



Shoalhaven Water - Debtor Management Policy

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1 PURPOSE

Shoalhaven Water follows an established process when payments are overdue. The purpose of this policy is to ensure that customers are aware of how Shoalhaven Water responds to overdue accounts and the debtor management actions which can be taken to recover the charges. Specifically the objectives of this policy are to:

- Fulfil the statutory requirements of the Local Government Act and Regulations with respect to the recovery of charges from property owners,
- Ensure that customers are treated fairly, consistently, confidentially and with courtesy at all times in the debt recovery process,
- Raise customer awareness of payment assistance measures provided by Shoalhaven Water, and
- Uphold relative compliance with NSW Government directives and Industry practice guidelines.

This policy is consistent with debtor management matters as contained within the adopted Customer Service Plan.

2 STATEMENT

In meeting the objectives above, due cognisance must be given to the fact that Shoalhaven Water is an essential service provider to the community. The continuing supply of water and sewerage services to the community can only be achieved and is contingent upon customers paying for those services.

Consequently, the pursuance of unpaid debt is an important function for Shoalhaven Water to ensure available cash flow, limit the risk of unrecoverable debt and reduce environmental impacts from uncontrolled water loss. In light of Shoalhaven Water's responsibility as an essential service provider, minor deviation from standard processes, procedures or policy in relation to debt recovery may be necessary on a case by case basis.

3 PROVISIONS

This policy applies to all Shoalhaven Water customers, including residential, commercial, industrial and community service classified properties.

3.1 Water and other Shoalhaven Water accounts

Water accounts are issued on a quarterly and cyclic basis at the time of water meter readings. Other accounts (sundry accounts) are issued on undertaking or supplying a service and debtor management for these are conducted through mercantile recovery agencies.

Shoalhaven Water is committed to issuing accurate and timely accounts for the services provided. It is an expectation that customers will pay their accounts promptly, advise Shoalhaven Water if they are unable to do so or commit to a payment arrangement or other payment assistance measures as agreed.

3.2 Time given to pay water accounts

Shoalhaven Water levies water accounts in the name of the property owner and to the address so nominated by the owner. Payment is due 28 days after the date the account is issued and a further grace period is given before interest charges are applied to allow for delays eg post and banking.

3.3 Overdue water accounts

Shoalhaven Water undertakes the following measures when payments are overdue and the property owner of metered properties has not made contact or made regular prearranged payments;

1. If the account has not been paid by the due date, a reminder is issued.
2. If the account remains unpaid, an overdue notice which includes details of payment assistance measures and recovery options is released.
3. Following this, a letter is sent by registered post to the owner indicating that the property is being assessed for water flow restriction. If the property address is different to the postal address, a similar letter is sent by ordinary mail addressed to the occupier.
4. If contact is still not forthcoming, a notice of intention to restrict the flow of water is hand delivered to the property advising that the property may be restricted after 24 hours (see restriction of service below).

At the stage of point 4 above and where possible, telephone or email contact is attempted.

If the account remains unpaid, Shoalhaven Water may restrict the supply of water and/or commence legal action. In the case of unmetered properties legal actions may commence after point 2 above. Legal actions are conducted by an alternative mercantile recovery agent to that used for general rates as this ensures that essential services are clearly identified in debt recovery proceedings.

In each formal contact with customers, information and access to Shoalhaven Water staged payment arrangement or assistance programs is offered.

3.4 Water accounts - flow restriction

Water flow restriction involves significantly reducing the water supply to the property. A small amount of water is supplied for health and hygiene purposes. It is Council policy that water flow restrictors not be used on;

- Eligible pensioners as defined by Council Policy – “Revenue Pensioner Rates and Charges - Arrears and Interest”,
- Rural properties with animals,
- Kidney Dialysis Patients,
- Hospitals,
- Schools,
- Pre-schools and;
- Retirement Homes.

In accordance with NSW Office of Local Government Circular 15-40 of 16 December 2015, Water flow restrictors will not be installed on properties once Shoalhaven Water becomes aware that a property is tenanted. A tenant is so determined to be an occupier of the property holding a signed NSW Government Fair Trading “Standard form – Residential tenancy agreement” or similar eg Commercial Property Lease Agreement. In this case, action to recover outstanding monies from the occupier in accordance Section 569 and 1650 of the Local Government Act may be commenced.

Avoiding Restriction

Shoalhaven Water will not instigate a water flow restriction to customer properties if;

A formal arrangement to a repayment plan is accepted, signed and the payments on the due date are made,

An accepted and active Centrepay arrangement (through Centrelink) is maintained,

An outstanding water account complaint with Shoalhaven Water or a complaint that is being investigated by the Energy and Water Ombudsman of NSW (EWON).

Restoring the water supply

If a property has been restricted, Shoalhaven Water will restore the water supply when;

- The outstanding water charges are paid in full including the removal fee, or
- The customer has agreed and signed an approved formal arrangement, payment extension or other form of assistance which has been approved, or
- The customer has paid an agreed lump sum arrears of the outstanding balance and made an informal undertaking to pay the balance by instalment in a reasonable timeframe, or
- Contact has revealed that the property is subject to a signed NSW Government Fair Trading “Standard form – Residential tenancy agreement” or similar eg Commercial Property Lease Agreement.

3.5 Eligible Pensioner Accounts

Council resolution 421 of 24 June 2015 refers in relation to deferral and debt recovery actions.

3.6 Payment Assistance Scheme

Shoalhaven Water has a payment assistance program consistent with the essential service industry to help customers experiencing financial difficulties. The program is in lieu of a formal hardship policy and is available to all residential customers including tenants. The scheme is largely managed by a range of Community Support Agencies on behalf of Shoalhaven Water. Assistance under this scheme is monetary and any amount can be applied directly, immediately and indiscriminately against the water usage charges.

3.7 Overdue Sundry Accounts

Shoalhaven Water undertakes the following measures when payments are overdue and the debtor has not made contact or made regular prearranged payments;

1. If the account has not been paid by the due date, a reminder is issued.
2. If the account remains unpaid an overdue notice is released and this includes details of legal recovery options.

If the account remains unpaid, Shoalhaven Water may commence legal action.

4 IMPLEMENTATION

The Shoalhaven Water Business and Customer Services Manager is responsible for the implementation, actions and management of this policy.

5 REVIEW

This policy will be reviewed within one year of the election of every new Council.

6 APPLICATION OF ESD PRINCIPLES

To reduce the demand on treated water supplies through the user pay principle.