31 May 2010

Dean Burgess
Assistant Director
Office of the Tasmanian Economic Regulator
GPO Box 770
HOBART TAS 7001

Dear Mr Burgess,

Thank you for the opportunity to participate in the consultation on the draft Tasmanian Water and Sewerage Industry Customer Service Code.

In commenting on the draft Code, Anglicare's focus is on the needs of low income earners and other disadvantaged Tasmanians. People on low incomes or with other special needs are likely to face considerable financial difficulty in coming years as a result of progressive increases in the cost of water and sewerage services over the next decade. Customer service standards need to be responsive to the issues that they face in order that they do not suffer undue hardship.

Two core principles underpin Anglicare's response:

The first of these is that water and sewerage services are essential, not discretionary, and every effort should be made to ensure that all Tasmanians have and are able to maintain access to safe, adequate water supplies and sewerage services, including reticulated services if they live in an area where those services are available.

The second principle is one that Anglicare has previously argued for in our submission to the State Government's Social Inclusion Unit consultations: 'an approach which sets minimum service standards for products, services and infrastructure that, while available to all, are designed to suit people on low incomes' (Anglicare Tasmania 2009, p. 27). In other words, the customer service code should not be designed to meet the needs of more affluent customers, with some extra provisions added on to respond to the needs of disadvantaged people, but should instead be designed to meet the needs of the most disadvantaged first, while obviously applying to all customers.

Anglicare's submission builds on our response to the consultation conducted by the Department of Treasury and Finance on the development of the customer service standards regulations.[1] A number of recommendations that Anglicare made in that response were not taken up by Treasury in the finalisation of the regulations. We were informally advised that this was because many of our recommendations proposed a level of detail that would be more appropriately included in the customer service code. We are therefore taking the opportunity to stress those of our recommendations which are still outstanding and which we feel are essential to ensuring fair and equitable treatment for all Tasmanians.

Anglicare notes that the customer service code applies to all customers of water and sewerage services, not just residential customers. However, in this submission our comments are relate only to residential customers. We do recognise that some low income earners are also small business owners, and that the dividing line between personal and professional financial crisis is not always clear-cut, but we lack the expertise to comment specifically on the issues affecting small businesses.

DISCONNECTIONS

Consequences of restriction or disconnection: Anglicare welcomed the State Government's decision to prohibit disconnection from water and sewerage services in the event of a failure to pay. Anglicare saw this as appropriate recognition of the fact that for some customers, failure to pay is not the result of wilful non-compliance but the result of an inadequate income or an unforseen financial crisis. We do however note that restriction of service remains as a penalty for non-payment, and emphasise the potential consequences of this to people with special needs or people who are particularly vulnerable (for example, babies, children or elderly people).

Under the regulations and therefore under the customer service code, people can have their service restricted or be disconnected from services if there is reasonable evidence to suggest that they have committed an offence relating to safety or illegal use of water and sewerage infrastructure, have taken or diverted water or sewerage from the infrastructure or have interfered with supply to other customers or the safety of the network. However, under the customer service code, a customer can also be disconnected if they are reasonably suspected to have committed fraud. This does not appear to be consistent with sec. 8 of the regulations, which specifies the only circumstances in which a customer may be disconnected and which does not mention fraud. The code appears to have substituted 'fraud of the regulated entity's infrastructure' for 'illegal use of the regulated entity's infrastructure', but the definition of 'fraud' in sec. 20 of the regulations is not completely consistent with this. It is Anglicare's view that some clarity is needed.

Offences that jeopardise the health, safety and wellbeing of others are serious offences, but disconnection is a particularly severe consequence and Anglicare has concerns about the use

[1] In this submission, 'regulations' refers to the *Water and Sewerage Industry (Customer Service Standards) Regulations 2009*.

of disconnection as a sanction given the essential nature of these services. If a customer is disconnected, what provisions apply to support that customer? The person will need, at a minimum, water to drink. If provisions are not in place to support people in this position, the burden will fall onto emergency relief and crisis services, which are already overstretched and struggling to respond to demand – in Anglicare's Glenorchy office alone, demand for emergency relief this year has increased by 120%.

Disconnection also has significant implications for other people in the household – the customer who has committed the offence may not be the only person residing at the premises affected. Other residents may be placed at considerable risk as the result of disconnection, particularly babies, children, elderly people or people who have a disability or a health problem. While a comprehensive response to this issue, including the provision of additional funds to meet any increase in demand for crisis services, may lie outside the scope of the customer service code, Anglicare considers it reasonable that the code require the corporations to ensure that any household which is subject to involuntary disconnection or restriction of their services is referred to an appropriate service provider for further support. Which service provider is appropriate will obviously vary depending on the individual's circumstances, but the peak body for the community services sector, the Tasmanian Council of Social Service, would be able, with support from its membership, to provide the corporations with advice and information to guide referrals.

Anglicare notes that the draft code does place particular requirements on the corporations in the event of a decision to restrict or disconnect. Clause 8.3.1 (c)[2] prohibits restriction or disconnection if the corporation believes that such an action 'will cause a hazard having taken into consideration the consequences of the restriction or disconnection to health, safety and the environment' and clause 9.3.1 (c) prohibits a restriction due to non-payment if the corporation believes it will 'cause a health hazard having taken into consideration any customer concerns'. While Anglicare welcomes the prohibition on restriction or disconnection in the event that it causes a hazard, particularly to health and wellbeing, we do draw attention to the lack of consistency between the clauses. Clause 8.3.1 (c) requires consideration to be given to the consequences for safety and the environment as well as for health, while clause 9.3.1 (c) does not, and clause 9.3.1 (c) requires the corporation to take into account customer concerns, while clause 8.3.1 (c) does not. Anglicare recommends that the clauses be reworded so that they both set the same high standard and are consistent.

Anglicare also recommends that the Code go further in clarifying what circumstances would constitute a hazard. Clearly the intent of these provisions is to protect other vulnerable people in the household from restriction or disconnection applied as a penalty to the account-holder. For example, elderly people, young children, people with a disability, people with a serious illness and people with chronic health problems could all potentially be placed at risk by a restriction or disconnection. People in rural or regional areas, with fewer alternative

[2] Unless otherwise stated, clause numbers in this submission refer to the clauses of the draft water and sewerage industry customer service code.

sources of water supply, and large families may also be disproportionately affected by such a decision.

However, the effectiveness of the provisions depends on the corporations making an appropriate assessment of where disconnection or restriction would be hazardous. The code does not presently provide any guidance around what situations or circumstances would be seen to constitute 'a hazard'. This makes any judgement the corporation might make with regard to these provisions essentially subjective, which raises concerns about the possibility of unfair or inconsistent decisions being made.

Anglicare is also concerned about the risk that, over time, the bar for what is or is not considered 'a hazard' could be raised. To provide some context for our concerns, we draw the Regulator's attention to the situation facing Centrelink clients appealing debt recovery decisions in the Social Security Appeals Tribunal. Under the relevant legislation, Centrelink may waive a debt if there are considered to be special circumstances other than financial hardship alone and the debt did not arise as a result of intentional fraud. However, what constitutes 'special circumstances' is not defined (in the same way the draft code does not define what would constitute 'a hazard' for the purposes of clauses 8.3.1 (c) and 9.3.1 (c)). A Federal Court determination often used in the Social Security Appeals Tribunal found that 'special circumstances' would need to be circumstances that distinguish the case from the 'usual' case. But, as Hughes has pointed out,

> If the "usual" Centrelink client faces difficult circumstances, then it appears a person must be able to show extraordinarily difficult circumstances to qualify as "special". .... The "usual case" test appears to set a standard of hardship that becomes more and more difficult to meet as Centrelink customers present to the SSAT [Social Security Appeals Tribunal] with accounts of the challenges they face. Some of the SSAT decisions … [raise] a real concern that SSAT interpretation of special circumstances [has] fallen out of line with general community expectations of how the phrase would be interpreted or understood (Hughes 2008, p. 35).

To provide an example, one of the participants in Hughes' research was undergoing chemotherapy, had broken both her ankles, was caring for a disabled daughter and had a husband requiring surgery. She became indebted to Centrelink as a result of overpayment of her $100 fortnightly carer's payment, and appealed to the Tribunal for the debt to be waived on the grounds of special circumstances. Yet the Tribunal decided that she faced no special circumstances and that the debt should be recovered (Hughes 2008, p. 36).

Anglicare is concerned that as time passes and prices rise, more people will become vulnerable to the risk of restriction for non-payment or be pushed into desperate illegal activity that may incur the risk of disconnection. All of these people will be in circumstances that, by general community standards, would be considered extreme. Yet exposure to one set of extreme circumstances after another could lead to the individuals making a decision about what constitutes 'a hazard' or 'customer concerns' becoming immune to the stories of hardship they hear, and lead to the benchmark to prevent restriction or disconnection becoming higher and higher over time.

As a result, Anglicare recommends that the code provide for a more specific and objective method of determining the circumstances in which restriction or disconnection would cause a hazard and be inappropriate. A possible method of ensuring this could be to make provision in the code for people who consider that the decision of corporation under clauses 8.3.1 (c) and 9.3.1 (c) are incorrect to appeal to the Regulator. The Regulator could then overturn the corporation's decision if it was felt that the corporation's decision had been unreasonable. The corporation should not be permitted to take any action to restrict or disconnect the service until after the Regulator's decision has been made. The advantage of this approach is that it allows for any systemic failing on the part of the corporation to be identified. Simply put, Anglicare would expect that should the Regulator receive a large number of appeals, this would be a sign to the Regulator that the corporations required further guidance in this area and would lead to the Regulator issuing binding guidelines, following community consultation, on what constitutes 'a hazard'. The right of customers to appeal to the Regulator in this way should be publicised to customers so that they are aware that this option is available to them.

However, this method, where the Regulator is the final arbiter, could also be vulnerable to the kind of shift in definitions over time that is described above in relation to the Social Security Appeals Tribunal. For this reason it may be necessary to introduce into the code a more specific definition of the terminology in clauses 8.3.1 (c) and 9.3.1 (c) as a preliminary step, while leaving open the option of further guidance to be issued later on if a systemic problem emerges. One way to do this would be to specify, as part of a definition of 'a hazard', certain classes of customer to whom restriction or disconnection should always be considered to pose a risk to wellbeing. These groups would include those outlined above.

Penalties of 'last resort': In our earlier submission, Anglicare called for the corporations to be specifically directed to keep restriction and disconnection as 'last resort' penalties, to only be used once all other options reasonably open to the corporation had been used to resolve the situation. We made this same argument in relation to the taking of legal action – that it should be an option of last resort. While we welcome the greater detail in the draft code in relation to the steps an entity must take before it can proceed to restriction or legal action, we still recommend an explicit requirement that all other steps be taken, in good faith, first.

Notwithstanding this recommendation, Anglicare is also concerned that the requirements in the customer service code around this issue could be stronger. Clause 9.1.2 of the code sets out a series of steps in relation to restrictions for non-payment, which include the requirement that a certain period of time elapse before a restriction can proceed, the provision of reminder notices and information about the hardship policy, an attempt to contact the customer, notification of the proposed restriction (or legal action) and a requirement that the customer have been given the opportunity to undertake a flexible payment plan. Anglicare's reading of the code as drafted is that all of these requirements be met before the corporation can take action to restrict the service or in court, and we welcome this comprehensive approach. We do however note one additional step taken by Aurora Energy in relation to the disconnection of tariff customers: if a customer is to be

disconnected, Aurora has a field officer personally visit the customer to discuss alternatives to disconnection (McLean 2005, p. 3). This visit allows, in a way that written communication and telephone contact does not, for sensitive issues affecting the customer's situation to be identified and problems resolved. For example, the site visit could identify that the customer is from a refugee background, does not read English and has not understood any of the written information that has been provided, including the disconnection notice. Anglicare considers it an invaluable protection against inappropriate disconnection that should be extended to water and sewerage customers as well. Anglicare recommends that clause 9.1.2 also include the requirement that the corporation conduct at least one personal visit to the customer prior to restriction or legal action being taken.

Anglicare is also concerned to note that the requirements laid out in clause 8.3.2 and applying to the disconnection or restriction of customers for a reason other than non-payment are much less stringent than those applying under clause 9.1.2. The requirements laid out, that the customer receive a written notice or a notification to be published in the newspaper, seem applicable to the circumstance of a planned interruption for maintenance or repairs, and are reasonable for that purpose. However for customers who are to be disconnected for other purposes, such as the committing of a serious offence, they are not in Anglicare's view adequate given the essential nature of water and sewerage services. The corporations should be required to provide customers in this situation with an opportunity to remedy their conduct before proceeding to disconnection. The requirements laid out in clause 9.1.2 should be extended to customers being disconnected or restricted for any circumstances other than those described in clause 8.1.1. (a) or 8.1.1 (e) (that is, in any circumstances other than a planned interruption or a customer request).

RECOMMENDATIONS

That clause 8 of the code be amended to require a regulated entity to ensure that any household which is subject to involuntary disconnection or restriction of their water or sewerage service is referred to an appropriate service provider for further support.

That clause 8.1.1 of the code be reviewed to ensure it is consistent with sec. 8 of the regulations.

That clause 8.3.1 (c) be reworded to require the regulated entity to also take into consideration any customer concerns.

That clause 9.3.1 (c) be reworded to require the regulated entity to also take into account the consequences of the restriction to safety and the environment.

That the code allow customers who dispute a decision made by the corporation under 8.3.1 (c) and 9.3.1 (c) to appeal to the Regulator.

That, if an appeal is made, the code prohibit the corporations from proceeding with a restriction or disconnection until a decision is made by the Regulator.

That the code require the corporations to ensure customers are informed of their right to appeal to the Regulator in this way.

That the Regulator monitor appeals made by customers in relation to clauses 8.3.1 (c) and 9.3.1 (c) in order to identify whether interpretation of these clauses is an issue requiring further clarification. Consideration could be given to the Regulator routinely reporting the results of its monitoring to the OTTER Customer Consultative Committee at its quarterly meetings.

That the code specify in more detail the circumstances that would need to exist for restriction or disconnection to cause a 'hazard' under clauses 8.3.1 (c) and 9.3.1 (c). The definition should be broad enough to protect the following classes of customer: elderly people, children, people with a disability, people with a serious illness, people with chronic health problems, people in rural or regional areas and large households.

That clause 9.1.2 be amended to require that the regulated entity may only proceed with restriction or legal action after all other steps, including those specified in clause 9.1.2, that are reasonably open to it have been taken.

That clause 9.1.2 be amended to require, in addition to the other steps outlined in the clause, an authorised officer of the corporation to conduct at least one personal visit to the customer's residence prior to the restriction or legal action being taken.

That the requirements laid out in clause 9.1.2 be extended to customers being disconnected or restricted for any circumstances other than those described in clause 8.1.1. (a) or 8.1.1 (e) (that is, in any circumstances other than a planned interruption or a customer request).

CUSTOMERS WITH SPECIAL NEEDS

In its submission on the regulations, Anglicare expressed concern with regard to the limited definition of 'special needs customers'. In the draft regulations, such customers were defined as people using dialysis machines and people who were 'determined by the entity to have special requirements because of a medical condition'. The final version of the regulations extended the definition slightly to include customers determined to be special needs customers by the Regulator 'because of a medical condition' (sec. 3.2).

Anglicare reiterates the point it made in its submission on the regulations, that confining eligibility for classification as a special needs customer to people with a medical condition is inadequate because it excludes some people who may have special requirements not because of a diagnosable medical condition but because of other reasons, such as age (e.g. the very young or the very old).

The code currently follows the regulations in considering the requirements of special needs customers only in relation to ensuring prompt reconnection following planned or unplanned

interruptions. Anglicare supports this, but does point out that it is worth considering the requirements of customers with special needs in all areas of service provision.

RECOMMENDATIONS
That consideration be given to expanding the definition of a 'special needs' customer to include those people who have special requirements not related to a diagnosable medical condition, but where loss of access to service would still have a significant impact on their health and wellbeing.

INFORMATION FOR CUSTOMERS
Anglicare welcomed the requirement included in the final version of the regulations that the information to be included on accounts in relation to important matters such as what to do in the event of financial difficulty and any concessions and discounts available must be provided in plain English.

Literacy: However, Anglicare stresses two critically important matters: firstly, all written information, not just information on these points, that is provided to customers should be provided in plain English and secondly, all written information should be backed up by other methods of providing the information, including verbally.

Anglicare stresses this point because of the very high levels of difficulty many Australians, and especially Tasmanians, experience with literacy and numeracy. The Australian Bureau of Statistics' survey of literacy and life skills assesses the skills levels of Australians in relation to prose literacy, document literacy, numeracy and problem solving. The survey divides respondents into five groups, according to their level of skill. People at Level 1 have the lowest level of skill, while people at Level 5 have the highest. According to the 2006 survey, 49.0% of Tasmanians are assessed at either Level 1 or Level 2 in relation to prose literacy and 50.7% at either Level 1 or 2 in relation to document literacy. Over half, 56.2%, are at Levels 1 or 2 for numeracy, and nearly three quarters, 73.0%, at Levels 1 or 2 for problem solving (Australian Bureau of Statistics 2006, p. 23).[3] These figures indicate that a significant proportion of the community – a far higher percentage than would commonly be thought – have real difficulties in correctly completing tasks like locating a single piece of information in a piece of text, entering information based on personal knowledge into a form, understanding simple mathematical operations and evaluating alternatives with regard to well-defined criteria.

It is Anglicare's view that this level of illiteracy and innumeracy within the community means that a very high standard in relation to clear information provision must be applied to any essential service. Based on these figures, it is not an exaggeration to say that half of the customers of Southern Water, Ben Lomond Water and Cradle Mountain Water would

[3] These figures are higher than the Australian averages for the proportion of people at Level 1 and 2 for each area of literacy. These averages are 46.4% for prose literacy, 46.8% for document literacy, 52.5% for numeracy and 70.1% for problem solving (Australian Bureau of Statistics 2006, p. 23).

experience difficulty in understanding their account, in applying for any concessions or discounts or in reading a brochure about payment options. While this should not preclude the provision of written information, the customer service code should also require that any and all written information to be provided to customers be, at a minimum, in plain English and that the corporations should provide customers with a freecall telephone number which they can use to clarify anything that they have not understood. Bearing in mind the shame and stigma that can be attached to poor literacy and numeracy skills, the operators of this telephone service should deliver the service in a way that is respectful and sensitive. This would be consistent with the spirit of the provisions relating to customers in financial hardship and specifically clause 6.4.3 (b), which requires that customers be treated 'with respect and sensitivity and in a manner that does not reflect any bias against such customers' and the requirement could be worded in similar terms.

Clarity: In Anglicare's view it would also build constructive relationships with customers if the corporations were as open as possible about the services they are able to offer customers in financial difficulty. Currently, accounts are required to provide customers with information about 'the steps a customer may take if he or she is suffering financial difficulties' (clause 5.4.1 (h)). A statement such as 'Please call us if you can't afford to pay this bill' would meet this requirement. However, a statement such as 'Please call us if you can't afford to pay this bill. We can give you more time to pay it or let you pay it off a little at a time' makes it clear that the call will result in assistance and support rather than in consequences unknown.

Ongoing information: Finally, the provision of customer information needs to be ongoing – enclosing a brochure with the first bill and then never again is inadequate. People often do not take in information about issues such as making a complaint until they actually need to make a complaint. Life stresses such as illness or financial crisis may also mean that important information is overlooked or discarded at the time, even though later it might be urgently needed. For these reasons, information needs to be provided regularly and in a range of formats, including those set out in clause 14.7, but also extended to non-written forms of communication, such as a freecall information line or verbal information provided by services that work with disadvantaged people or in disadvantaged communities, to cater for those people who have low levels of literacy.

RECOMMENDATIONS

That the code require that any and all written information provided to customers be in plain English.

That the code require that the corporations provide customers with a freecall telephone number which they can call to clarify any matter in any written material that they have not understood.

That the code extend the provisions of clause 6.4.3 (b) to the staff of this freecall telephone service.

That clause 5.4.1 (h) be amended to require the corporations to specify, in plain English, what outcome the customer is entitled to expect from taking the specified steps in the event of financial difficulty.

That the code require corporations to provide information about their services and the support and payment options that they can offer customers on a regular basis and in a range of formats, including non-written forms of communication, such as a freecall information line or verbal information provided through services working with disadvantaged people or in disadvantaged communities.

OPTIONS FOR CUSTOMERS IN FINANCIAL DIFFICULTY OR HARDSHIP

Anglicare welcomes the provisions in the regulations and in the customer service code for customers who are experiencing financial hardship. It is important to remember that financial hardship is not necessarily a short-term experience, although it can be for some people. In a recent statewide survey of clients of emergency relief and financial counselling services, Anglicare found that 81.0% of the respondents had applied for assistance from these services before, and almost half (46.2%) of the respondents who had applied before were using services four or more times a year. Nearly half (47.2%) of all the respondents said that their household regularly or always had financial problems (Flanagan 2010, pp. 37-8). Anglicare makes this point to emphasise that a considerable number of customers of the new water and sewerage corporations will be living with ongoing financial crisis. Difficulties paying bills, especially large bills, will not be an infrequent experience for them. Management of customer service will need to take this issue into consideration.

Access to payment plans: Anglicare welcomes a number of provisions in the customer service code that will be of assistance to people facing financial crisis. In particular, we note the provisions in clause 6.2.1, which require the corporations to make flexible payment plans available to customers, to formulate them according to the customer's capacity to pay and to renegotiate the plan at the request of the customer should the customer's financial circumstances change. Flexible and variable payment terms are vital if people are to clear debt without creating hardship or falling behind in their payments for other essential services.

Anglicare notes that clause 6.2.2 permits a corporation to refuse to enter into a payment plan if the customer has previously entered into more than three such plans – or more than two in the previous year – but failed to comply 'without reasonable excuse'. There may be many reasons why a person has not complied with a payment plan, not the least of which is that the payment plan itself may have been unrealistic when taking into account the circumstances and ongoing financial stress being experienced by the customer. Aurora Energy has a similar approach to customers in financial hardship, with flexible payment plans being offered to customers having difficulty paying a bill. Around 350 such plans are entered into each month, but only about 9% are successfully completed (Office of the Economic Regulator 2010, pp. 137-8). Anglicare's financial counsellors report that the failure of these payment plans is usually related not to the customer's inability to afford the

debt repayment component of the plan, but rather to difficulties in affording the ongoing consumption component. Anglicare stresses that not everyone in Tasmania has control over factors that affect ongoing consumption, such as the efficiency of fittings and appliances and in any event, even with the most efficient appliances available, not all consumption of an essential service is discretionary. What constitutes a 'reasonable excuse' for the purposes of clause 6.2.2 must therefore be broad enough to take into account this issue. In its submission on the regulations, Anglicare recommended a provision allowing a customer, or an advocate on their behalf, to appeal to the Regulator for a determination in the event that a request for a payment plan is rejected, and we again recommend this here.

Late payment fees: Clause 9.1.1 permits a corporation to charge a fee for failure to pay an account; clause 7.4.3 requires that this fee be 'reasonable'. It is not clear whether customers identified as suffering from financial hardship will be automatically exempted from an overdue account fee, although clause 6.4.3 (c) could be read in this way and clause 6.4.3 (d) allows for fee and interest payments on outstanding amounts to be waived. Anglicare believes that overdue account fees should not only be waived for those customers identified as suffering financial hardship, but for all customers identified as eligible for concessions and those on payment plans. Anglicare notes that Aurora Energy applies a late payment fee of $5 to all overdue electricity accounts, but has automatically exempted a number of groups of customers from paying this fee. The exemption applies to customers with an agreed payment plan in place, customers using EasyPay, concession customers and customers on life support (Aurora Energy 2009). Aurora's policy on this issue and its broader hardship policy were developed in close consultation with community service organisations and Anglicare acknowledges that the policy goes beyond Aurora's statutory requirements. However, Anglicare is of the view that this approach represents Tasmanian best practice and would urge that it be adopted for water and sewerage provision as well.

Access to financial counselling: Consistent with the provisions in the regulations, Anglicare notes that the code requires corporations to refer customers in hardship to financial counselling services (clauses 6.3.1 (b); 6.4.3 (g)). Anglicare is a statewide provider of financial counselling services and can attest to the value this service has both to individuals and to the community. For example, while financial counselling will be of broader benefit to people in financial difficulty, in relation to water and sewerage accounts, a financial counsellor may be able to assist in negotiating a payment plan that has a greater likelihood of success than one which the customer negotiates on their own, and the regional corporations would benefit from working closely with financial counselling services in this regard.

However, Anglicare also draws attention to the fact that financial counselling services are in great demand and that waiting lists do apply. At the present time, a customer contacting Anglicare's financial counselling service for an appointment can expect to wait for up to 10 weeks in some parts of the state. For this reason, sensitivity and patience from the corporations will be needed in the event that a customer facing financial difficulty or hardship is referred to financial counselling and finds that they must wait for an appointment.

In relation to financial counselling, Anglicare would like to make one other point. With very few exceptions, the Australian income support system does not provide people solely reliant on pensions and benefits with sufficient income to live above even the very conservative Henderson Poverty Line (Brotherhood of St Laurence 2007). It is a fact that some people are simply not able to afford the cost of food, clothing, housing, shelter and essential services without compromising on what they spend money on, perhaps by missing meals or by living in substandard housing or by 'juggling' bills. While our financial counsellors can assist these households to improve their circumstances through ensuring that they are receiving all their statutory entitlements, through developing budgets that exert some control over household finances and through negotiating with creditors, they cannot solve the central difficulty, which is that the person does not have enough money to live on.

It is important to recognise that some people, particularly those on very low fixed incomes, may not be able to afford the cost of water and sewerage services, especially in an environment of ongoing price rises, that this is not their fault, and that referral to a financial counsellor will not solve the entire problem. Customers who face long-term financial problems need to be treated with understanding and offered flexibility in how they meet their obligations and this understanding and flexibility needs to be built in to any customer service code.

RECOMMENDATIONS

That clause 6.2.2 be amended to allow a customer, or an advocate on their behalf, to appeal to the Regulator for a determination in the event that a request for a payment plan is rejected.

That the code require regulated entities to waive fees and charges related to overdue or unpaid accounts for all customers identified as suffering financial hardship, all concession customers and all customers on a flexible payment plan.

OTHER MATTERS

Consistent with the regulations, clause 14.8.2 (a) of the customer service code imposes on the customer the obligation to give the corporation at least five days' notice of any change of address or become subject to a fine. This amount of notice presumably allows for workload planning in relation to disconnection and reconnection. However, it is important to acknowledge that in some circumstances it may not be possible for a person to give this much notice, for example in situations involving domestic violence. In these sorts of circumstances, failure to give at least five days' notice should not be penalised with a fine. Clause 14.8.2 (a) should be amended to provide for the waiver of the fee if the customer's circumstances make it unreasonable for them to be able to provide this much notice.

RECOMMENDATION

That clause 14.8.2 (a) be amended to provide for the fee to be waived if a customer's circumstances make it unreasonable for them to provide five days' notice.

CONCLUSION

Anglicare welcomes the attention given in the draft customer service code to the needs of customers in financial difficulty. We again emphasise the importance of ensuring that customers facing financial crisis are placed in the centre of any customer service arrangements to ensure that their needs are met. Thank you once again for the opportunity to provide comment and for taking the time to consider our response.

If you have any questions in relation to our submission or require further information, please feel free to contact me.

Yours sincerely,

Dr Chris Jones
Chief Executive Officer
Anglicare Tasmania

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