

Debt recovery – water billing

Policy, procedure, protocol	Policy
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Related documents	Rates – Debt Recovery Policy Rates Hardship Policy Privacy Management Plan Local Govt (General) Regulation 2005 – Reg 144
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Section / Department	Finance & Supply
Linkage to Our Community Plan	5 Leadership
Objective	5.2 We will have an effective and efficient organisation
Strategy	5.2.3 Foster an organisational culture focused on customer service excellence, innovation and continuous improvement

1. Purpose

To provide guidelines for the General Manager and staff for the implementation of debt collection programs to efficiently control and manage, at minimal cost to both the Council and ratepayer, outstanding water billing debts arising from unpaid water billing accounts issued for consumption and usage charges for water, sewerage and liquid trade waste.

2. Definitions

For debt recovery purposes, debts are considered to be overdue immediately after the due date of the account (31 days).

3. Background/legislative requirements

Council adopted a debt recovery policy on 20 February 2007 for the recovery of consumption accounts in arrears. Quarterly usage charges for water, sewer and liquid trade waste discharge are raised in accordance with Best Practice Management of Water Supply and Sewerage guidelines issued by the NSW Office of Water.

The restriction of water supply due to non payment is pursuant to the Section 144 of the Local Government (General) Regulation 2005. Such restriction, when made, will allow restricted water use so as to maintain personal hygiene only.

Interest is calculated daily on overdue water accounts 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.

Council can instigate legal proceedings and debt recovery action for outstanding debts pursuant to the provisions of the Local Government Act 1993 and the Local Government (General) Regulation 2005.

4. Policy statement

4.1 The Water usage, Sewer Discharge apportionment usage and Liquid Trade Waste usage account is issued to each property connected to the water supply quarterly following the reading of water meters. The actual usage account provides relevant information including the past and present readings, the date the readings took place, the total consumption for the billing period, the number of days between readings, the consumption charge, pension rebate (if applicable) and the total due and date due.

4.2 Accounts for water consumption must be paid within one month of the date of issue. For debt recovery purposes, debts are considered to be overdue immediately after the due date of the account (31 days).

4.3 Where a customer does not pay the account by the due date and no payment arrangement has been made with Clarence Valley Council, a 1st Water consumption Reminder notice shall be issued advising that they may have overlooked the account. This reminder letter will be

generated seven (7) days after the due date requesting payment within 14 days to avoid water restriction or pending legal action.

- 4.4** Arrangements may be entered into with all ratepayers. It is Council's intention to have a maximum period of three (3) months for which debts may be paid under suitable arrangements. Failure to strictly adhere to the terms of an arrangement to pay will result in the installation of a water limiter.
- 4.5** Where an account remains unpaid after the expiry of the 14 day payment period from the 1st water consumption reminder notice, and the balance owing is greater than \$300.00, a 2nd Water consumption reminder notice will be issued. This notice states that unless the account is settled within a further fourteen (14 days)-a Water Limiter will be installed.
- 4.6** If the account remains unpaid at the expiry of the 14 day period of the 2nd water consumption reminder notice, a letter will be hand delivered by two water meter readers to the address advising that a water limiter will be placed on their water meter restricting the flow of water through their meter if the account is not settled within 48 hours of the date on the letter. The Council Officers delivering the notice will also make enquiry when attending the property as to whether the occupant is the owner of the property and will not serve the notice if they become aware from this enquiry that the property is tenanted. Where the address for the service of notices recorded by Council is other than the property, a copy of the notice will also be issued to the address recorded as the address for the service of notices.
- 4.7** The water restriction notice will in addition state:
- The amount outstanding.
 - The total amount to be paid to avoid water restriction.
 - Arrangements for payment will be considered after the water supply becomes restricted.
 - All disconnection and re-connection fees as well as the outstanding account must be paid in full before re-connection of the service and advise the total costs.
 - The restriction when made will allow restricted water use so as to maintain personal hygiene.
 - Where any re-connection is requested as an after hours service, the customer is required to pay the additional cost of overtime for those workers involved in reconnecting the service.
- 4.8** Where an account remains unpaid after the limiter has been installed a Notice of Intent will be issued on accounts greater than \$1,000. This letter will advise the customer that failure to pay the account or enter into a suitable payment arrangement to clear the debt will result in legal action commencing to recover the total amount outstanding.

5. Procedures

5.1 Authority to take action

In accordance with this policy, the General Manager is to take all appropriate actions to recover outstanding debts to Council in relation to Water Billing Accounts which include water usage, sewer and liquid trade waste discharge charges.