	<b>Function:</b> CORPORATE AND COMMUNITY SERVICES (FINANCIAL MANAGEMENT)	<b>Adopted:</b> 21 <sup>st</sup> January 2015 <b>Resolution No.:</b> C17:15
	<b>Policy Number:</b> FIN019	<b>Last Review:</b> 5 <sup>th</sup> July 2023 <b>Resolution No.:</b> C234:0723
	<b>Version Number:</b> 7	<b>Next Review:</b> Annually
<b>HARDSHIP POLICY</b> <b>FOR RESIDENTIAL CUSTOMERS OF MINOR AND INTERMEDIATE RETAILERS</b>		

## Policy Statement

The Copper Coast Council (Council) is committed to assisting residential customers of water and sewerage services, who are experiencing financial hardship, to manage their payments in a manner that best suits the customer, and ensuring they remain connected to a retail service.

### 1. Introduction

The Hardship Policy for Residential Customers or Minor and Intermediate Retailers (Policy) is based on:

- 1.1.1. The Customer Hardship Policy for minor and intermediate retailers, made by the Minister for Communities and Social Inclusion, pursuant to Section 37 of the *Water Industry Act 2012*, under a delegation by the Minister for Water and the River Murray, with modification. The modifications contained in this policy have been approved by the *Essential Services Commission of South Australia*.
- 1.1.2. Section 182 of the *Local Government Act 1999* permits a Council to partially or wholly remit rates or to postpone rates on the basis of hardship.

### 2. Scope

- 2.1. The purpose of this Policy is to identify residential customers who are experiencing payment difficulties due to hardship, and assist those customers to better manage their bills on an ongoing basis.
- 2.2. This Policy sets out:
  - 2.2.1. The processes to identify residential customers experiencing payment difficulties due to hardship, including identification by us, self-identification by a residential customer, identification by an accredited financial counsellor, or welfare agency, and
  - 2.2.2. Outlines a range of processes or programs that we will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

### 3. Applicable Legislation

- 3.1. The following legalisation applies to this Policy:
  - Local Government Act 1999
  - Water Industry Act 2012
- 3.2. This Policy is not a mandatory requirement but essential for good governance.

#### 4. Integration with Corporate Objectives

4.1. This Policy supports Council's Strategic Plan 2019 - 2029

4.1.1. Governance Objective – Leadership

Goal 5 - To provide leadership and ensure community resources are managed efficiently and effectively.

- 5.2 Finance – To have open, accurate and effective financial Management.

#### 5. Related Council Policies and Documents

5.1. This Policy is also designed to operate in conjunction with other policies, including:

- Financial Hardship (Rates) Policy
- Debt Collection Policy.

#### 6. Definitions

For the purposes of this Policy, the following definitions apply:

6.1. **Accredited Financial Counsellor** in South Australia means a person who holds a Diploma of Community Services (Financial Counselling), who has worked at least twelve (12) months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association.

6.2. **Authorised Officer** is defined as an Authorised person delegated authority under Section 44 of the *Local Government Act 1999*.

6.3. **Chief Executive Officer (CEO)** means the appointed Chief Executive Officer under Section 96 of the *Local Government Act 1999* and includes any person acting or delegated by the Chief Executive Officer under Sections 100 and 101 of the *Local Government Act 1999*.

6.4. **Connection** means an agreed point of supply at which a customer receives a retail service from a supplier in the Copper Coast.

6.5. **Consumer** means a person supplied with retail services as a consumer or user of those services (as defined in the *Water Industry Act 2012*), and includes a consumer by virtue of being a Council ratepayer.

6.6. **Council** means the Copper Coast Council and any delegate of the Council.

6.7. **Customer** means a person who owns land in relation to which a retail service is provided and includes:

6.7.1. where the context requires, a person seeking the provision of a retail service; and

6.7.2. in prescribed circumstances, a person supplied with retail services as a consumer or user of those services (without limiting the application of this definition to owners of land);

6.7.3. a person of a class declared by the regulations to be customers (as defined in the *Water Industry Act 2012*) (Note: you may be a customer by virtue of being a Council ratepayer).

6.8. **Financial hardship** means a circumstance of experiencing a lack of financial means, which may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt.

- 6.9. **Hardship customer** means a customer who has been identified under, accepted into, or is eligible for assistance under our hardship program which is an agreement between Council and a hardship customer for payment of outstanding sums due for services.
- 6.10. **Hardship program** means an agreement between Council and a hardship customer for payment of outstanding sums due for retail services.
- 6.11. **Intermediate retailer** means a retailer that provides retail services to more than 500 but less than 50,000 connections.
- 6.12. **Minor retailer** means a retailer that provides retail services to less than 500 connections.
- 6.13. **Residential customer or consumer** means a customer or consumer who is supplied with retail services for use at residential premises, as defined in the *Water Industry Act 2012* and includes a residential customer or consumer by virtue of being a Council ratepayer.
- 6.14. **Retail service** means a service constituted by:
- 6.14.1. the sale and supply of water to a person for use (and not for resale other than in prescribed circumstances (if any)) where the water is to be conveyed by a reticulated system, or
  - 6.14.2. the sale and supply of sewerage services for the removal of sewage (including but is not limited to community wastewater management systems),
  - 6.14.3. (even if the service is not actually used) but does not include any service, or any service of a class, excluded from the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*).
- 6.15. **Retailer** means the holder of a licence issued by the Essential Services Commission of South Australia under the *Water Industry Act 2012*
- 6.16. **Sewage** includes any form of waste that may be appropriately removed or dealt with through the use of a sewerage service (as defined in the *Water Industry Act 2012*).
- 6.17. **Sewerage service** means a service constituted by the collection, storage, treatment or conveyance of sewage through the use of a reticulated system, or any other service, or any service of a class, brought within the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*)  
(Note: sewerage service includes but is not limited to community wastewater management systems)
- 6.18. **Water** includes rainwater, stormwater, desalinated water, recycled water and water that may include any material or impurities, but does not include sewage (as defined in the *Water Industry Act 2012*).
- 6.19. **Water service** means a service constituted by the collection, storage, production, treatment, conveyance, reticulation or supply of water, or any other service, or any service of a class, brought within the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*).

## 7. Application

- 7.1. Identifying residential customers experiencing financial hardship
- 7.1.1. A residential customer experiencing financial hardship is someone who is identified by themselves, by us, by an accredited financial counsellor, or by

a welfare agency as having the intention, but not the financial capacity, to make required payments in accordance with our payment terms.

- 7.1.2. There are two types of financial hardship: ongoing and temporary. Depending on the type of hardship being experienced, hardship customers will have different needs and will require different solutions.
  - 7.1.3. Residential customers that are identified as experiencing ongoing hardship are generally those on low or fixed incomes. These customers may require ongoing assistance.
  - 7.1.4. Residential customers that may be identified as experiencing temporary hardship are those that have experienced a short-term change in circumstances, such as serious illness, disability or death in the family, loss or change in income, separation, divorce or other family crisis, 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 or an alternative payment arrangement.
  - 7.1.5. The extent of hardship will be determined by either our assessment process or by an external body, such as an accredited financial counsellor.
  - 7.1.6. Where we assess a residential customer's eligibility for hardship assistance, we will consider indicators including (but not limited to) whether:
    - a) the customer is on a Centrelink income and holds a Pensioner Concession Card or a Centrelink Low Income Health Care Card;
    - b) the customer is eligible for a South Australian Government concession;
    - c) the customer has been referred by an accredited financial counsellor or welfare agency;
    - d) the customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful);
    - e) the customer's payment history indicates that they have had difficulty meeting their retail services bills in the past;
    - f) the customer, through self-assessment, has identified their position regarding their ability to pay.
- 7.2. Assisting residential customers who are experiencing financial hardship
- 7.2.1. Council will inform a residential customer of this Policy where it appears to us that non-payment of a bill for retail services is due to the customer experiencing payment difficulties due to hardship.
  - 7.2.2. Where a residential customer has been identified as experiencing financial hardship, Council will offer the customer, as soon as is reasonably practicable, flexible and frequent payment options that have regard to the hardship customers usage, capacity to pay and current financial situation. These options will include the following:
    - a) an interest and fee free payment plan that complies with Clauses 7.4.1 -5,
    - b) Centrelink's Centrepay service (only where available), or
    - c) other arrangement, under which the customer is given more time to pay a bill or to pay in arrears (including any disconnection or restriction charges), recognising that some residential customers have a short-term financial hardship issue which may be resolved in the near to medium-term, where others may require a different type of assistance for ongoing financial issues.

- 7.2.3. Council will not charge a residential customer a reconnection charge where that customer is experiencing financial hardship and should have been identified as eligible under this Policy, so long as the customer agrees to participate in our hardship program, upon reconnection.
- 7.2.4. Council will engage in discussion with the hardship customer to determine a realistic payment option in line with the customer's capacity to pay.
- 7.2.5. Council will work with a hardship customer's financial counsellor to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.
- 7.2.6. Where a hardship customer's circumstances change, we will work with the customer, and their financial counsellor, to re-negotiate their payment arrangement.
- 7.2.7. Council will not require a hardship customer to provide a security deposit.
- 7.2.8. Council will not restrict a hardship customer's retail services if:
  - a) the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement; or
  - b) Council failed to comply with the requirements of the Policy; or
  - c) the customer's retail service is a community wastewater management system or other sewerage service.
- 7.2.9. Council will also offer the hardship customer:
  - a) where appropriate, information about the right to have a bill redirected to a third person, as long as that third person consents in writing to that redirection;
  - b) information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs;
  - c) information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is identified as experiencing ongoing financial hardship.
- 7.2.10. Where a hardship customer requests information or a redirection of their bills, Council will provide that information or redirection free of charge.
- 7.2.11. Council will provide information to the hardship customer on how to reduce usage and improve water efficiency, which may include referral to relevant Government water efficiency programs. This will be provided at no charge to the hardship customer.
- 7.2.12. Council will explain to the hardship customer how and when the customer will be returned to regular billing cycles (and collection), after they have successfully completed the hardship program.
- 7.2.13. Council will also explain to the hardship customer that they will be removed from our hardship program, and be returned to our standard collection cycles, including debt recovery, should they cease to make payments according to the agreed payment arrangement or fail to contact us for a period of greater than ninety (90) days.
- 7.2.14. Council will not take any action to remove a customer from our hardship program until we have sent the customer a written notice, allowing them ten (10) working days from the date of the notice to contact us to re-negotiate their re-entry into the program.

- 7.3. Retail services provided by Councils
- 7.3.1. Council rates are made up of retail services (as defined in this Policy) and non-retail services, e.g. refuse collection.
- 7.3.2. If a residential customer is in receipt of a retail service provided by a Council and are experiencing financial hardship, then only the retail service element of the Council rates will be subject to the terms of this Policy. All or any other sums that are due to the Council for non-retail services will be dealt with under the Council's existing hardship policies. Council may exercise its discretion to apply this Policy to other sums due.
- 7.4. Payment plans
- 7.4.1. Council will establish a payment plan for a hardship customer having regard to the customer's capacity to pay and current financial situation and any arrears owing by the customer.
- 7.4.2. The payment plan will also include an offer to the hardship customer to pay for their retail services in advance or in arrears by instalment payments at a frequency agreed with the customer (e.g. weekly, fortnightly, monthly or as otherwise agreed with the customer).
- 7.4.3. Where a payment plan is offered to a hardship customer, Council will inform the customer in writing, within ten (10) business days of an agreement being reached, of:
- the duration of the plan,
  - the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid,
  - if the customer is in arrears – the number of instalments to pay the arrears, and
  - if the customer is to pay in advance – the basis on which instalments are calculated.
- 7.4.4. Council will waive any fees for late payment of a bill for a hardship customer.
- 7.4.5. Where a hardship customer is seeking assistance in accordance with this Policy, but has failed to fulfil their obligations under an existing hardship arrangement, Council will require them to sign up for direct debit deductions or Centrepay (where available).
- 7.5. Debt recovery
- 7.5.1. Council will suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship customer.
- 7.5.2. Council will not engage in legal action or commence proceedings for the recovery of a debt relating to a retail service for a hardship customer if:
- the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement, or
  - Council failed to comply with the requirements of this Policy.
- 7.6. Rights of residential customers experiencing financial hardship
- 7.6.1. Every residential customer experiencing financial hardship has the right to:
- be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.



- b) receive information about alternative payment arrangements, this customer hardship policy, and Government concessions, rebates, grants and assistance programs.
- c) negotiate an amount they can afford to pay on a payment plan or other payment arrangement.
- d) consider various payment methods, and receive written confirmation of the agreed payment arrangement within ten (10) business days.
- e) renegotiate their payment arrangement if there is a change in their circumstances.
- f) receive information about free and independent, accredited financial counselling services.
- g) receive a language interpreter service at no cost to the customer.
- h) be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.
- i) not have retail services restricted or disconnected as long as they have agreed to a payment arrangement and continue to make payments according to an agreed plan.

#### 7.7. General provisions

- 7.7.1. Council will ensure residential customers have equitable access to this Policy and that the Policy is applied consistently.
- 7.7.2. Council will ensure appropriate training of staff dealing with residential customers in hardship to enable them to treat customers with respect and without making value judgements. Training will also assist staff in the early identification of hardship customers, with establishing payment plans based on a hardship customer's capacity to pay, and include processes for referral to an accredited financial counsellor or welfare agency for assistance.
- 7.7.3. The Policy does not limit or prevent Council from waiving any fee, charge or amount of arrears for the provision of retail services to customers who are experiencing financial hardship.

#### 7.8. Confidentiality

- 7.8.1. Any information disclosed by a customer is confidential and will not be used for any purpose other than the assessment of an application for assistance.

### 8. Complaints

- 8.1. Complaints under this Policy must be in writing to the Chief Executive Officer and lodged in accordance with Council's Complaints Policy.
- 8.2. Any breaches under the Council Employee Code of Conduct will require evidence to support the allegation(s).
- 8.3. In the case of a complaint against the Chief Executive Officer, complaints must be in writing to the Mayor and will require evidence to support the allegation(s).
- 8.4. A residential customer experiencing hardship has a right to have any complaint heard and addressed by us, and in the event that their complaint cannot be resolved, the right to escalate their complaint to the external dispute resolution body approved by the *Essential Services Commission of South Australia*.

**9. Council Delegation**

9.1. Pursuant to Section 44 of the *Local Government Act 1999*, Council delegates to the Chief Executive Officer authority to administer Council’s policies.

**10. Adoption and Review**

10.1. This Policy shall be reviewed annually, by the Director of Corporate and Community Services, with the review being undertaken by the Audit Committee and report provided to Council for consideration and adoption.

10.2. This Policy can be reviewed more frequently, if legislation or Council requires by the Audit Committee and a report shall be provided to Council for consideration and adoption.



**11. Records Management**

11.1. Official records will be managed in accordance with Councils Records Management Policy pursuant to Section 125 of the *Local Government Act 1999*.

**12. Availability of Policy**

12.1. Policies will be available for inspection without charge at Council’s Principal Office and on Council’s website [www.coppercoast.sa.gov.au](http://www.coppercoast.sa.gov.au).

12.2. A copy of this Policy may be obtained on payment of a fee in accordance with Councils’ Schedule of Fees and Charges.

Signed		
	Mayor	Chief Executive Officer
Date	5 <sup>th</sup> July 2023	