

# Company Policy: Essential Water Financial Hardship Support CECP8301

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*For questions regarding or permission to release this Policy, please contact Essential Energy's Chief Risk and Compliance Officer.*

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### 1.0 POLICY STATEMENT

Essential Water recognises that there are customers that experience financial hardship. These customers may require assistance to pay their bills to ensure their water supply remains unrestricted.

### 2.0 PURPOSE

To provide guidelines for identifying and assisting customers experiencing financial hardship.

### 3.0 KEY REQUIREMENTS

Essential Water recognises that water is an essential service, and this policy seeks to minimise the instances of water restriction.

### 4.0 ACTIONS TO ACHIEVE IMPLEMENTATION OF THIS POLICY

#### 4.1 Water Payments

Payments required by Essential Water from a customer for services relating to maintaining an ongoing connection to the water supply as well as for their water usage. Payments may also include reminder fees and miscellaneous charges as well as any work required on a customers' private assets which could be payable to a third party, where it could become a potential cause of water wastage or misuse.

#### 4.2 Identification of Financial Hardship or Stress

A customer is identified as being in financial hardship or stress when they are willing to meet their financial obligations, but do not have the capacity to do so because of financial difficulties.

To enable Essential Water to assess a customer's eligible for assistance they may be required to provide evidence. Essential Water customers are eligible for financial hardship assistance if they are affected by one or more of the following:

- loss of employment,
- low or fixed income insufficient to pay reasonable and normal living expenses,
- separation, family breakdown or family violence,
- death in the family,
- serious illness, including physical incapacity, hospitalisation, or mental illness,
- caring for someone with an illness or disability,
- referral from a financial counselling agency or community organisation,
- natural disaster,
- involvement in legal proceedings,
- sudden change of circumstances that impact your financial capacity.

In addition to these factors the amount of the payment and the unexpectedness of the amount compared to the individual's capacity to pay may also result in consideration for hardship.

Essential Water encourages customers experiencing difficulties paying their water bills to make contact early to address hardship.

Essential Water will treat all customers experiencing financial hardship with dignity and respect. We will be transparent, understanding, and fair in assisting customers.

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### 4.3 Support to Customers in Hardship

Once customers have requested financial hardship assistance Essential Water will offer the following:

#### 4.3.1 *Flexible Payment Options*

Essential Water will negotiate and agree interest free payment plans for customers allowing them to pay off outstanding debts over an agreed time.

Essential Water recognises that payment plans need to be flexible to meet the needs of both the customer and Essential Water.

When assessing a person's capacity to pay, Essential Water will take into consideration the amount of the debt, the ability for the customer to make repayments based on their individual circumstances.

#### 4.3.2 *Assistance with Payments to Third Parties*

There may be circumstances where Essential Water will require work to be completed on a customer's private assets for safety or to prevent water wastage, and the customer will need to engage a NSW licenced plumber to complete these works.

In these circumstances Essential Water may provide the customer with financial assistance to enable the works to be completed. This financial assistance may be provided in the form of a credit adjustment under the Uncharacteristic or Excessive Use policy.

#### 4.3.3 *Debt Write Off*

In exceptional circumstances when a customer is unable to make any payment consideration may be given to writing off the debt.

### 4.4 Customer's Rights and Obligations

#### 4.4.1 *Customers' Rights*

- To be treated in a respectful and professional manner.
- Confidentiality is always maintained.
- To have options, information and support clearly explained.
- To be protected from debt recovery or legal action while meeting agreed arrangement.

#### 4.4.2 *Customers' Obligations:*

- To acknowledge the debt and obligation to repay.
- To provide Essential Water any reasonable evidence, as requested, to assist with the assessment of financial hardship and capacity to pay.
- To advise Essential Water if contact details or financial circumstances change.
- To notify Essential Water if unable to meet agreed payments or terms.

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**4.5 Supply Disconnection**

Essential Water does not disconnect water supply for non-payment of bills. Water restriction for non-payment occurs as a last resort after all attempts to establish a payment plan have failed.

If a customer is deemed to be in financial hardship, Essential Water will seek agreement of a payment plan with the person prior to proceeding to water restriction.

**4.6 Financial Control & Reporting**

All agreed payment plans will be recorded and monitored regularly by Essential Water.

When establishing agreements for flexible payment, it is expected that all parties will act in good faith. Where there is a lack of cooperation or good faith negotiations, Essential Water reserves its lawful rights to recover the debt owed.

**4.7 Complaint Resolution**

If a customer is not happy with the plans offered for financial hardship, they may request a review or make a complaint in accordance with Essential Energy’s Standard Complaint and Dispute Resolution Procedure which may be found on both Essential Water and Essential Energy websites.

**5.0 AUTHORITIES AND RESPONSIBILITIES**

<b>Position / Title</b>	<b>Authority and Responsibility</b>
<b>Chief Operating Officer</b>	<ul style="list-style-type: none"> <li>Ensuring a robust and efficient hardship management framework is developed and maintained.</li> <li>Ensuring adequate resources are provided to manage hardship functions.</li> <li>Ensuring there are appropriate systems in place to meet these requirements.</li> </ul>
<b>Head of Water</b>	<ul style="list-style-type: none"> <li>Approving this policy.</li> </ul>
<b>Commercial Manager Water</b>	<ul style="list-style-type: none"> <li>Development or revision of procedures to ensure operational compliance to this policy.</li> <li>Communication of policy to all impacted areas.</li> <li>Development of relevant procedures and workplace instructions to supplement this policy.</li> <li>Establish, publish, and maintain the Financial Hardship Support (on Essential Water website and Customer Support Policy on Essential Energy website).</li> <li>Provide where appropriate information related to government concession programs and agencies for referring customers.</li> </ul>
<b>Head of Finance Operations</b>	<ul style="list-style-type: none"> <li>Ensuring a robust and efficient hardship management framework is developed and maintained.</li> <li>Ensuring adequate resources are provided to manage hardship functions.</li> <li>Ensuring there are appropriate systems in place to meet these requirements.</li> </ul>

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Position / Title	Authority and Responsibility
	<ul style="list-style-type: none"> <li>Authorising and processing debt write off in accordance with Company Policy (Governance) - Sub-delegation of Authority by the Chief Executive Officer – CECP0001.02.</li> </ul>
<b>Commercial Manager</b>	<ul style="list-style-type: none"> <li>Implementing this policy and the ongoing improvements.</li> </ul>
<b>Customer Resolutions Manager</b>	<ul style="list-style-type: none"> <li>Acting as the referral point for cases to be considered for hardship.</li> <li>Assessing financial hardship cases and making recommendation for debt write off where required.</li> </ul>

**6.0 DEFINITIONS**

**Financial Hardship**

A person who experiences difficulties with payments required by Essential Water due to their financial circumstances.

**Financial Stress**

Individuals who may not identify as experiencing something as extreme as financial hardship, but payments required by Essential Water would place them in vulnerable circumstances.

**7.0 REFERENCES**

Internal
Company Policy – Sub-delegation of Authority by the Chief Executive Officer – <a href="#">CECP0001.02</a>
Company Policy – Customer Support – <a href="#">CECP0008.05</a>
Branch Procedure – Water Debt Recovery: Restriction of Supply – <a href="#">CEOP8344</a>
Branch Procedure – Water – Uncharacteristic or Excessive Use – <a href="#">CEOP8339</a>
External
Water Management Act (NSW)
Water Management (General) Regulation

**8.0 REVISIONS**

Issue No.	Section	Details of changes in this revision	Change Risk Impact?