programs.

If a property is recognised as registering an unusually high consumption for a particular billing period, the customer will be issued with a 'High Read' letter. This letter advises the customer prior to their account being issued of the high consumption and expresses East Gippsland Water's concerns about a possible leak at the property. The letter also explains what action the customer needs to take to ascertain what the problem is.

11. CONTINUAL IMPROVEMENT

East Gippsland Water is committed to continual improvement in the manner it deals with customers experiencing financial hardship. East Gippsland Water will continue to attend and participate in industry forums to gain a better understanding of the issues that face low income and vulnerable customers in an effort to be better equipped to provide the necessary assistance.

The Customer Financial Hardship Policy and associated procedures of East Gippsland Water will be reviewed at least annually to ensure they are adequate to meet changing customer needs.

East Gippsland Water will apply new learning's to improve services offered to customers to assist them in meeting their payment obligations.

12. RELATED DOCUMENTS

SOP – 177A : Family Violence Guidelines Customers.