

OBJECTIVE

To provide financial relief to MidCoast Water customers in situations where high quarterly water consumption has been registered due to a leak that has not been readily visible.

BACKGROUND

There is no provision in the *Local Government Act 1993* to reduce water accounts due to water leaks in private water services. Once water has passed through any meter it becomes the responsibility of the land owner. This policy is intended to serve as a means of fairness and good public relations by providing “one off” assistance where a significantly higher quarterly usage account has been incurred through circumstances beyond the landowner’s control.

CRITERIA

Financial relief under this policy will only be available when all of the following criteria are met:

1. The defect causing the high read must be such that it was not readily visible or apparent, and involved leakages which were undetected.
2. Undetected leakage is defined as occurring within pipeline breaks or connections in the ground or under slabs which are not clearly visible to the owner/occupier, (It does not include leaks from internal service lines or appliances)
3. Water consumption, excluding the quarter claimed, must be less than 500kls per annum, per equivalent tenement.
4. The quarterly consumption is more than double the average consumption for the corresponding period of the past two years,
5. The applicant must be the owner, part owner or the person liable for the water charges for which the application applies and must not have made a previous concealed leak claim
6. The application for adjustment of the affected account must be received within 90 days of the issue date of the water and sewerage account;
7. The leak must occur within the applicant’s property boundary.
8. All outstanding charges, prior to the current account, must be paid in full.
9. Documentary evidence must be provided to confirm there has been immediate and effective action taken to make repairs. This includes a copy of a licensed plumber’s invoice or, if the repairs were not undertaken by a licensed plumber, a statutory declaration stating:
 - The location and cause of the leak
 - Who has repaired the leak
 - The address where the work was carried out
 - The date, nature and location of the repairs
 - A statement that the leak was not readily visible or apparent
10. The amount claimed is greater than \$200.

FINANCIAL RELIEF

The financial relief available will be up to 50% of the difference between the usage on one quarterly affected invoice and the average consumption for the corresponding period for the past two years.

Applicants who are liable for sewer volumetric charges and conform to the coverage of this policy are entitled to have this charge reduced by the amount of the consumption deemed attributed to the leak.

Where the applicant has held the property for less than six months, MidCoast Water will withhold the application for the following two quarters to establish an average consumption amount for the purposes of criteria 3 and 4.

PROCESS

Upon receiving the application, the balance on the invoice in question will be deferred until a determination has been made.

The General Manager, Executive Manager Corporate Services or the Group Manager Financial Services are authorised to approve applications for financial relief under the terms of this policy.

MidCoast Water has 45 days to advise the customer of the outcome of the application.

All applications will be given a further 30 days from the determination date to pay the outstanding balance.

Extenuating circumstances pertaining to consideration of concealed leak application where the leak occurred outside of the applicant's property boundary.

Historically (prior to 2011), MidCoast Water provided permission to land owners on rural properties to connect to MidCoast Water's water mains, this included circumstances where their property was not adjacent to the water main. Access to the water main was provided without the requirement of a development application fee, as the property was not within 225 metres of the water main.

As with all water connections, the landowners are liable for all water that passes through the water meter. The land owners were aware of and accepted the risk associated with water loss through leaks occurring from the use of polyurethane pipe.

While there were specifications on the installation and type of polyurethane pipe that should be used, MidCoast Water was not responsible for enforcing or checking on the installation process.

The benefits of allowing access to the water main included the provision of water to as many residents as possible, while not imposing significant development costs through extending water mains or the public reticulation network.

The practice of allowing these rural connections ceased in 2011 and further connections are only allowed in full compliance with development standards for the reticulation network together with payment of applicable infrastructure charges.

As the historic rural connections were installed in a manner determined by the property owner and with the property owner making their own arrangements for accessing neighbouring property, the connections were purely at their own risk.

Notwithstanding that the policy consciously limits MidCoast Water's exposure to risk of water loss from these connections, the General Manager may (at his discretion) authorise financial relief to an individual serviced by an historic rural property connection where:

1. Extraordinary circumstances apply
2. The application is otherwise consistent with this policy, and
3. Risk mitigation measures are taken to prevent future water leaks.