



Hardship Guidelines

Assisting Domestic Customers in Need

1 Corporate Hardship Policy Guidelines – Assisting Domestic Customers in Need

The Power and Water Corporation (PWC) provides essential services to the Northern Territory community. Power and Water Corporation also recognises that there are people living in the community who may at times have difficulties affording essential services such as power and water. The objective of this policy is to assist domestic consumers in times of hardship and provide them with support to resume regular payment of services used.

Power and Water Corporation recognises some domestic consumers may encounter temporary or ongoing financial hardship through a number of circumstances including unemployment or significant reduction in income, ill health or disability. As a Corporation, PWC wishes to assist these customers fairly and appropriately, whilst operating within commercial guidelines.

Introduction

This Hardship Policy outlines the minimum standards the Corporation will adopt in relation to dealing with domestic consumers who are experiencing hardship. Procedures, work instructions and staff training are in place to ensure staff follow these policy guidelines.

The Power and Water Corporation aims to treat all customers with dignity and respect by creating a non-judgemental environment to encourage customers to contact us if they require additional support.

Power and Water Corporation aims to work with customers to align energy and water consumption with affordability. We provide advice to customers on practical measures to reduce the amount of electricity and water they consume, thereby reducing their power and water bills.

Power and Water Corporation offers customers a range of payment channels including front counter services, post, call centre and credit card phone payment, internet payment, automatic payroll, Centrelink, direct debit facilities and Bpay.

Only as a last resort will electricity supply be disconnected and/or water supply restricted to Power and Water Corporation customers. Prior to this Power and Water Corporation will make all reasonable efforts to work with the customer to resolve the situation prior to disconnection.

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1. Definition of a Hardship Customer:

- 1.1 A 'Hardship Customer' is someone who is experiencing financial hardship whose intention is to pay, but who does not have the financial capacity to make the required payments within the timeframe set out in our payment terms.
- 1.2 There are two types of Hardship Customers; long term and temporary. These two types of Hardship Customers may have different characteristics and may require different levels and types of assistance.
- 1.3 Long term Hardship Customers are generally those with low or fixed incomes and may require ongoing assistance which will be reviewed at six monthly intervals. This is proposed by way of a joint relationship to reduce consumption and manage bills.
- 1.4 Temporary Hardship Customers are those who may have experienced a sudden change in living circumstances such as ill health, unemployment, a death in the family, a loss arising from an accident, or some other temporary financial difficulty. These customers generally require flexibility and temporary assistance.
- 1.5 A customer can be identified as a Hardship Customer either by self assessment, an internal Power and Water Corporation assessment process or by referral from an independent accredited Financial Counsellor. Whatever assessment takes place, our customer service staff should consider the following indicators when determining a customer's eligibility to be treated as a Hardship Customer:
 - a) The customer is eligible for Government funded concessions (e.g., Pensioner, Carer).
 - b) The customer requests information about alternative payment arrangements.
 - c) The customer's payment history indicates that they have had difficulty paying the account in the past.
 - d) The customer has had a sudden change of circumstances that adversely affects their finances.
 - e) The customer, through self assessment has identified their position regarding affordability.
 - f) The customer may have a low level of income, not be employed or live alone.
- 1.6 Although the above list is an indicator of possible hardship, each customer will be managed in accordance with their individual circumstances with the final decision in the identification process being the responsibility of the Corporation. Status enquiries shall be directed to the Retail Credit Control Unit.

2 Rights of Hardship Customers:

Each Hardship Customer has the right to:

- a) be treated sensitively and with respect on a case by case basis and have their circumstances kept confidential;
- b) receive information about alternative payment arrangements;
- c) be advised of Department of Health and Community Services Pensioner and Carer Concession Scheme, welfare agencies/emergency relief, Power and Water Corporation Hardship Policy and other internal, and Government programs (eg

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water efficient shower roses in Alice Springs), which may assist in reducing their current arrears and long term accounts;

- d) propose an amount he or she can reasonably afford to pay on an arrangement plan to demonstrate commitment to reduce the existing debt.
- e) choose from various payment methods offered by Power and Water Corporation in accordance with the customers circumstances and capacity to pay and to receive written confirmation of the agreed alternative payment arrangement within 10 business days of an agreement being reached;
- f) request renegotiation of the amount of their arrangement if there is a change in their circumstances;
- g) receive referral advice to independent, financial counselling service;
- h) receive, at no cost to the customer, a language interpreter service as required;
- i) be shielded from legal action and additional debt recovery costs while they continue to make payments according to the current agreed payment arrangement
- j) access to water and energy consumption conservation information to assist in reducing consumption
- k) have the account suppressed from credit action during identification of hardship process
- l) not have water supply restricted or electricity supply disconnected as long as they have agreed and are abiding to a payment arrangement.

3. Credit Management of Hardship Customers:

3.1 Each customer will be dealt with sensitively on a case by case basis and subject to the following guidelines:

- a) The customer should be asked to nominate an amount he or she can afford to pay without defaulting on any arrangement plan. This amount can be negotiated between the customer and the Power and Water Corporation as deemed reasonable.
- b) If the customer is unable to agree to a payment arrangement the customer should be referred to seek financial counselling
- c) A moratorium will be placed on debt recovery pending the establishment of an agreed payment arrangement
- d) The Power and Water Corporation may accept payment amounts from hardship customers below the suggested payment range guidelines for outstanding in arrears.
- e) Referral advice to independent financial counselling service will be offered, at no charge to the customer if they are experiencing financial distress. Our consultants who deal with customers have access to a list of free, independent and confidential financial counsellors.
- f) The Power and Water Corporation will work with Northern Territory based welfare agencies to coordinate financial assistance and ensure changes and opportunities in services available in the sector are updated regularly.

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- g) The Power and Water Corporation will continue to develop working relationships with representatives from community and welfare based organisations to assist disadvantaged customers.
- h) A specific objective will entail breaking the cycle of indebtedness through reduced consumption and payment arrangements appropriate to that customer's income and expenditure to manage their Power and Water Corporation bills.
- i) Power and Water Corporation will confirm the details of the payment arrangement in writing to the customer within 10 business days and offer the customer a choice of various payment methods in accordance with the customer's capacity to pay.
- j) Hardship Customers have the right, to contact Power and Water Corporation to discuss a renegotiation of the amount of their arrangement if there is a further change in their circumstances.
- k) Legal action, water supply restriction, electricity supply disconnection and additional debt recovery costs will not be instituted against customers who meet the criteria to be treated as Hardship Customers and continue to make payments according to an agreed schedule.
- l) If the customer fails to meet the agreed payment arrangement instalments and does not actively work with the Power and Water Corporation to address the situation then the customer will be advised in writing that standard credit follow up processes will be implemented and the hardship policy will cease to apply.

4. Pro-Active Provision of Information:

- 4.1 Power and Water Corporation will be pro-active in providing customers with timely information regarding payment assistance, including details about Pensioner and Carer concession availability and invitation to contact Power and Water Corporation to discuss alternative payment arrangements on notices/requests for payment.
- 4.2 A Northern Territory Government interpreter service is available free of charge to customers from non-English speaking backgrounds.
- 4.3 Customers are advised about their right to lodge a complaint through the Power and Water Corporation complaint handling process ([link](#)).
- 4.4 Customers identified as hardship customers will have access to information detailing the Power and Water Corporation hardship policy.
- 4.5 Customers will be assisted with advice about energy and water saving measures to bring consumption in line with affordability.
- 4.6 Power and Water Corporation assisted referrals can be made to CoolMOB, a community group who specialise in helping households reduce their energy consumption. CoolMOB provide energy audits to assist customers determine how much energy their home uses and how to reduce electricity consumption, which will reduce power bills.
- 4.7 Power and Water Corporation may subsidise the installation of pay as you go meters as an alternative metering arrangement for customers in difficulties.

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5 Customer Responsibilities

- 5.1 Customers must keep in touch with Power and Water Corporation and inform Power and Water Corporation of any changes to their circumstances.
- 5.2 We will do everything possible to make it easy for customers to call us by providing accessible opening hours and a 1800 number.
- 5.3 Customers must demonstrate a willingness to pay their bills by:
 - a) making payments towards their account contacting Power and Water Corporation as early as possible when experiencing payment difficulties
 - b) attempting to make payments or maintain plans and/or
 - c) seeking financial advice from a financial counsellor.
- 5.4 If a customer breaches a payment arrangement, support through the program will be withdrawn. The customer will be informed in writing and default into the mainstream collection process. Power and Water Corporation 'time-to-pay' (ARG) arrangement is an automated process which recognises payments not made by agreed date/s. When a payment is not made by the agreed date/s the system automatically notifies Power and Water Corporation the payment arrangement has been broken.
- 5.5 Customers are advised to allow three working days for process of electronic and Australia Post payments.
- 5.6 A customer shall not remain on the program if they do not participate and work with Power and Water Corporation to align their usage with their capacity to pay.

6 Corporate Responsibility for Hardship Customers:

- 6.1 Power and Water Corporation will ensure appropriate Procedures, Work Instructions and staff training are in place and maintained to ensure Hardship Customers are dealt with in a sensitive manner according to the guidelines set out in this Policy so that favourable outcomes are achieved for both our customers and Power and Water Corporation.
- 6.2 Power and Water Corporation will ensure that there are appropriate escalation steps documented to deal with customer complaints regarding this Hardship Policy.
- 6.3 The General Manager Retail is responsible for the strategic direction, operation and management of the Company's hardship policy and programs.
- 6.4 Power and Water Corporation and the collection agency for Power and Water Corporation, will ensure our/their customer contact staff are trained to deal sensitively with Hardship Customers and are informed about:
 - a) Government funded concession schemes.
 - b) Our legislative responsibilities (e.g. Customer Contracts/Charters, Trade Practices Act, Office of Fair Trading, Ombudsman for the Northern Territory).
 - c) Our Hardship Policy, procedures and work instructions, including delegated authorities to renegotiate hardship arrangements.
 - d) Hardship Customers' circumstances.
 - e) Programs that support customers in financial difficulty.

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

7. Voucher System

7.1 Power and Water Corporation will distribute vouchers to the NT agencies and financial counselling service providers a predetermined value each financial year to assist domestic consumers experiencing hardship.

7.2 Nominated providers of emergency relief will determine eligibility and distribute the vouchers on behalf of Power and Water Corporation.