



TITLE: Hardship Policy

1. PURPOSE

The purpose of this Policy is to identify customers who are experiencing payment difficulties due to hardship, and assist those customers to better manage their bills on an ongoing basis.

This policy sets out:

- processes to identify customers experiencing payment difficulties due to hardship, including identification by Council, self-identification by a customer, identification by an accredited financial counsellor, or welfare agency, and
- an outline of a range of processes or programs that we will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

2. SCOPE

Mount Barker District Council is committed to assisting customers who are experiencing financial hardship, to manage their payments in a manner that best suits the customer, and ensuring they are serviced.

This policy is based on:

- the customer hardship policy for minor and intermediate retailers, made by the Minister for Human Services, 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 reviewed policy has been provided to the Essential Services Commission of South Australia seeking feedback.
- 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.

3. DEFINITIONS

accredited financial counsellor means a person who holds a Diploma of Community Services (Financial Counselling), and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association

connection means an agreed point of supply at which a **customer** receives a **service** from a Mount Barker District Council.

consumer means a person supplied with **services** as a **consumer** or user of those services (as defined in the *Water Industry Act 2012*) (Note: you may be a consumer by virtue of being a council ratepayer)

customer means a person or entity who owns land in relation to which a **service** is provided and includes:

- where the context requires, a person seeking the provision of a **service**, and
- in prescribed circumstances, a person supplied with **services** as a **consumer** or user of those services (without limiting the application of this definition to owners of land), and
- 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)

customer hardship policy means this **policy** that has been adopted by Mount Barker District Council, in accordance with section 37 of the *Water Industry Act 2012* and *Local Government Act 1999*

financial counsellor means **accredited financial counsellor**

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

hardship means **financial hardship**

hardship customer means a **customer** who has been identified under, accepted into, or is eligible for assistance under **our hardship program**

hardship program means an agreement between **Council** and a **hardship customer** for payment of outstanding sums due for **services**

our, we, us means the Mount Barker District Council

policy means this **customer hardship policy**

regulations means regulations under the *Water Industry Act 2012* and *Local Government Act 1999*

service means a service constituted by:

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

the sale and supply of **sewerage services** for the removal of **sewage** (including but not limited to community wastewater management systems)

- the supply of a service provided by Mount Barker District Council (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*).

retailer means the holder of a licence issued by the Essential Services Commission of South Australia under the *Water Industry Act 2012*

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*)

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 not limited to community wastewater management systems)

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*)

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*)

4. ROLES & RESPONSIBILITIES

Council

- To provide a policy to assess hardship.

Chief Executive Officer

- Has the necessary powers to make all decisions under or for the purposes of this Policy. The Chief Executive Officer may further sub-delegate this power.

General Manager Corporate Services & Manager Financial Services:

- Will ensure policy is reviewed as legislation is amended.

Team Leader Revenue

- Will liaise with the customer experiencing hardship.

5. POLICY STATEMENT

5.1 IDENTIFYING RESIDENTIAL CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP

- 5.1.1 A **customer** experiencing **financial hardship** is someone who is identified by themselves, by **Council**, 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.
- 5.1.2 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.
- 5.1.3 **Customers** who are identified as experiencing ongoing **hardship** are generally those on low or fixed incomes. These **customers** may require ongoing assistance.
- 5.1.4 **Customers** who may be identified as experiencing temporary **hardship** are those who 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.
- 5.1.5 The extent of **hardship** will be determined by either **Council's** assessment process or by an external body, such as an **accredited financial counsellor**.
- 5.1.6 Where Council assesses a **customer's** eligibility for **hardship** assistance, Council **will** consider indicators including (but not limited to) whether:
- the **customer** is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
 - the **customer** is eligible for a South Australian Government concession
 - the **customer** has been referred by an **accredited financial counsellor** or welfare agency
 - the **customer** advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
 - the **customer's** payment history indicates that they have had difficulty meeting their **retail services** bills in the past
 - the **customer**, through self assessment, has identified their position regarding their ability to pay.

5.2 ASSISTING CUSTOMERS WHO ARE EXPERIENCING FINANCIAL HARDSHIP

5.2.1 Council will inform a **customer** of this **customer hardship policy** where:

- it appears that non-payment of a bill for **services** is due to the **customer** experiencing payment difficulties due to **hardship**, or
- **Council is** proposing to install a flow restriction device due to non payment of a recycled water bill.

5.2.2 Where a **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 customer's** usage, capacity to pay and current financial situation. These options will include the following:

- an interest and fee free payment plan that complies with Section 8 Payment Plans (below)
- Centrelink's Centrepay service (only where available), or
- 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 **customers** have a short-term **financial hardship** issue that may be resolved in the near to medium-term, where others may require a different type of assistance for ongoing financial issues.

5.2.3 **Council** will not charge a **customer** a reconnection charge where that **customer** is experiencing **financial hardship** and should have been identified as eligible for this **customer hardship policy**, so long as the **customer** agrees to participate in **our hardship program**, upon reconnection.

5.2.4 **Council** will engage in discussion with the **hardship customer** to determine a realistic payment option in line with the **customer's** capacity to pay.

5.2.5 **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.

Where a **hardship customer's** circumstances change, **Council** will work with the **customer**, and their **financial counsellor**, to re-negotiate their payment arrangement.

5.2.6 **Council** will not require a **hardship customer** to provide a security deposit.

5.2.7 **Council** will not restrict a **hardship customer's services** if:

- the **customer** has agreed to a payment arrangement and continues to adhere to the terms of that arrangement, or

- **Council** has failed to comply with the requirements of this **customer hardship policy**, or
- the **customer's service** is a community wastewater management system or other sewerage service.

5.2.8 **Council** will also offer the **hardship customer**:

- 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
- information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs
- information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a **customer** is experiencing ongoing **financial hardship**.

5.2.9 Where a **hardship customer** requests information or a redirection of their bills, **Council** will provide that information or redirection free of charge.

5.2.10 **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 **customer**.

5.2.11 **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**.

5.2.12 **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 **Council** for a period of greater than 90 days.

5.2.13 **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 10 working days from the date of the notice to contact **Council** to re-negotiate their re-entry into the program.

5.3 SERVICES PROVIDED BY COUNCIL

Council rates accounts are made up of a combination of rates and **services** (as defined in this policy).

All or any other sums that are due to the council for rates and services may be dealt with under this **hardship** policy.

5.4 PAYMENT PLANS

5.4.1 Council's payment plan for a hardship customer will be established having regard to:

- the **customer's** capacity to pay and current financial situation
- any arrears owing by the **customer**
- the **customer's** expected usage needs over the following 12 month period.

5.4.2 The payment plan will also include an offer for the **hardship customer** to pay for their **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**).

Where a payment plan is offered to a **hardship customer**, **we** will inform the **customer** in writing, within 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.

5.4.3 **Council** will waive any fees for late payment of a bill for a **hardship customer** provided the terms of the payment agreement are being met.

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).

5.5 DEBT RECOVERY

5.5.1 **Council** will suspend debt recovery processes while negotiating a suitable payment arrangement with a **hardship customer**.

5.5.2 **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** has failed to comply with the requirements of this **customer hardship policy**.

5.6 RIGHTS OF CUSTOMERS EXPERIENCING FINANCIAL HARDSHIP

Every **customer** experiencing **financial hardship** has the right to:

- Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
- Receive information about alternative payment arrangements, this **customer hardship policy**, and government concessions, rebates, grants and assistance programs.
- Negotiate an amount they can afford to pay on a payment plan or other payment arrangement.
- Consider various payment methods, and receive written confirmation of the agreed payment arrangement within 10 business days.
- Renegotiate their payment arrangement if there is a change in their circumstances.
- Receive information about free and independent, **accredited financial counselling services**.
- 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 payment arrangement.
- Not have **services** restricted or disconnected as long as they have agreed to a payment arrangement and continue to make payments according to an agreed plan.

5.7 GENERAL PROVISIONS

- 5.7.1 **Council** will ensure **customers** have equitable access to this **customer hardship policy**, and that this **policy** is applied consistently.
- 5.7.2 **Council** will ensure appropriate training of staff dealing with **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.
- 5.7.3 This **customer hardship policy** does not limit or prevent **Council** from waiving any fee, charge or amount of arrears for the provision of **services** to **customers** who are experiencing **financial hardship**.

5.8 DELEGATION

The Council has delegated to its Chief Executive Officer the necessary powers to make all decisions under or for the purposes of this Policy. The Chief Executive Officer may further sub-delegate this power.

5.9 CONFIDENTIALITY

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.

5.10 COMPLAINTS HANDLING

Details of **Council's** customer complaints and dispute resolution process are available at **Council's** website: www.mountbarker.sa.gov.au. Council will also make a copy of this process available to a **customer**, upon request, as soon as practicable, and at no charge to the **customer**.

A **customer** experiencing **hardship** has a right to have any complaint heard and addressed by **Council**, and in the event that their complaint cannot be resolved, the right to escalate their complaint to the relevant Ombudsman. Further details can be found at www.ombudsman.sa.gov.au and www.ewosa.com.au.

5.11 EXCLUSIONS

Where there is a commercial contract for the supply of service, the conditions within the contract will take precedence over this policy.

6. TRAINING / EDUCATION

Training not required. The use of this policy will assist in the education of staff to identify when to commence the elements previously described to assist in identifying ratepayers hardship circumstances and the action required.

7. REVIEW

This Policy will be reviewed:

- every three years; or
- the frequency dictated in legislation, or
- earlier in the event of changes to legislation or related Policies and Procedures; or;
- if deemed necessary by the General Manager of Corporate Services.

8. ACCESS TO THE POLICY

The Policy is available for public inspection at the Customer Service Centre, at the Local Government Centre, 6 Dutton Road, Mount Barker, South Australia and on the Council's website www.mountbarker.sa.gov.au

1. FURTHER INFORMATION

For further information on this Policy, please contact:

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	OM20240402.14	2 April 2024	
APPLICABLE LEGISLATION AND RELATED DOCUMENTS:	Local Government Act 1999 Water Industry Act 2012 <ul style="list-style-type: none"> • Rates Rebate Policy • Rating Policy • Rates Fines Policy 		
COMMUNITY PLAN 2020-2035 REFERENCE:	Governance and Leadership GL: 2 Corporate Capacity and Leadership GL 2.1 Demonstrate accountability through clear, relevant and easily accessible policies and corporate reporting		
REVIEW CYCLE	This Policy will be reviewed: <ul style="list-style-type: none"> - (if a new Policy in 6 or 12 months and then)every three years; or - the frequency dictated in legislation, or - earlier in the event of changes to legislation or related Policies and Procedures or ; - if deemed necessary by the Manager Financial Services Review within 12 months of new Council term <p>It is recognised that from time to time circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a State or Federal Department, and a minor update to legislation which does not have a material impact. However, any</p>		

	change or update which materially alters this document must be by resolution of Council (if statutory) or the Chief Executive Officer (if administrative).		
NEXT REVIEW DATE	6/11/2026		
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DOCUMENT VERSION	DATE	AUTHOR (PERSON TO WHOM CHANGES ARE TO BE RECOMMENDED)	NATURE OF CHANGE
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VERSION 3.0			
DOCUMENT LOCATION:	Council website 8 April 2024 Available for inspection, downloading or printing from our website www.mountbarker.sa.gov.au		
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