

Shoalhaven Water - Undetected Leak Rebate Policy

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Related Legislation: Local Government Act 1993

Associated Policies/Documents: Payment Assistance Scheme – Water Accounts /
Shoalhaven Water – Debt Management Policy

Responsible Owner: Water Revenue Manager

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1 Policy Purpose

The purpose of this policy is to make available assistance to customers by providing some relief for significantly higher water accounts because of undetected water leaks.

2 Objectives

2.1 Policy Statement

Shoalhaven City Council (Council) is responsible for the provision of potable water to the boundary of a property. Water that has passed through a metered service connection then becomes the responsibility of the property owner.

This policy is not intended to provide full compensation to customers for water and sewer usage charges as a consequence of an undetected water leak on their property.

Council is not obliged by any legislation, regulation or other mandate to provide financial relief in circumstances where customers are adversely impacted by an undetected water leak. However, as an act of good faith and in the interest of good public relations, Council provides a means by which some assistance for higher water usage charges can be obtained, subject to the criteria in this policy being met.

3 Definitions

Term	Meaning
Licenced plumber	A person qualified to undertake plumbing work on a property. In New South Wales, plumbers are licensed through NSW Fair Trading.
Metered service connection	The physical location on a property where Shoalhaven Water delivers potable water to a property. This is where the property's water meter will be located.
Potable water	Water that is safe for drinking and food preparation, treated to remove harmful contaminants like bacteria and chemicals.
Property owner	The person, persons, or other legal entity listed on the title of the property. Property owners are liable for outstanding water account debts on a property and water accounts will be issued in their name/s.
Shoalhaven City Council (Council)	The organisation responsible for the delivery of services in the Shoalhaven City local government area.
Shoalhaven Water	Shoalhaven Water is Council's water utility.

Undetected leak	A leak that causes excessive water use and is not readily able to be located.
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4 Roles and responsibilities

4.1 Provisions

In order to be eligible for an undetected leak rebate, applications must meet and address all of the criteria described below.

An Undetected Leak is where there is no visible sign of water loss. Both the fault causing the water loss and/or the water loss itself could not have been reasonably detected by visible inspection prior to Shoalhaven Water issuing an account.

Applications must comply with the following criteria:

- Involve a significant leakage on the property. A leakage is so determined to be significant if the water usage on the Water Account issued immediately prior to the repairs being completed is:
 - More than \$300, and
 - 1.5 times greater than the previous five (5) water billing periods' daily average consumption.
- Involve a leakage in pipelines, which have gone undetected. Undetected leakage is defined as occurring within pipeline breaks or connections in the ground, under slabs or within walls etc and is not obviously visible to the property owner or resident.
- Where the property owner is unable to provide evidence that the leak has been repaired, include a declaration from the property owner indicating that the abnormally high water usage was because of an undetected water leakage.
- An acknowledgement from the applicant that subsequent claims under this policy will not be accepted by Shoalhaven Water.
- An application is to include supporting documentation that the water leakage was quickly repaired (within 30 days of an account being issued, or after the customer learnt of its existence).
- Include a statement or invoice from a licensed plumber indicating the cause and location of the water leak and that it has been repaired or in the case where a plumber was not employed, a declaration by the owner with the equivalent details.
- Applications for an undetected leak rebate are to be received by Shoalhaven Water within six months of the date of the affected water account.

Council will not waive interest charges accrued on unpaid water accounts that are subject to an application for a rebate under this policy.

Applications will not be approved where:

- The leak could have been reasonably detected by visible inspection. This includes, for example, instances where a property has been vacant and the leak might have been discovered had routine inspections taken place.
- Where the leak is the result of a subsequent occurrence at the same property and by the same owner regardless of whether it is a related event or separate undetected leakage.
- Where the leak involves faulty plumbing fixtures (for example, but not limited to appliances, pumps, hot water systems, pressure release or float valves, cattle troughs, solar panels or pool heaters, pool or pond lines, taps, toilet cisterns, sprinkler or irrigation systems).
- Where the leak involves a leakage caused directly by way of accidental or wilful damage, whether by the property owner or a third party.
- The application does not contain the documentation or meet the terms of a complying claim.

Methodology:

The following outlines the process for calculating the rebate for complying applications, noting that only one rebate will be offered per customer, per property, over the lifetime of ownership of the property.

The Rebate:

- Applies to one billing period only (i.e., the billing period for which the undetected leak commenced).
- Provides a reduction in the volume of water use charged to the customer equal to 50% of the estimated volume of water lost.
- Will be capped at \$2,000 for the water usage component.
- If a volumetric sewage or waste disposal charge is applicable, providing a 100% reduction in these charges associated with the full estimated volume of water lost.

Calculation:

The estimated volume (in kilolitres) of water lost is calculated as follows:

H = high volume water use measured over the high usage period and

A = estimated average water use (calculated using the average daily usage from the last 5 billing periods)

then

$$\text{Volume of Water Lost (VWL)} = H - A$$

The Undetected Leak Rebate will be calculated as follows:

Undetected Leak Rebate = VWL/2

As a result, the remaining 50% of the estimated high water usage will remain payable.

Further Assistance:

Where applications do not meet all eligibility criteria: i.e.,

- Water usage charges are less than \$300.
- Water usage is less than 1.5 times the average daily consumption of the previous five periods.
- Is a second or subsequent occurrence as property owner.
- Leak impacts more than one billing period, or
- Any other eligibility criteria.

and financial hardship is being experienced, customers could seek relief under the Payment Assistance Scheme.

4.2 Implementation

The Water Business Services Section of Shoalhaven Water is responsible for the implementation and management of claims within this policy. The Director Shoalhaven Water (Water Business Services Manager) is authorised to determine applications for assistance and payment under the terms of this policy.

5 Related Legislation, Policies or Procedures

- Local Government Act 1993
- Payment Assistance Scheme – Water Accounts
- Shoalhaven Water – Debt Management Policy

6 Risk Assessment

Risk Category	Comments and risk mitigation
Financial	<p>Not providing suitable guidance for the delivery of undetected leak rebates could lead to eligible customers missing out on valuable assistance. This would increase the possibility of increased levels of arrears balances in water accounts.</p> <p>A clear policy provides direction for procedures and guidelines to be developed to properly support customers in need to appropriate levels.</p>
Operational	<p>A lack of clear policy can lead to inconsistent service delivery, inefficiencies, and increased administrative burdens. Staff may</p>

	<p>struggle to interpret vague policies leading to diminished service delivery.</p> <p>Strong policy statements ensure proper service delivery to the high standards we expect to deliver.</p>
Reputational	<p>Shoalhaven Water is widely acknowledged as a leader in our industry. We are not required by an alternate power to provide this financial assistance. A comprehensive policy for undetected leak rebates solidifies our position as a leader in the industry and within our community.</p> <p>Management of our brand is an important area of our overall business, and a robust policy ensures a uniform approach to our customer base, projecting high level customer service standards.</p>
Strategic	<p>Shoalhaven Water is widely acknowledged as a leader in our industry. Our long-term goals are to maintain this leadership position and continue to be recognised for our service standards.</p> <p>The development and maintenance of service-oriented policies help to meet these goals.</p>
Social / Economic	<p>Our customer base is at risk from externalities such as economic downturns, change in interest rates or government policy direction above local government.</p> <p>A consistent policy position ensures we are able to provide assistance to those in need in our community.</p>

7 Monitoring and Review

This policy will be reviewed within term of every new Council.

8 Ownership and Approval

8.1 Public Policy

Responsibility	Responsible Owner
Directorate	Shoalhaven Water – Water Business Services Department
Endorsement	Director Shoalhaven Water
Approval / Adoption	Council