
Hardship Program

Authorised By: General Manager People and Customers

See Records Management System note on the master controlled document for evidence of authorisation

Custodian: Manager Customers

To be advised of amendments:

1. Management Team
2. Compliance Team
3. Customer Teams
4. Rural Financial Counselling Service
5. Mallee Family Care

Location of Controlled Documents: Records Management System
Intranet
Internet (LMW Website)

CONTROLLED DOCUMENT - Amendments to be made by Custodian/s only.
Hard copies are not controlled and may not be a current revision

Record Table for Review of Procedures/Forms/Documents

Revision	Review Due Date	Date Reviewed /Amended	Reviewer (Title)	Document Re-issued? (Yes/No)	Comments
A		Dec 2018	Coordinator Revenue Services		Replaced Policy with Hardship Program.
B	Dec 2020	Feb 2020	Manager Customers		Updated with interpreter services details as per ESC advice.
C	Mar 2022	Apr 2021	Manager Customers		Minor adjustments to titles and wording
D	May 2023				

1.0 Purpose

At Lower Murray Water (LMW), we understand that from time-to-time our customers may experience financial hardship and may need additional assistance and flexibility. Our Hardship Program identifies and assists vulnerable customers to manage their water costs and usage.

2.0 Scope

This program applies to all LMW staff in their role of assisting customers who have difficulty in paying their account by enrolling the customers in the LMW Hardship Program.

3.0 Reference

CTD/001360 - LMW Urban Customer Charter

CTD/001593 - LMW Rural Customer Charter

CTD/002609 - LMW Hardship Register

CTD/000426 - Debt Recovery Policy

ESC Customer Service Code - Victorian Urban Water Businesses

ESC Customer Service Code - Victoria Rural Water Businesses

4.0 Definitions

“Financial hardship” may arise as a result of or be identified as being in hardship by a LMW authorised officer or independent financial counsellor in accordance with section 5.4 of this program.

“Hardship Customer” is a customer identified either by LMW or an independent accredited financial counsellor as having the intention but not the financial capacity to make the required payments in accordance with LMW’s payment terms. Customers’ financial hardship may be short or long-term in nature.

“Utility Relief Grant Scheme” (URGS) is administered by the Department of Human Services and provides payment assistance for domestic customers who are unable to pay their utility bills due to temporary financial crisis.

“Authorised Officer” is an employee approved by the organisation in a position to assess a customer as in hardship.

“Agreed Obligations” is the terms agreed between LMW and the customer. This can be in the form of financial agreement such as a short-term or long-term payment arrangement or an agreement to other terms such as payment extensions or other terms.

“Chief Financial Officer” is the General Manager Business Services and Performance

5.0 Hardship Program

LMW approaches hardship with sensitivity and flexibility. We treat our customers as individuals, recognising that each customer has a distinct set of circumstances, and responds differently to the multitude of stresses that result in hardship.

We employ proactive intervention strategies to identify customers in hardship and we respond with flexible payment options and information on grants and Centrepay. Our customers are directed to other avenues of support such as financial counselling assessments and may be offered a home water audit at no cost to them. While participating in the program, our customers' financial plans are reviewed regularly.

In LMW's hardship program, customers who make agreements are protected from further credit and collection activity while they adhere to the agreement. We will advise customers in writing at the commencement of the agreement what the terms of the agreement are and what will happen should they not adhere to the agreement. LMW will not restrict any residential customer's water supply while they are actively participating in our hardship program. Customer's who have been referred to LMW's third party collection agency will be referred back to LMW and have all recovery action cease if they identify and are assessed as being in hardship.

5.1 Objective

Water is an essential service for our customers and we believe financial hardship should not preclude customers from water supply if they are willing to pay their bills but require some payment flexibility. This program supports our customers to support themselves.

We have a proactive prevention and intervention approach to hardship. We will champion intelligent prevention strategies that educate our customers and the wider community in the efficient use of water.

Our intervention strategies intend to respectfully and compassionately support our customers once they have been identified as in financial hardship. Our hardship program will:

- Treat customers with sensitivity and empathy.
- Ensure payment arrangements are fair, flexible and affordable.
- Review agreements regularly.
- Offer referrals to a free financial counselling service.
- Provide information about government grants and concessions.
- Provide information on up-to-date water efficiency practise.
- Offer water auditing services.
- Maintain strong relationships with community stakeholders.
- Provide ongoing training for our staff.

5.2 What is hardship?

LMW defines hardship as customers who are willing to meet their financial obligations, but do not have the financial capacity to do so. In this policy we differentiate between two types of customer hardship: short- and long-term hardship.

Short-term Hardship

Customers experiencing short-term hardship are undergoing a sudden change in circumstance, which has resulted in temporary financial difficulty. These customers generally require flexibility and temporary assistance, such as an extension of time to pay, or flexible payment arrangements.

Long-term Hardship

Customers experiencing long-term hardship are experiencing financial difficulty that is unlikely to change in the near future and require ongoing support. Long-term Hardship may have resulted from a combination of low income, a change in circumstance or an unforeseen event and may require a more formalised case management approach and additional assistance over a longer period.

5.3 Customer's Rights and Obligations

We will inform customers entering our hardship program of their rights and obligations outlined in this policy.

LMW considers the following as customer rights:

- To be treated sensitively.
- To negotiate an affordable payment plan.
- To renegotiate instalment payments.
- To receive information on grants and concessions.
- To receive information on financial counsellors.
- To receive information on efficient water use.
- To not be disconnected whilst actively participating in the hardship program.

LMW considers the following as customer obligations:

- To contact LMW when experiencing a change in circumstance.
- To contact LMW when unable to make payments according to the agreed payment plan.
- To stay in touch with our Revenue Team.

5.4 Identifying Hardship

LMW encourages customers who are struggling financially to contact us either personally or through a third party, such as a financial counsellor or a welfare agency.

We understand some customers may feel uncomfortable discussing their financial problems, therefore our staff are trained in identifying vulnerable customers.

Customers may be assessed as in hardship by meeting one or more of the following circumstances:

- A sudden change in circumstances that affects their financial position such as unemployment, ill health, separation, family violence, a death in the family or a loss resulting from an accident.
- Low income as defined by the Department of Human Services. For example, customer eligible for a Government funded concession (Health Care Card,

Social Security Benefit, etc.)

- A large unexpected expense of an essential item.
- A customer with a drug, alcohol or gambling addiction.
- A customer who has been approved for a Utility Relief Grant within the last 2 years.
- A customer whose payment history shows that they have had difficulty meeting LMW's payment terms in the past.
- A customer who identifies as a victim of domestic violence.
- A customer assessed as in hardship by a Financial Counsellor endorsed by Mallee Family Care or Sunraysia Rural Financial Counselling Service.
- Another reason approved by an LMW Authorised Officer.

5.5 Early Response to Hardship

Once a customer has been identified as in hardship, LMW's early response is as follows:

- The customer will be referred to a designated hardship support position by LMW's Customer team or a third party such as a financial counsellor or welfare agency.
- The customer will be contacted by the LMW Officer who will discuss the customer's circumstances. The LMW Officer will advise the customer of the following assistance:
 - Flexible payment arrangements
 - Concession applications
 - Government grants
 - Centrepay deductions
 - Assistance options
 - Financial counsellors
 - Water efficiency information
- The customer will be placed on the LMW Hardship register.

5.6 Limitations on Assistance

LMW's goal for customers experiencing hardship is to help them with their water needs and to provide support through our hardship assistance program. It is not our policy to provide financial support.

5.7 Hardship Assistance:

LMW agrees that as a minimum, it will offer the customer enrolment into LMW's hardship program which includes:

- **Flexible Payment Arrangements:**
 - Flexible payment arrangements are short-term extensions granted when a customer advises they can't pay their current account on time. These arrangements are usually offered to customers experiencing short-term financial difficulty because of an unexpected change in income and or expenditure. Payment arrangements allow the customer the flexibility to pay-off the account in either a lump sum or instalments prior to the next bill.
 - Long Term payment arrangements are longer-term extensions granted when a customer is unable to pay their account over a short period of time. Long-term payment arrangements require a financial assessment to be conducted by an independent financial

counsellor before LMW will consider accepting any long-term arrangement.

- **Centrepay:**
 - Customers who receive benefits from Centrelink are eligible to use Centrepay as a billpaying service. Centrepay automatically deducts payments from a customer's benefits to pay their water bill. There is no cost to customers, and they can cease deductions at any time.
- **Government Grants:**
 - Customers who are experiencing hardship may be eligible for government assistance such as the Utilities Relief Grant (URGS). A LMW officer will provide information and assistance to customers for applications.
- **Suspend Debt Recovery:**
 - LMW will cease all debt recovery processes whilst a customer is actively participating in the LMW Hardship Program. LMW may recommence action if the customer fails to meet its agreed obligations.
- **Cease Legal Action and Restriction of Supply:**
 - LMW will cease all legal action and/or not restrict supply whilst a customer is actively participating in LMW's Hardship Program. Any property whose supply has been restricted before entering into LMW's hardship program may have a restrictor removal fee applied to their account upon removal of the restrictor meter. LMW may recommence legal action and/or restriction of supply if the customer fails to meet its agreed obligations. This may incur further additional fees.
- **Cease Penalties and Interest (Approval Required):**
 - LMW will not charge any late penalties to Urban Customers whilst they are actively participating in LMW's Hardship Program. Subject to approval from the Managing Director or Chief Financial Officer, LMW may not charge interest on overdue Rural Accounts. LMW will re-commence late penalties and interest charges if the customer fails to meet its agreed obligations or the period of interest rate suspension lapses.
- **Referral to Assistance Program(s)**
 - As water charges are generally not the cause of financial austerity, customers experiencing hardship are often faced with multiple competing debts. Financial counsellors can assist customers to manage their finances more effectively and can represent the customer in discussions with LMW. LMW advise customers of free financial counselling services available in the customers area.
- **Exceptional Circumstances**
 - LMW may consider waiving part of a debt if a customer is suffering severe hardship or a major personal crisis. This will be assessed on a case-by-case basis and requires the approval of the Managing Director or Chief Financial Officer. Supporting evidence may need to be provided for any such claim.

- **Provide information to reduce water usage**
 - LMW will provide information to customers on how to reduce water usage and improve water efficiency and where available refer customers to relevant water efficiency programs.
- **Provide access to information**
 - LMW will have this policy and other payment assistance information available to customers.

5.8 Family Violence Protocol

Any instance where a customer is identified as being a victim of family violence, the customer will be referred to an Authorised LMW Officer for case management and their supply will not be restricted, subject to legal action or incur additional debt recovery costs whilst engaging with the Authorised LMW Officer. Authorised LMW Officers undertake ongoing training that includes training focused on family violence. This is due to the complexity and sensitive nature of the customers circumstances and the possible increased risk to their safety. LMW has internal policies to identify these customers and ensure their details are managed through limited staff access and with the highest degree of respect and sensitivity for the customers privacy.

5.9 Mutual Co-operation

For this Policy to be successful, it requires the co-operation of both parties to maintain communications.

5.10 Non-compliance with agreed obligations

Customers who do not adhere to their agreed obligations will be contacted and managed in accordance with regulatory obligations under the Victorian Water Act 1989 and the Essential Services Commission (ESC) Charters.

5.11 Exiting the Hardship Program

When a customer's account is no longer overdue, they will be returned to standard payment terms in accordance with LMW's Customer Charter.

Customers who fail to adhere to their payment plan agreement will be removed from the hardship program.

When a customer exits the hardship program, they will be removed from the LMW Hardship Register.

5.12 Hardship Register

LMW holds a formal register of customers enrolled in the Hardship Program. Access is restricted to LMW Authorised Officer's only.

The register includes a customer's details including identifier, name, assessment source, date entered the program and the date exited the program (if applicable).

Once assessed as in hardship, an LMW Officer will add the customer to the LMW Hardship Register. When exited the program, or subject to non-compliance, the customer will be removed from the hardship register.

It is a reporting requirement of the ESC that LMW hold a formal register of customers registered as in hardship.

5.13 Customers not eligible for the Hardship Program

Customers who are assessed as not in financial hardship or who are not willing to meet their financial obligations are not eligible for entry into the LMW hardship program.

5.14 Staff Training

LMW will ensure that customer contact staff are adequately trained to deal sensitively with hardship customers and are well informed about:

- Government funded concession schemes
- LMW's legal responsibilities (Customer Charters, Energy and Water Ombudsman Victoria)
- The Essential Services Commission's Customer Service Code
- LMW's Customer Hardship Policy and Procedures
- Hardship customers circumstances
- Our programs that support customers in financial difficulty

LMW Staff will receive ongoing training on a range of social and community issues to assist in improving our understanding of the issues that vulnerable customers face to ensure we provide a supportive and appropriate level of service.

5.15 Guaranteed Service Levels

The ESC has established a hardship related guaranteed service level, which outlines the minimum reasonable endeavours that must be followed in respect to restriction of supply and legal action for urban customers. Prior to commencing a restriction or legal action, LMW or its authorised agent will guarantee to:

- Issue a bill, reminder and final notice.
- Make at least two attempts to contact the customer by phone or in person on separate weekdays.
- If two attempts at phone or personal contact is unsuccessful, a further attempt by person or registered mail will be required.
- Make one further attempt to contact the customer in person.

Should the above reasonable endeavours be unsuccessful, LMW may restrict the customers supply or commence legal action.

5.16 Mandatory Reporting

LMW is required to report regularly to the ESC de-identified information regarding customers in hardship under the Water Performance Indicator Definitions. LMW will report all Performance Indicators required under its obligation.

5.17 Continual Improvement

LMW is committed to ongoing continuous improvement at industry level with the ESC, Department of Health and Human Services and the Energy and Water Ombudsman (Victoria). LMW will work with Financial Counsellors, welfare agencies and other utilities to develop and improve an understanding of the issues affecting our vulnerable customers.

LMW will liaise with its customers and the financial counselling sector to improve the service offered to customers in hardship.

5.18 Measurement of Success

To ensure LMW is being effective in its delivery of its Hardship Program, LMW will self-assess annually using the following measures:

Measure of Success	Indicator
Annual audits conducted by the ESC	Audit by ESC Confirms Compliance of Policies.
Approval of Utility Relief Grants	Be above industry average for Water Corporations
Number of customers on payment arrangements	Increased % of arrangements to outstanding's ratio year on year
Hardship Reasonable Endeavours GSL Payments	No Breach of Reasonable Endeavours Payments made

6.0 Review

- 6.1 It is the responsibility of the Custodian of this program to ensure this document is reviewed at least every 24 months, as per the review due date listed in the record table.
- 6.2 The people listed as “to be advised of amendments” must alert the Custodian to the need for document review if any amendments are required to the program before the review due date.
- 6.3 It is the responsibility of the Custodian of this program to communicate this document to customers and Lower Murray Water staff.

7.0 Interpreter Services

For Interpreter Service please call the number below.

Per avvalervi di un interprete, telefonate al numero indicato in basso.

Tercümanlık servisi için aşağıdaki telefon numarasını arayınız.

Kung nangangailangan ng interpreter, tumawag lamang sa numerong nasa ibaba.

Fetu'utaki ki he fika telefoni 'i lalo ki he potungaue fakatonulea.

Za usluge tumac''a molimo nazovite donji broj.

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