

OBJECTIVE

- Establish guidelines for the assessment of financial hardship
- Allow customers to meet financial obligations without risking their primary place of residence
- To fulfil statutory requirements of the Local Government Act 1993 and associated Local Government Regulations

BACKGROUND

MidCoast Water is a not for profit organisation that is dependent on charges to:

- provide water and sewerage services to its customers
- reinvest to improve and extend network infrastructure
- support its corporate objectives within the community

To the extent that a customer fails to pay or is unable to pay their charges, it places an additional burden on all other customers.

MidCoast Water already offers a range of options to assist customers meet their water and sewerage costs in defined circumstances. These options include concealed leaks rebates, pensioner rebates and payment terms.

In exceptional circumstances, MidCoast Water will provide further assistance where a customer can demonstrate financial hardship to the extent it threatens their capacity to retain their primary place of residence and to pay their water and sewerage charges relating to that primary place of residence.

This relief may include:

1. Extending the period of time to make payments
2. Waiving interest charges associated with the extended payment period

FINANCIAL HARDSHIP

Financial hardship will only be applied in exceptional one off circumstances such as severe illness or natural disasters.

In order to be eligible for financial hardship all the following criteria must be met:

1. The property must be the applicant's primary place of residence. This may include commercial properties that are also utilised for residential purposes, but only to the extent that the water and sewerage charges in question relate to residential use and not the commercial use of the property.
2. The applicant must not have previously received financial hardship relief from MidCoast Water.
3. The applicant must have exhausted all other options for financial relief available from MidCoast Water.
4. The applicant must be able to demonstrate significant one-off financial hardship
5. A Financial Hardship Application form must be completed and submitted to MidCoast Water along with supporting documentation.

FINANCIAL RELIEF FOR CUSTOMERS IN HARDSHIP

An assessment will be undertaken based on the information provided, the customer's individual circumstances and the cause of the financial hardship. MidCoast Water, at the General Manager's discretion, may then offer financial relief including:

1. Extending the period of time to make payments
2. Waiving interest charges associated with the extended payment period

Where an extended payment period is offered, the period should typically be less than three years and should not extend beyond five years. The minimum payment should be such that the current debt and all future water and sewerage charges that become payable during the period are met.

Ongoing monitoring of outstanding balances will occur to ensure payment plans are adhered to. Failure to adhere to the agreed arrangement may result in the arrangement being terminated and further recovery action taken.

Concessions provided for financial hardship under this policy are to be reported to the Board.