



Robusto Investments Pty Ltd

(trading as Compass Springs)

ABN 75 117 034 545

Hardship Policy for Residential Customers

January 2017



Purpose

1. Compass Springs is committed to assisting **residential customers** of **water services**, who are experiencing **financial hardship**, to manage their payments in a manner that best suits the **customer**, and ensuring they remain connected to a **retail service**.
2. The purpose of this **policy** is to identify **residential customers** who are experiencing payment difficulties due to **hardship**, and assist those **customers** to better manage their bills on an ongoing basis.
3. This **policy** sets out:
 - processes to identify **residential customers** experiencing payment difficulties due to **hardship**, including identification by us, self-identification by a **residential 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.

Background

4. This **policy** is based on the customer hardship policy for minor and intermediate retailers, made by the Minister for Communities and Social Inclusion, pursuant to section 37 of the *Water Industry Act 2012*, under a delegation by the Minister for Water and the River Murray.

Definitions and interpretation

5. In this **policy**:

in South Australia, **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 **retail service** from a supplier

consumer means a person supplied with **retail services** as a **consumer** or user of those services (as defined in the *Water Industry Act 2012*)



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

- where the context requires, a person seeking the provision of a **retail service**, and
- in prescribed circumstances, a person supplied with **retail 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*)

customer hardship policy means this **policy** for **minor** and **intermediate retailers**, that has been adopted by Compass Springs, in accordance with section 37 of the *Water Industry Act 2012*

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

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

our, us, we means Compass Springs

policy means this **customer hardship policy**

regulations means regulations under the *Water Industry Act 2012*

residential customer means a **customer** or **consumer** who is supplied with **retail services** for use at residential premises (as defined in the *Water Industry Act 2012*)

retail 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.

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



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*)

Identifying residential customers experiencing financial hardship

6. A **residential customer** experiencing **financial hardship** is someone who is identified by themselves, by **us**, 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.
7. 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.
8. **Residential customers** who are identified as experiencing ongoing **hardship** are generally those on low or fixed incomes. These **customers** may require ongoing assistance.
9. **Residential 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.
10. The extent of **hardship** will be determined by either **our** assessment process or by an external body, such as an **accredited financial counsellor**.
11. Where we assess a **residential customer's** eligibility for **hardship** assistance, we **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.

Assisting residential customers who are experiencing financial hardship

12. **We** will inform a **residential customer** of this **customer hardship policy** where:
 - it is requested, or
 - **we** are proposing to install a flow restriction device.
13. Where a **residential customer** has been identified as experiencing **financial hardship**, **we** 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 clauses 28 to 32,
 - 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 **residential 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.
14. **We** will not require a **hardship customer** to provide a security deposit.
15. **We** will not restrict a **hardship customer's retail services** if the **customer** has agreed to a payment arrangement and continues to adhere to the terms of that arrangement.
16. Where a **hardship customer** requests information or a redirection of their bills, **we** will provide that information or redirection free of charge.
17. **We** 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**.
18. **We** 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**.



Payment plans

19. Our 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**, and
 - the **customer's** expected usage needs over the following 12 month period.
20. The payment plan will also include an offer for the **hardship customer** to pay for their **retail 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**).
21. 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.
22. Where a **hardship customer** is seeking assistance in accordance with this **policy**, but has failed to fulfil their obligations under an existing hardship arrangement, we will require them to sign up for direct debit deductions.

Debt recovery

23. We 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.

General provisions

24. We will ensure **residential customers** have equitable access to this **customer hardship policy**, and that this **policy** is applied consistently.
25. We will ensure appropriate training of staff dealing with **residential customers** in **hardship** to enable them to treat **customers** with respect and without making value judgements.
26. This **customer hardship policy** is available on **our** website: www.compasssprings.com.au
27. We will also make a copy of this **policy** available to a **customer**, upon request, and at no charge to the **customer**, as soon as practicable following a request to do so.



Confidentiality

28. 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.

Complaints handling

29. Details of **our** customer complaints and dispute resolution process are available at **our** website: www.compasssprings.com.au