

# Central Tablelands *Water*



## Water Charges Debt Recovery Policy

<b>Policy Title:</b>	Access to Information	
<b>Responsible Officer:</b>	Director Finance and Corporate Services	
<b>Adopted:</b>	Date: 12.10.2016	Minute Number: 16/079
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<b>Version Number:</b>	v1	

## Purpose

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To establish guidelines for the General Manager and staff on appropriate debt recovery procedures to ensure effective control over charges that become due and payable.

It will also provide a framework for the efficient and effective collection of outstanding debts and fulfil statutory requirements of the Local Government Act, 1993.

Council has a responsibility to ensure monies owed are recovered in a timely and effective manner to finance its operation and to ensure effective cash flow management. During the debt recovery process Council will; treat people fairly, consistently, and in a confidential professional manner.

## Debt Recovery Policy Statement

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Central Tablelands Water (CTW) acknowledges that customers will, for various reasons fail to pay for water charges when they become due and payable. It is not the intention to cause hardship to any ratepayer through debt recovery procedures, and consideration will be given to acceptable arrangements to clear the debt where possible.

The General Manager has the delegated authority to assess/approve and or reject payment arrangements from any customer.

The General Manager has the delegated authority to proceed with legal action to recover outstanding charges where an arrangement plan has defaulted or if the customer has failed to pay, or a suitable attempt has not been made to clear the outstanding balance.

## **Procedure**

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### **Water Consumption Charges**

Charges shall be set annually by way of the Operational Plan.

Water Notices are issued on the completion of the quarterly meter readings. On each quarterly account issued, the period covered by the availability charge components on the account is the current calendar quarter. The period covered by the water usage component on the account is the period from the last meter reading from which the account was calculated in the previous period, to the date the meter reading was taken in the current period. The frequency of the reading cycle will be quarterly.

Accounts will be due for payment 28 days after the date of issue.

The person, or persons, who are listed as the owner of the property will receive all water accounts and are responsible for their payment.

### **Interest on Overdue Accounts**

Interest is calculated daily on overdue charges at the maximum rate announced by the Minister for Local Government each year in accordance with Section 566 (3) of the Local Government Act, 1993.

### **Tenanted Properties**

A number of landlords have lease agreements that stipulate that the tenant is responsible for the usage or consumption charge. The billing of tenants is the owner's or agent's responsibility

In the case of a tenanted property, CTW will only pursue the debt directly with the landowner, and will only take legal action against a landowner. CTW will not seek payment of water charges from tenants that landowners are liable for, nor will it be involved in collecting money from tenants or accept a payment arrangement, unless provided for in s569 of the Act.

CTW will take reasonable steps to identify whether a property is tenanted before considering restricting a water supply, and will not restrict or disconnect when it becomes aware that the property is tenanted, unless otherwise advised by the landowner.

CTW will only restrict or disconnect the water supply as a last resort, after a notice has been issued under s569 of the Act, and a reasonable opportunity is given for the tenant to comply with the notice.

### **Payment Arrangements**

Arrangements may be entered into with all customers in accordance with s564 of the Act.

Arrangements are to be negotiated with the aim of recovering all arrears and the current charges. Agreement to requests to pay by regular amounts or for an extension of the due date for payment are to be assessed on their merits, having regard to the individual's payment history and circumstances.

For those accounts where the owner has entered into an arrangement to extend the due date or to pay off by instalments, a continuing check is made that the arrangement is being kept.

Where a customer defaults on approved arrangements for payment, recovery action will recommence from the stage which had been reached prior to the last arrangement being negotiated.

## **Reminder/Final Notices**

A Reminder/Final Notice shall be issued where applicable seven (7) days after the due date of a water account to those customers who have an outstanding balance greater than \$50.00 and have not made previous satisfactory payment arrangements with CTW.

The Reminder/Final Notice will provide the customer with the balance outstanding, and will indicate that if the balance remains unpaid, it may result in Council's operator attending the premises to restrict or disconnect the water supply, and if this should this occur an attendance fee will be payable immediately in addition to the outstanding amount. It will also advise the customer of the fees for reconnection or removal of the restriction.

Reminder/Final Notices will be due for payment 10 days after the date of issue.

If an account was not issued with a Reminder/Final Notice because an arrangement had been entered, and the arrangement is then not kept, the non-issue of a Reminder does not preclude the account from normal recovery actions.

## **Attend to Restrict/Disconnect Water Supply for non-payment**

At the expiration of time nominated for payment on a Reminder/Final Notice and where the account has not been paid or a suitable payment arrangement has been entered into for any amounts outstanding of \$150.00 or over. A CTW representative will attend the premises and present a Final Notice to the Occupier Card

The Final Notice to the Occupier card will state that a representative of Central Tablelands Water visited the premises in regard to the imminent restriction/disconnection of the water supply because of non-payment of water charges. It will show that if the amount due is not paid by a certain date and time, the water will either be restricted/disconnected.

The Final Notice to the Occupier card will show the total balance outstanding, including the attendance fee.

If no contact is made by the Occupier by the date and time notified, the water supply will be:

- a) Restricted by the fitting of a restriction device but so as to make available a nominal supply to the consumer (approximately 0.2 litres per minute) if the property is occupied.
- b) Disconnected if the property is deemed to be vacant.

When a restrictive washer has been fitted to a meter, or alternatively the supply has been disconnected, a card will be left at the premises notifying the occupant that as no contact has been made after the issuing of the Final Notice to the Occupier card, they are informed that the Water Supply to the premises has been disconnected/restricted and will be restored on payment of all arrears owing, in addition to a reconnection fee.

The supply will not be restored until the total amount outstanding is paid, or other arrangements made to the satisfaction of CTW. Notification of payment must be made to CTW prior to 2pm if same day restoration of supply is required.

\*\*\* If a Final Notice to the Occupier card has been issued to the owner of a property on 4 consecutive times or more, a further Final Notice to the occupier will not be issued. The water supply will be restricted without further notice. The restrictive washer will only be removed after payment of the water account and reconnection fee is paid in full.

\*\*\* If a Final Notice to the Occupier card has been issued to a tenant, reasonable opportunity must be given for the tenant to comply with the notice and contact the landlord prior to the restriction/disconnection of the water supply is to take place.

### **Legal Action**

If payment has not been received or no arrangement has been made following the disconnection/restriction of the water supply for non-payment, or if the total outstanding remains unpaid after a final notice to the occupier card was presented, the debt may then be handed to a debt collection agency appointed by CTW to follow up collection of the outstanding debt. Arrangements to pay after the commencement of legal action are encouraged and will be accepted provided the offer will complete the debt within a satisfactory time frame.

Application for Judgement is to be effected wherever possible if satisfactory arrangements have not been made to finalise the account. Action following Judgement is to be assessed by the General Manager and may include the issue of a writ, garnishee or examination summons.

All legal costs and expenses incurred in recovering outstanding water charges shall be charged against the property in accordance with Section 605 of the Local Government Act, 1993.

A report detailing all Legal Action is to be provided to a subsequent Council meeting for notification.

### **Variation**

Council reserves the right to review, vary or revoke this policy.