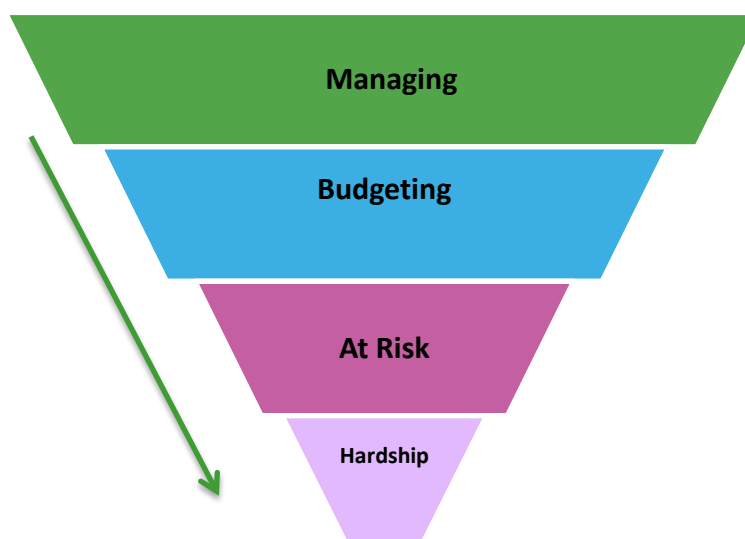


Vulnerable Customer and Hardship Policy

1. Overview

This Policy outlines South East Water’s approach to identifying and supporting customers having difficulty paying their water bills. The policy applies to residential customers who have a clear intention to pay but do not have the capacity to pay due to low income earning capacity or relevant life events that are typically of an unplanned or uncontrollable nature. South East Water uses the continuum of vulnerability model (below) which recognises the various stages of vulnerability of a customer’s life. Customers can move up and down this pyramid at any time.

Residential customer vulnerability model



South East Water solutions fall under four categories based on the vulnerability model:

- **Managing:** Customers are aware of assistance options available and are currently self-managing their water bills.
- **Budgeting:** Customers are self-managing with robust budgeting methods to control costs of living. Customers are aware of and may access assistance options such as payment arrangements, and water efficiency advice to decrease their future bills and debts.
- **At risk:** Typically, the customer requires assistance options including more time to pay, instalment plans, concessions and government assistance and hardship credits to restore the customer’s account situation.
- **Hardship:** Typically, the customer will require more extensive support and assistance to restore the customer’s account situation. In addition to payment plans and government assistance, customers are likely to require access to independent support services through our Customer Connect service which offers free financial counselling and other support services.

Created: 22/11/2004	Page 1 of 8	MC 1339
Reviewed: 15/06/2016	Vulnerable Customer and Hardship Policy	
Branch: Customer Service	This document is uncontrolled in printed form	

1.1 Definitions

Typically a financially vulnerable customer is someone who is at a heightened risk of financial difficulty, where a change in their circumstances means that they are unable to meet their financial commitments. They have an intention to pay but do not have the capacity to pay. There are degrees of financial difficulties and the following is provided as a guide of these different degrees of financial difficulty and the support provided:

Late payment assistance (Budgeting or At Risk):	Assistance required to fully restore the customer’s account situation. (At Risk):	Extensive support and assistance required to restore the customer’s account situation. (Hardship):
<p>The customer requires help to overcome short-term financial difficulties.</p> <p>Solutions may involve:</p> <ul style="list-style-type: none"> • water efficiency advice • more time to pay • instalment plans <p>Formal hardship assistance is unlikely to be required.</p> <p>In some instances, the customer’s income, assets and/or water usage levels suggest that they have the capacity to get their account under control within a reasonable period.</p>	<p>The customer can recover their account position within a reasonable period, where assistance is provided.</p> <p>Solutions may involve:</p> <ul style="list-style-type: none"> • water efficiency advice • instalment plans • Long-term instalment plans, based on the customer’s capacity to pay. Which may initially only cover ongoing charges 	<p>The customer is unable to recover their account situation, without additional, more extensive support.</p> <p>Solutions may involve:</p> <ul style="list-style-type: none"> • water efficiency advice • water audits • case management • Long-term instalment plans, based on the customer’s capacity to pay. Which may initially only cover ongoing charges • access to financial counselling and other support services • hardship relief credits

1.2 Objectives

South East Water recognises that all customers can experience a period of financial difficulty during their lifetime, to varying degrees. South East Water acknowledges its social responsibility to assist vulnerable and hardship customers fairly, respectfully and with dignity. The South East Water Assist program is established to support customers in need.

The objectives of the South East Water Assist program are to:

- provide advice to customers to assist them in reducing their water usage to be more consistent with typical usage levels and/or their own capacity to pay
- assist customers with solutions to manage their ongoing water costs and payments
- ensure customers have access to essential water services
- ensure that all customers are treated respectfully and fairly no matter what their capacity to pay circumstances
- build strong awareness of the assistance and support services that South East Water provides to its customers and
- Provide guidance and support to customers to assist them in achieving a healthy balance in gaining account independence on an ongoing, sustainable basis.

2. The Policy

2.1 Identifying vulnerability and hardship

Customers experiencing vulnerability or hardship may self-identify, be identified by South East Water staff, or be identified and referred by a community agency.

To assist customers or individuals to self-identify as being in financial stress or hardship and therefore eligible for support or assistance, South East Water has defined the following factors as indicators that could be self-assessed. The customer or individual may be experiencing one or more of these factors:

- reliance on government assistance or Centrelink payments e.g. pension;
- unemployed;
- medical illness or mental health of the customer/individual or a dependant, affecting their capacity to pay;
- physical or intellectual disability of the customer/individual or dependant affecting their capacity to pay;
- death in the family affecting capacity to pay;
- change in the family unit affecting capacity to pay;
- current and long term financial situation may be vulnerable;
- experiencing domestic violence;
- sudden loss of income or substantial reduction in income;
- involved in legal proceedings; or
- Natural calamity such as fire, flood or storm damage.

Created: 22/11/2004	Page 3 of 8	MC 1339
Reviewed: 15/06/2016	Vulnerable Customer and Hardship Policy	
Branch: Customer Service	This document is uncontrolled in printed form	

South East Water trains its staff to recognise and support customers who may need assistance.

South East Water’s general approach is based on proactive prevention and early identification strategies so we can direct them towards support solutions earlier in the vulnerability cycle. By intervening earlier, we can help customers meet their financial commitments sooner and prevent them from entering into further debt.

South East Water actively promotes its support services through a range of channels to its customers and range of community agencies, including:

- web: solutionsontap.com.au and southeastwater.com.au
- dedicated South East Water Assist phone support
- targeted campaigns
- targeted community events

2.2 Guiding values and principles

The South East Water Assist program is based on key values and principles including:

- early identification of vulnerable customers
- provide customers with a professional and confidential service
- customer contact with South East Water is easy and accessible; with customers feeling comfortable to seek assistance when they are experiencing payment difficulties
- South East Water is committed to helping customers in need
- South East Water will treat its customers with respect, fairness and dignity
- South East Water will be proactive in identifying and addressing payment difficulties early.

2.3 Water efficiency advice

An important part of a customer’s ability to meet water bill commitments is to appropriately manage consumption levels and associated water use behaviours in order to ensure the household is optimising its water efficiency. To support customers in reducing their future bills and debts, South East Water will provide:

- advice on typical water usage levels for the customer’s household size
- advice on common causes of high water usage levels
- advice on how to reduce household water consumption
- advice on how to check for water leaks
- Free online advice and tools to help customers understand their household water usage.

Created: 22/11/2004	Page 4 of 8	MC 1339
Reviewed: 15/06/2016	Vulnerable Customer and Hardship Policy	
Branch: Customer Service	This document is uncontrolled in printed form	

2.4 Payment assistance and support solutions

Government sponsored support

- **Pensioner concessions**

Concessions can be granted on water and sewerage charges and can assist with quarterly service and usage charges. The type of concession card will determine the type of concession available.

Eligible cards include:

- Pensioner Concession Card
- Department of Veteran Affairs Gold Card
- Health Care Card

- **Utility Relief Grant Scheme (URGS)** – the Department of Health and Human Services (DHHS) provides financial assistance for residential customers who are unable to pay their account due to temporary unforeseen financial circumstances. Eligible customers need to hold a Pensioner Concession Card or Health Care Card and meet the criteria of either significant increase in consumption, a decrease in income or high unexpected expenses for essential items.

South East Water sponsored support

- South East Water offer our customers a range of payment solutions including:
 - **More time to pay** – extensions are typically for a period of up to 14 days post the original due date, but can be longer depending upon individual extenuating circumstances.
 - **Payment plans** (short and long term) can be offered in line with the customer’s capacity to pay.
 - **Direct debit** - Direct debit arrangements can be set up to pay quarterly accounts in full or for payment plans. This payment method can assist with budgeting.
 - **Centrepay** – (nominated instalments from Centrelink benefits)
Centrepay is an option that customers can utilise via Centrelink. This allows the customer to have set payments automatically deducted from their Centrelink benefits and paid directly to South East Water. This service is at no cost to the customer and is ideal for customers who are on limited income who prefer to budget and pay by instalments.

Please note: All payment plans will be confirmed in writing within 10 days

Created: 22/11/2004	Page 5 of 8	MC 1339
Reviewed: 15/06/2016	Vulnerable Customer and Hardship Policy	
Branch: Customer Service	This document is uncontrolled in printed form	

- **South East Water Assist program**

For customers experiencing financial vulnerability or hardship, and are requesting assistance, South East Water can enter the customer into the South East Water Assist program. The program is designed to provide customers with tailored assistance while financial independence is being restored. Accordingly, to assist with regaining independence, customers on this program will be managed separately to standard debt recovery process, legal action and water restrictions and will also be excluded from interest being charged on their account (whilst maintaining an agreed payment plan). Once participating in the program, customers will be offered a range of solutions to assist, including government assistance schemes or a range of South East Water’s own unique assistance offerings.

- **Water wise check-up**

For customers in the South East Water Assist program who have high water usage or plumbing issues, South East Water can provide a full water audit and provide recommendations for achieving greater water efficiency and recommendations for any repairs that need to be made. If eligible, South East Water may provide financial support to contribute towards the required repair works up to the value of \$500. If repair work exceeds this amount we will consider on a case by case basis.

Please note: Eligibility for plumbing works is for owner-occupiers only. Tenants are eligible for a water audit only, which includes a full inspection of the property and appliances to ensure that there are no leaks or repairs to be done at the property.

- **Customer Connect**

South East Water works in partnership with Good Shepherd Australia New Zealand, who can provide customers with a free service, which includes financial counselling and access to other community support agencies to support customers experiencing challenging life events. Good Shepherd Australia New Zealand treats all customers with dignity and respect, and in a highly confidential manner.

Communication between South East Water and the customer is key to successful outcomes. In the event that a customer ceases to maintain communication and does not continue to participate in the program, the customer will be withdrawn from the South East Water Assist program and will be transitioned back to mainstream billing and debt recovery schedules. In the event that a customer is no longer participating in the South East Water Assist program on two or more occasions due to not meeting required commitments, South East Water reserves the right to refuse the customer re-entry to the South East Water Assist program.

For further assistance solutions please see Appendix One.

Created: 22/11/2004	Page 6 of 8	MC 1339
Reviewed: 15/06/2016	Vulnerable Customer and Hardship Policy	
Branch: Customer Service	This document is uncontrolled in printed form	

2.5 Quality assurance

South East Water customers will have access to this policy on the South East Water website and upon request. The program has accessible and appropriate escalation procedures in place for customers with complaints regarding this policy. Appropriate training is conducted to ensure that customers experiencing financial vulnerability are met with a sensitive and professional manner and in accordance to this policy.

Policies, processes and procedures will be reviewed in accordance with normal international quality standards.

3 Customer rights and obligations

Participation in our South East Water Assist program is a joint effort between South East Water and the customer. Customers who make every effort to do the right thing will be supported through our program. Customers managed within our assist program will be protected from our normal debt recovery cycle.

Whilst in our assist program, customers are expected to:

- Make every effort to be as water efficient as possible, as this will assist in reducing the customers' future bills and debt. South East Water can provide advice and support to assist customers in saving water.
- Adhere to agreed payment plans that have been based on their capacity to pay.
- Communicate with us and update us on their situation, particularly when they are unable to make payments.
- Seek advice from a financial counsellor, when recommended by South East Water.

4 Exiting the program

- Customers who have been successful in achieving water account independence, will be exited from the program.
- Customers who do not demonstrate genuine efforts to make payments in accordance with the agreed payment plan, reduce their water usage and/or communicate with us, risk being exited from our assist program and placed into our normal debt recovery cycle.
- Customers who have been exited from the program on two previous occasions due to lack of compliance may be refused re-entry into the program.

5 Exclusion from program

The policy applies to residential customers, however certain exclusions apply including:

- commercial customers
- landlords
- Customers who own multiple properties.

In such cases our normal credit management processes will apply. Each case will be reviewed on its individual circumstances and short-term assistance may be available.

Created: 22/11/2004	Page 7 of 8	MC 1339
Reviewed: 15/06/2016	Vulnerable Customer and Hardship Policy	
Branch: Customer Service	This document is uncontrolled in printed form	

Appendix One

Further assistance programs available:

NILS – No interest loan scheme

This is a community based program through Good Shepherd micro finance. It offers applicants on a low income no interest loans to the value of \$1,200 for essential household goods and services.

State Government Programs – designed to assist low income earners

The Victorian State Government has assistance available which includes the following:

- customers with ‘life support’ machines receive assistance with their usage charges
- carted water rebates are available for non-mains water concession
- Sewerage connection, hardship relief – DHHS provides assistance to eligible customers experiencing hardship with a once off grant towards the cost of connecting to a compulsory water and sewerage scheme.
- The Home Renovation Service – DHHS offers a loan opportunity up to \$250,000 with low interest rates for home maintenance and modifications. To be eligible customers need to own their own home, be over 65 years old, have a disability or are caring for someone with a disability. This service includes free home inspection and quotes.

Federal Government Programs

The following Federal Government assistance is available:

- **Advanced payment:** Customers who receive income support from Centrelink are eligible to apply for a no interest loan up to \$500 per annum, which is to be repaid over a maximum of 12 months.
- **Money Smart.** MoneySmart is an initiative of the Australian Securities & Investments Commission, offering free online advice on how to make the most of your money. It offers consumers advice on a large range of matters including budgeting, savings, managing debts, and borrowing and credit. <https://www.moneysmart.gov.au/>

South East Water Assistance:

Assistance solutions:

- **South East Water Relief:** This is a once of assistance waiver for eligible hardship customers who have large outstanding arrears on their account. The amount of a once-off waiver is dependent upon the customer’ capacity to pay and ranges from 50 percent waiver, to an incentive credit. It is conditional on future accounts being paid via a payment plan.
- **Interpreter services:** this free service is promoted to ensure that a language barrier does not contribute to non-payment or hinder assistance.
- **Complaints and dispute resolution:** where a customer has an issue that was not resolved to their satisfaction, the customer may escalate it to a supervisor or manager. The complaint may be further escalated through our complaints structure or South East Water may suggest the matter be referred to the Energy and Water Ombudsman Victoria.

Created: 22/11/2004	Page 8 of 8	MC 1339
Reviewed: 15/06/2016	Vulnerable Customer and Hardship Policy	
Branch: Customer Service	This document is uncontrolled in printed form	