



# REVIEW OF NEW HARDSHIP MEASURES TAKEN BY METROPOLITAN WATER BUSINESSES

2013-14 report

December 2014



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# ACRONYMS

CALD	culturally and linguistically diverse
CWW	City West Water
ESL	English as a second language
SEW	South East Water
URG	Utility Relief Grant
VCWG	Vulnerable Customers Working Group
YVW	Yarra Valley Water



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# OVERVIEW

This is the Essential Services Commission's first report on the effects of additional revenue that the Commission approved for metropolitan water businesses<sup>1</sup> to develop or improve programs for customers in hardship. The Commission approved \$5.25 million at the 2013 water price review, in the context of metropolitan customers facing large price rises from 1 July 2013.

Based on the early trends in the data available, we are satisfied that the water businesses have targeted the approved money towards improving their hardship programs.

## FEEDBACK FROM EXTERNAL AGENCIES

- Financial counsellors and advocacy organisations commented positively on water businesses' performance in supporting customers in hardship.
- Suggestions for future work included further outreach to migrant groups, and continued innovation in reaching hardship customers earlier.

## FEEDBACK FROM CUSTOMERS

- Customers' experiences dealing with water businesses were very positive, particularly when compared with energy utilities. Customers commended water businesses' manageable payment plans and praised the outcomes of hardship support generally.
- Customer awareness of hardship support was highest for payment/installment plans. These and Utility Relief Grants were commended for their effectiveness.

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<sup>1</sup> City West Water, South East Water, Western Water, Yarra Valley Water.

## **INSTALMENT PLANS AND HARDSHIP SUPPORT**

- Increases in the number of customers on instalment plans (up 26 per cent across businesses to 117 812 customers) support the water businesses' contention that their promotions of hardship support programs has increased the uptake of support.
- Several water businesses performed well on the number of customers meeting their agreed instalment plans (over 80 per cent) although there is room to adopt best practice in reporting and designing payment plans for some businesses.
- Water businesses' support for new customers increased across most programs with strong rises in Utility Relief Grants (64 per cent increase in approved new grants to 4 413 grants).
- The metropolitan businesses reported rises ranging from 4 to 21 per cent in the number of concession customers indicating a rise in awareness among customers of their eligibility for a concession.

Notwithstanding the good results, the Commission was concerned that figures from its *Performance of Victorian urban water and sewerage businesses 2013-14*, which showed rises in numbers of water restrictions and legal actions, could mean that customers in hardship were being affected. Based on this review of the businesses' hardship programs and this report's interviews with customer groups and financial counsellors, it does not appear that hardship customers are included in these rises.



# INTRODUCTION

In the *Metropolitan water price review: final decision 2013*, the Essential Services Commission allowed \$5.25 million for the metropolitan retailers, City West Water, South East Water, Western Water and Yarra Valley Water, to help customers manage large price increases from 1 July 2013. The final decision states that the retailers were expected to use the additional revenue to enhance existing hardship policies, expand programs, adopt best practice and improve associated infrastructure. The extra revenue was not intended for direct financial customer assistance; rather, the Victorian Government provides direct financial assistance to qualifying water customers through concessions and the Utility Relief Grant Scheme.

The Commission worked with the water businesses and welfare groups to establish measures of how effectively the additional hardship funds were spent.<sup>1</sup> The measures are based on the outcomes of a workshop for water businesses and consumer groups who highlighted the need to:

- **increase awareness** among low income and vulnerable customers of the services available to them
- make customers **comfortable seeking assistance** from water businesses
- **intervene early** with vulnerable customers or those experiencing financial difficulty
- increase the **flexibility of instalment plans**
- increase **cooperation among water businesses** on identifying approaches that work best.

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<sup>1</sup> Essential Services Commission 2013, *Measuring the effects of the additional hardship allowance: final decision*, December. Available at [www.esc.vic.gov.au](http://www.esc.vic.gov.au)

The Commission then released a staff paper on possible indicators to measure how well the spending of the hardship allowance addressed these needs. After consultation with water businesses and community groups, it accepted the measures proposed by the water businesses plus measures suggested by consumer advocacy groups (tables 1.1 and 1.2). Because the businesses developed these measures themselves, in consultation with community and customer representative groups, the Commission considers the measures:

- will be feasible for businesses to report on
- will capture information relevant to customers in hardship.

**TABLE 1.1 QUANTITATIVE MEASURES OF EFFECT OF SPENDING ADDITIONAL HARDSHIP ALLOWANCE**

Indicator reference	Indicator name	Measure	Chapter
H1	Customers aware of assistance available	Percentage increase	3
H2	New customers identified and assisted through the programs	Percentage increase	4
H6	The level of debt when a customer begins a hardship program, differentiated by the level of debt	Number	4
H3	Retrospective concessions applied	Percentage increase	5
H4	Customers in hardship programs meeting their agreed payment plans	Percentage increase	6
UPP1	Instalment plans*	Number of customers	6
H5	Meetings between water businesses to discuss best practices	Number	7

\* Already collected for the Commission's annual water performance report.

**TABLE 1.2 QUALITATIVE MEASURES OF EFFECT OF SPENDING ADDITIONAL HARDSHIP ALLOWANCE**

Measures	Chapter
Feedback from external community service agencies who are aware of vulnerable and hardship support programs	2
Feedback from customers supported through programs	3
Awareness of customer support available	3
Staff training and awareness of vulnerability and hardship indicators to implement early intervention strategies	7
Effectiveness of outreach activities to engage with vulnerable or hardship customers	7
Water businesses' co-operation through innovations and using similar programs or techniques with success	7

This report presents the data for each of the measures. In addition to quantitative data, the Commission includes the water businesses' explanations for absolute levels and for movements in indicators. These explanations are important, because changes in one indicator could result from an improvement or deterioration in assistance to customers in hardship. For example, a reduction in new entrants to a water business's hardship program could reflect the success of a previous outreach program to identify customers in hardship, or a reduction in the business's effort to assist customers. For this reason, the Commission requested the water businesses to provide context to the raw data.

In addition to reporting against the measures, the water businesses submitted the following information to the Commission:

- the activities that they undertook with the additional funding
- the progress of the projects that they implemented
- what they intend to do the following year.

This report includes that information, for a fuller picture of how the water businesses spent the additional hardship funds.

We have grouped related measures into chapters and structured this paper as follows:

- Chapter 2 reports on feedback on the water businesses' hardship programs from financial counselling staff and advocacy groups. This includes information on customer awareness of hardship programs
- Chapter 3 reports on feedback from customers in hardship programs themselves, including how useful customers found different hardship programs. This will be useful for water businesses when considering improvements for future programs
- Chapter 4 reports on the number of new customers in hardship programs and a customer's level of debt when they begin a program. This chapter is designed to provide information on how well water businesses are increasing awareness of their hardship programs, and whether they are reaching out to customers before their debt reaches a high level
- Chapter 5 reports on the number of retrospective concessions to measure how well the businesses are shifting eligible customers onto concessions
- Chapter 6 reports on water businesses' number of instalment plans and whether customers are meeting these plans. A large number of customers meeting their

instalment plans indicates that these plans were well designed in relation to customers' ability to pay

- Chapter 7 reports on water businesses' internal efforts to improve their management of customer hardship issues, including outreach activities, staff training, and cooperation and meetings among water businesses. Information in this chapter provides an indication of the effort that water businesses are putting into improving their hardship schemes
- Chapter 8 reports on the types and progress of activities being undertaken with the additional funding, and on possible future programs under consideration.

Changes in absolute numbers provided by the water businesses should be considered in the context of the differences in the water businesses' customer bases, which are substantial (see table 1.3),

**TABLE 1.3 METROPOLITAN WATER BUSINESSES — 2013-14 OVERVIEW**

	<b>Residential water customers (no.)</b>
City West	403 185
South East	695 741
Yarra Valley	737 437
Western	56 930

## **1.2 HARDSHIP ASSISTANCE FRAMEWORK**

The Customer Service Code is the Commission's main instrument for regulating the businesses' approach to customer hardship. The Code defines hardship as customers who are identified either by themselves, the water business, or an independent accredited financial counsellor as having the intention but not the financial capacity to make the required payments in accordance with the water business's payment terms.

The code for urban water businesses requires them to have a hardship policy for assisting low income and vulnerable customers, to place the policy on their websites, and to make a copy available to customers. It requires businesses' hardship policies to:

- train staff to ensure they treat customers in hardship with sensitivity and without making value judgments
- exempt customers in hardship from supply restriction, legal action and additional debt recovery costs
- state any circumstances in which the business will waive or suspend interest payments on outstanding amounts.

The code also provides protections to customers such as:

- setting out a process of steps that a water business must take before it is allowed to restrict a customer's water supply or commence legal action. The process is designed to ensure that customers are given an opportunity to be considered for a hardship program and have a payment plan tailored to their ability to pay
- requiring a water business to make flexible payment plans available to customers in accordance with a customer's capacity to pay
- specifying a water business must not commence legal action or take steps to restrict a customer's service due to non-payment if the amount owed by a regularly paying customer is less than \$200, or if the customer is applying for a hardship related program.

In addition to the support provided by water businesses under the code, the following support programs are in place for customers:

- government grants through the Utility Relief Grant Scheme
- concession and health care card discounts.



## 2 FEEDBACK FROM EXTERNAL AGENCIES

This chapter reports the results for the measure *Feedback from external community service agencies who are aware of vulnerable and hardship support programs*.

Working with the water businesses, the Essential Services Commission developed a survey for financial counselling staff and advocacy groups, to gain feedback on vulnerable and hardship support programs delivered by the water businesses.

Questions focussed on:

- the level of customer awareness of hardship programs
- programs' effectiveness
- suggestions for improvement.

The Commission engaged a market research company, Wallis Consulting Group (Wallis), to undertake the survey.

### 2.1 FINANCIAL COUNSELLORS

Wallis interviewed 15 financial counsellors from agencies that worked with customers of the four water businesses. It reported counsellors are largely familiar with the range of support measures available to their clients. Counsellors acquire this knowledge through industry conferences, word of mouth and personal networks, and direct contact with the relevant water business when pursuing issues on behalf of a client.

Some counsellors said their clients were not initially aware of the hardship support services available. Counsellors did not report any difficulty accessing these services. Further, they had no difficulty understanding the support available, and many indicated

clients had no problem understanding a program when a counsellor explained it to them. However, counsellors noted:

- programs can be difficult to explain over the phone, particularly for people who are not financially literate
- some brochures and leaflets provided to counsellors can be difficult to understand, or insufficient without further explanation, particularly when clients have issues with literacy.

Counsellors agreed most programs offered by water businesses to support customers in hardship were accessible and effective. They identified different programs were suitable for particular circumstances — for example, Utility Relief Grants (URGs) were excellent when the client did not have large arrears, and payment extensions were best used for one-off emergencies rather than for tackling longer term issues.

Counsellors offered suggestions for water businesses to improve client access and understanding, including:

- targeting specific culturally and linguistically diverse (CALD) communities, particularly refugee groups
- avoiding relying on information on bills to reach customers, which often are not opened by those in the worst hardship
- working through intermediary organisations that reach into the community — for example, community agencies, support services and health clinics
- using a range of media to communicate information about hardship support.

## 2.2 ADVOCACY GROUPS

Interviews were conducted with organisations with knowledge of hardship arrangements: Good Shepherd Youth and Family Service, Kildonan Uniting Care, the Consumer Utilities Advocacy Centre, the Consumer Action Law Centre and the Adult Migration Education Service (which helps refugees and migrants in Victoria).



Support mechanisms that are perceived as positive and effective include:

- Water businesses have a healthy competition to reach vulnerable customers, and a commitment to provide better quality support to people in hardship.
- Yarra Valley Water's 'arrange and save' program, in particular, is excellent, with a positive cost–benefit impact. Of customers involved in the program, over 80 per cent paid on time, and most returned to mainstream payments.
- Water businesses share good practice through the Vulnerable Customers' Taskforce.
- Innovative work is being done. Yarra Valley Water's WaterCare internet hub, and City West Water's financial literacy training were commended.
- Water businesses are getting better at identifying people with difficulties, being proactive, and getting those customers into hardship programs more quickly.
- They are getting better at identifying people eligible for concessions.
- They tend to have well-trained and effective hardship staff.
- They undertake good work in outreach to new migrant communities.

The following issues were noted as still needing attention:

- People with mental health issues are still 'falling through the cracks'.
- Customers from some CALD communities may not understand contracts or service delivery. Language barriers also remain a significant issue for some customers.
- Privacy issues arise from the use of interpreters. Value may be found in training water business staff to use interpreters effectively.
- Partnerships with local government may help identify some customers at risk, because councils are aware of households that are defaulting on rates payments.
- Access to hardship programs can depend on customers' relationships with people at call centres. Often, advocacy organisations get a better hearing (when they call on behalf of a customer) than the customer does. This situation occurs more so with energy utilities, but is an issue for water businesses too.
- URGs are not as well promoted as they should be, and the application process and paperwork are daunting.

Advocacy organisations noted the 'next steps' for water businesses were:

- earlier intervention, by targeting those at risk more effectively and earlier
- putting incentive arrangements in place
- communicating hardship support more widely
- normalising vulnerability and letting go of the concept of 'hardship'
- building relationships with CALD communities using targeted media strategies.

The advocacy organisations reported the following customer experiences in dealing with water businesses:

- The culture around hardship, as opposed to debt collection, is well embedded in some parts of water businesses, while other parts still work with a 'debt collection' approach.
- Effective first contact call handling can be difficult because customers often do not know what they want or can get from hardship services.
- Groups who have less satisfactory interactions with water businesses' hardship programs include people with a history of poor payment, and CALD communities.
- Water businesses compare positively to other utility companies.
- Legislative changes allowing water businesses to charge interest on arrears would change the 'compassionate' approach that has been developing. Another concern is some water businesses' outsourcing of debt collection.
- Water businesses can improve their approach to hardship. One respondent noted only two of the four businesses meet the necessary standard for treating customers with respect, and advised more staff training, support and coaching are needed.

# 3 FEEDBACK FROM CUSTOMERS

This chapter reports the results for three measures:

- feedback from customers supported through programs
- awareness of customer support available
- customers aware of assistance available.

Working with the water businesses, the Essential Services Commission developed surveys of the level of awareness of the businesses' support programs. It engaged a consulting firm, Wallis, to interview 35 customers with experience of water companies' hardship programs.

The customers were identified through financial counsellors and the water businesses. Results for the indicator, *feedback from customers*, focussed on customers' experiences of hardship support programs and the outcomes achieved.

## 3.1 AWARENESS AND UNDERSTANDING OF SUPPORT

Below are the main features of customers' awareness of the hardship support measures that water businesses offer:

- Respondents were familiar with only a limited number of measures, commonly the ones that they were using or had previously used.
- Awareness was highest for payment plans. The plans usually had been recommended by financial counsellors or the water business.
- Customers were not familiar with many of the brand names and descriptions of support programs, even if they broadly understood the programs' underlying concepts.

The Utility Relief Grants Scheme is a central feature of help for customers in hardship:

- Some respondents had not heard of Utility Relief Grants (URGs). Some had heard of them only recently, and some needed assistance to apply for the grant.
- One respondent reported being transferred to the hardship team when he asked for a URG, suggesting that mention of the URG Scheme prompted the water business to direct his call to the hardship team.
- Some respondents had been introduced to the URG Scheme by their water business, which had contacted them to resolve billing problems.
- A couple of customers noted having previously used URGs.

The customers also commented on other hardship program options:

- Some respondents were aware of forms of payment matching and waiving of outstanding debts after they made consistent and regular payments.
- One customer talked about the relative merits of Easyway (fortnightly payments made in person at a post office or other participating shop) and Centrepay.
- A number of respondents were aware of concessions, and some indicated they receive concessions (as seniors or carers).
- Although respondents might not have had audits of their homes, some were aware of general advice about reducing water consumption and thus the size of bills.
- Most clients were not aware that some water businesses can send out a plumber free of charge.

Customers interviewed were concerned that some customers in hardship were not aware of the support options available. Their most common suggestion was to increase awareness of hardship options by including advertising material with water bills.

Wallis reported the following relative order of awareness and understanding of programs and options provided by all metropolitan water businesses:

- payment plans (most commonly known and used)
- instalments
- payment extensions
- relief grants (URGs)

- assistance for pensioners and concession card holders
- assistance with plumbers and maintenance
- water efficiency advice
- home visits
- water efficiency audits
- payment matching (rarely cited)
- protection from recovery action.

### 3.2 CUSTOMER EXPERIENCE

Customers' experiences with water businesses were almost all positive. This outcome was enhanced by many customers having had negative experiences with other utility companies. Customers gave the following reasons for their positive impressions:

- Customers were offered what they felt were viable solutions with realistic rates of repayment and manageable payment schedules. They praised water businesses for their 'understanding' and for 'hearing out' their clients.
- Customers reported being treated with dignity by their water business. Not being 'hounded' for money they could not afford was important in forming this opinion.
- Customers often cited 'personalised' contact and the ease of establishing direct contact with water business representatives as positive aspects of the relationship.
- Customers liked how hardship program teams at water businesses understood individual circumstances and took a personalised approach to their clients.
- Customers were less likely to be punished when payment was overdue.

Overall, customers often thought their water business had gone above and beyond the customers' expectations in working with them.

The following were among the few negative comments:

- A customer had a bad experience initially with his water business, which involved difficult phone conversations and legal correspondence that he found intimidating. The experience improved when the business understood he was in hardship.

- A customer took issue with the differing approaches of his water business's hardship team and their collections contractor. His situation was resolved positively only after he expressed concern about the collections contractor.

### **3.3 CUSTOMER OUTCOMES**

The outcomes reported by clients were overwhelmingly positive. Most customers had found the water businesses could assist them and provide appropriate advice.

Comments included the following:

- Customers felt their water business worked with them to find the best outcome for both parties, within realistic expectations. Customers were offered a range of solutions that met their needs, and felt the businesses persisted in finding the right solution.
- Customers reported positive outcomes from the solutions put in place. They described relief grants as an effective solution.
- Many customers particularly appreciated the support that they received in prioritising and budgeting, and in structuring and managing payments.

## 4 HARDSHIP SUPPORT — NEW CUSTOMERS

This chapter reports the results for two indicators:

- new customers identified and assisted through the programs
- the level of debt when a customer begins a hardship program, differentiated by the level of debt

The first indicator aims to measure how successfully water businesses have used the approved funds to raise awareness and support customers in hardship who need assistance. The Essential Services Commission recognises changes in this indicator need to be analysed in context of any external reasons for increases/decreases in customers who need hardship. For this reason, this report includes commentary from water businesses on the reasons for any changes.

The second indicator aims to measure how early water businesses identify customers in hardship and provide them with support. Early identification of customers in hardship is an important component of good hardship customer management.

Table 4.1 lists and defines the programs available to customers in hardship. Customers may use multiple programs, so may be counted more than once in the results.

**TABLE 4.1 METROPOLITAN WATER BUSINESSES' HARDSHIP AND VULNERABLE PROGRAMS**

Program	Definition
Utility Relief Grants	Government assistance for residential customers who cannot pay their utility bills due to a temporary financial crisis. Customers receive a maximum of \$500 within a two year period.
Payment extensions	When a customer requests delayed payment of a quarterly account instalment
Hardship payment	A residential customer identified (via self-selection, the water business or an independent accredited financial counsellor) as having the intention but not the financial capacity to pay within the timeframe of the business's payment terms. At a manager's discretion, the customer receives a one-off reduction in their bill.
Retrospective concessions	A concession that is applied on past bills for which the customer was eligible. This concession applies only to bills that were raised on the principal place of residence and issued in the past 12 months, and only if the account is still active.
Centrepay	A free service for customers to pay bills as fortnightly deductions from their Centrelink payments
Instalment plans	An instalment plan is an alternative payment arrangement (confirmed in writing) between the customer and the water businesses.

#### 4.1 NEW CUSTOMERS IDENTIFIED AND ASSISTED THROUGH THE PROGRAMS

Data provided by the water businesses reflects some similarities in their hardship programs. All businesses reported strong growth in URGs, for example, but they also reported different customer use of other programs. The diversity of customer use of hardship programs partly reflected businesses' different approaches to dealing with customer hardship.

**TABLE 4.2 CITY WEST WATER - NEW CUSTOMERS IDENTIFIED**

Program	2012-13	2013-14	Percentage change
Utility Relief Grants			
Initiated	997	1338	+34
Received	568	763	+34
Approved	505	654	+30
Payment extensions	30 433	34 198	+12
Hardship payment	532	511	-4
Centrepay	3 548	3 964	+12
Instalment plans	24 944	29 699	+19

Note: Utility Relief Grants data from Department of Human Services



The number of Utility Relief Grants (URGs) provided by City West Water (CWW) increased in 2013-14, as did payment extensions and Centrepay arrangements. CWW submitted that the increase in URGs was partly due to customers who received an URG in 2011-12 requesting the payment again two years later. It submitted that increases in payment extensions and Centrepay arrangements were generally due to the impact of price increases. CWW noted an increase in URG approvals caused a slight decrease in hardship payments. It expected a decrease over time in the number of customers in these programs, as a result of early intervention activities.

**TABLE 4.3 SOUTH EAST WATER - NEW CUSTOMERS IDENTIFIED**

Program	2012-13	2013-14	Percentage change
Utility Relief Grants			
Initiated	1353	2664	+97
Received	870	1647	+89
Approved	796	1465	+84
Payment extensions	91 544	121 966	+33
Hardship payment	101	70	-30
Centrepay	5 990	7 712	+28
Instalment plans	36 495	48 791	+33

Note: Utility Relief Grants data from Department of Human Services

South East Water (SEW) experienced a significant increase in the number of new customers assisted through its programs. SEW explained the following features of its data:

- An increase in customers paying via Centrepay was due to the large increase in customers (a 145 per cent increase to 3 033) in the hardship program, and due to Centrepay being an easy payment mechanism for customers who receive Centrelink benefits.
- SEW experienced a significant increase in requests for payment extensions. It is reviewing this area to understand why customers are requesting more time to pay.

- In 2012-13, SEW kept its hardship debt write-off to a minimum until it reviews how to better manage and improve the equity, fairness and consistency of write-off allowances.
- SEW submitted that there was an increased number of URG applications, but a large number were cancelled by the Department of Human Services<sup>1</sup> due to the applications not being returned by the customer. In response, SEW is running a trial in which it is providing assistance to its customers to complete the application form.

**TABLE 4.4 WESTERN WATER - NEW CUSTOMERS IDENTIFIED**

Program	2012-13	2013-14	Percentage change
Utility Relief Grants			
Initiated	297	468	+58
Received	200	330	+65
Approved	165	299	+81
Payment extensions*	3 992	3 498	-12
Hardship payment	474**	547**	+15
Centrepay	683	610	-11
Instalment plans	3 727	3 977	7

Note: Utility Relief Grants data from Department of Human Services

\*Western Water bills three times a year, rather than quarterly.

\*\* Reported figure reflects the total number of grants approved in each financial year. Western Water issues three invoices per year, and assesses applications for payments at each billing period, so the same customer may receive three grants in any one financial year.

Western Water submitted that the increase in the number of URGs provided in 2013-14 was largely due to additional training and promotion within Western Water's Contact Centre and Customer Support Team, and to referrals from financial counsellors and property visits. It submitted that it usually offers two week payment extensions to customers who require additional time to pay their account. If more time is needed, Western Water recommends an ongoing instalment plan. So, although the number of payment extensions decreased, the number of instalment plans increased.

<sup>1</sup> This Department will become the Department of Health and Human Services from 1 January 2015.

**TABLE 4.5 YARRA VALLEY WATER - NEW CUSTOMERS IDENTIFIED**

Program	2012-13	2013-14	Percentage change
Utility Relief Grants			
Initiated	2103	3482	+66
Received	1349	2231	+65
Approved	1220	1995	+64
Payment extensions	134 193	153 160	+14
Hardship payment*	11 086	13 826	+25
Centrepay	4 813	5 266	+9
Instalment plans	27 806	35 345	+27

\* YVW hardship payments are made when a customer makes consistent, ongoing payments and then receives multiple small rewards credits over time.

Note: Utility Relief Grants data from Department of Human Services

Assistance provided by YVW increased in 2013-14 compared with 2012-13. The number of URGs provided in 2013-14 substantially increased. YVW submitted that it is undertaking pilot programs to improve the URG approval rate of the Department of Human Services. It sends out an information sheet to customers, explaining how to fill out the application forms. YVW submitted that the take-up of payment extensions and instalment plans also significantly increased, due to extensive promotion and communication with customers.

The number of new customers entering YVW's customer support program rose by over 50 per cent to 4 832, which YVW considered is due to both external factors and training programs to ensure staff refer customers to the correct support pathways. The number of customers leaving YVW's hardship program and returning to mainstream payments increased by 101 percent to 2 866.

## 4.2 LEVEL OF DEBT WHEN A CUSTOMER BEGINS A HARDSHIP PROGRAM

The Commission identified early intervention as an important objective for successful hardship policies. One way to ascertain whether businesses are identifying hardship customers early is to measure the level of debt customers hold when they enter a

hardship program. If early intervention is successful, then the Commission assumes customers will enter hardship programs with lower levels of debts.

**TABLE 4.6 CITY WEST WATER - LEVEL OF CUSTOMER DEBT ON ENTRY TO HARDSHIP PROGRAM**

Level of debt on entry	No. of customers		Change in no. of customers
	2012-13	2013-14	
\$0-1000	157	111	-46
\$1000-2000	116	114	-2
\$2000+	21	43	+22

The majority of CWW customers entered hardship with debt less than \$2000., although. CWW submitted the rise of customers in debt over \$2000 by 22 customers was because some customers found it more difficult to pay their debts, some of which were related to water leaks. In some cases this related to difficulties tenants had making property owners take immediate action to fix leaks. CWW has a policy of writing off \$1000 of debt for leaks in these circumstances.

**TABLE 4.7 SOUTH EAST WATER - LEVEL OF CUSTOMER DEBT ON ENTRY TO HARDSHIP PROGRAM**

Level of debt on entry	No. of customers		Change in no. of customers
	2012-13	2013-14	
\$0-1000	318	1955	+1637
\$1000-2000	86	450	+364
\$2000+	28	183	+155

The number of SEW customers entering hardship programs with debt under \$1000 rose significantly in 2013-14. SEW attributed this to earlier identification of customers in hardship and improved reconciliation of debt levels on entry to a hardship program.

**TABLE 4.8 WESTERN WATER - LEVEL OF CUSTOMER DEBT ON ENTRY TO HARDSHIP PROGRAM**

Level of debt on entry	No. of customers		Change in no. of customers
	2012-13	2013-14	
\$0-1000	96	129	+33
\$1000-2000	103	130	+27
\$2000+	38	59	+21

The majority of Western Water’s (WW) customers’ debt was under \$2000 in 2013-14. The number of customers entering the WW’s hardship support program increased for all debt levels.

**TABLE 4.9 YARRA VALLEY WATER - LEVEL OF CUSTOMER DEBT ON ENTRY TO HARDSHIP PROGRAM**

Level of debt on entry	No. of customers		Change in no. of customers
	2012-13	2013-14	
\$0-1000	na	1933	na
\$1000-2000	na	450	na
\$2000+	na	265	na

Most YVW customers’ debt was under \$1000 in 2013-14. YVW submitted that it worked on early intervention to capture customers before their debt increases. YVW’s data collection for this measure began in February 2014, so YVW has no data for 2012-13.



## 5 HARDSHIP SUPPORT — CONCESSIONS

This chapter presents the results for the indicator *Concessions applied*. This measure is used to determine whether early intervention and awareness programs have reached customers eligible for a concession but not yet registered for one, and to show the total number of concession customers. Initially, successful programs to increase awareness could lead to an increase in retrospective concessions, but over time retrospective concessions would decrease as more eligible customers had obtained concessions. Businesses' research has shown that many customers are unaware that they are eligible for a concession. Table 5.1 lists and defines the measures.

**TABLE 5.1 MEASURES OF CONCESSIONS APPLIED**

Measure	Definition
<b>Retrospective concession</b>	A concession that is applied on past bills for which the customer was eligible. This only applies on bills raised on the principal place of residence, issued in the last 12 months and where the account is still active.
<b>Total concessions payments</b>	Total number of concessions granted. A single customer may have a concession on each bill, which could total up to four for the year.
<b>Total concession customers</b>	The total number of customers on a concession. This may include more than one customer on a single bill.

The numbers of total concessions and concession customers can provide an indication of how aware customers are of their eligibility for concessions.

The Commission will monitor this measure in future reports to see if early intervention strategies have decreased retrospective concessions.

**TABLE 5.2 CITY WEST WATER - CONCESSIONS GRANTED**

Measure	2012-13	2013-14	Percentage change
Retrospective concessions	11 298	9 644	-14
Total concessions payments	324 217	339 642	+4
Total concession customers	76 365	79 201	+4

City West Water (CWW) submitted its concession awareness programs (for example, more prominent positioning of the concession notice on the bill and reminder notices) led to a decrease in 2013-14 in retrospective concessions applied as customers are gaining concessions earlier.

**TABLE 5.3 SOUTH EAST WATER - CONCESSIONS GRANTED**

Measure	2012-13	2013-14	Percentage change
Retrospective concessions	16 397	18 315	+11.0
Total concessions payments	638 929	653 622	+2.2
Total concession customers	119 553	145 449	+21.3

South East Water (SEW) submitted that it expected retrospective concessions would increase due to rising customer awareness of concessions from promotion programs such as its *Solutions on Tap* campaign and early intervention strategies.

**TABLE 5.4 WESTERN WATER - CONCESSIONS GRANTED**

Measure	2012-13	2013-14	Percentage change
Retrospective concessions	605	847	+40.0
Total concessions payments	41 464	44 186	+6.6
Total concession customers	13 821	14 728	+6.6

Western Water submitted that the number of retrospective concessions claimed increased significantly in 2013-14 due to the Department of Human Services changing its rules and limiting the backdating of concessions to 1 year (from 2 years).



**TABLE 5.5 YARRA VALLEY WATER - CONCESSIONS GRANTED**

<b>Measure</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Percentage change</b>
Retrospective concessions	5 718	5 436	-5
Total concessions payments	658 781	658 165	-0.1
Total concession customers	163 946	181 222	+11

Yarra Valley Water (YVW) submitted that it undertook proactive initiatives to increase customers' awareness of concession eligibility and their earlier uptake of concessions. Reflecting these initiatives, YVW recorded an 11 per cent increase in the total number of concessions granted. It recorded a decrease in the number of retrospective concessions applied, which it considered reflects customers' earlier awareness of concession availability.

YVW submitted that the total number of concessions granted fell while the total number of concession customers rose because a household might have more than one eligible concession card holder but only one concession can be granted for each account per quarter.<sup>1</sup>

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<sup>1</sup> YVW currently cannot report the data as required, so the data on 2013-14 payment compliance are based on an average from July 2013 to April 2014.



# 6 HARDSHIP SUPPORT — INSTALMENT PLANS

This chapter reports the results for the following indicators:

- Instalment plans
- Customers in hardship programs meeting their agreed payment plans.

The number of instalment plans established by a water business could indicate its success in identifying hardship customers, as well as customers' preferences or requirements in the type of assistance sought. The percentage of customers meeting their agreed payment plans indicates a plan's appropriateness for customers: a low percentage of customers meeting an agreed plan could indicate a water business is not designing appropriate plans for its customers, or customers' circumstances have deteriorated.

## 6.1 INSTALMENT PLANS

The water businesses state that their promotion of payment plans to customers increased the number of instalment plans used in 2013-14.

**TABLE 6.1 NUMBER OF INSTALMENT PLANS**

<b>Water business</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Percentage change</b>
City West Water	24 944	29 699	+19
South East Water	36 495	48 791	+33
Western Water	3 727	3 977	+7
Yarra Valley Water	27 806	35 345	+27

## 6.2 CUSTOMERS IN HARDSHIP PROGRAMS MEETING THEIR AGREED PAYMENT PLANS

The absolute numbers of customers in hardship programs who meet their payment plans, and changes in the total across time, are diverse. For this reason, the data require consideration of the different drivers of the water businesses' payment plans.

**TABLE 6.2 CITY WEST WATER - CUSTOMERS MEETING PAYMENT PLANS**

Indicator	2012-13	2013-14	Percentage point change
Customers in hardship program meeting their agreed payment plans	34.9%	39.9%	+5.0

In 2013-14, an additional 441 customers were added to City West Water's hardship program. Based on the low number, it is suggested that there is scope for CWW to adopt best practice in establishing plans based on capacity to pay and improve in future years.

**TABLE 6.3 SOUTH EAST WATER - CUSTOMERS MEETING PAYMENT PLANS**

Indicator	2012-13	2013-14	Percentage point change
Customers in hardship program meeting their agreed payment plans	70.4%	40.9%	-29.5

Note: SEW's systems for measuring the number of customers meeting payment plans changed during the reporting period.

South East Water (SEW) attributed the decrease in its customers able to meet their payment plans to a large increase in the number of customers in the program. It also noted the decrease reflected a new system that provides transparency on the customer moving through the program, allowing SEW to closely monitor and review customers' payment plans. The system alerts the case manager to any missed payments which previously were not picked up on until a bulk report was run. SEW submitted that with the new system implemented, it expected an initial decrease in customers meeting their payment plans.

**TABLE 6.4 WESTERN WATER - CUSTOMERS MEETING PAYMENT PLANS**

<b>Indicator</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Percentage point change</b>
Customers in hardship program meeting their agreed payment plans	75.3%	80.1%	+4.8

In 2013-14, 155 new customers entered Western Water's Customer Support Program, and 25 customers re-entered the program.

**TABLE 6.5 YARRA VALLEY WATER - CUSTOMERS MEETING PAYMENT PLANS**

<b>Indicator</b>	<b>2012-13</b>	<b>2013-14</b>	<b>Percentage point change</b>
Customers in hardship program meeting their agreed payment plans	83%	83%	0

Yarra Valley Water maintained its level of compliance at 83 per cent, despite a 52 per cent increase in the number of new customers in payment plans. It submitted that this outcome reflected internal efficiencies and process changes that enable the business to intervene earlier when a customer starts to not meet payments.



# 7 HARDSHIP AWARENESS — BUSINESSES' STRATEGIES

This chapter reports the results of the following indicators:

- Effectiveness of outreach activities to engage with vulnerable or hardship customers
- Staff training and awareness of vulnerability and hardship indicators to implement early intervention strategies.
- Water businesses' cooperation through innovations and using similar programs or techniques with success.
- Meetings between water businesses to discuss best practices.

The water businesses employ a range of strategies to develop and deliver their hardship policies. They focus externally (via outreach activities) on engaging customers who may be in hardship, ensuring those customers are aware that assistance is available. In addition, they have an internal focus, training staff to improve early intervention and cooperating with the other water businesses.

## 7.1 OUTREACH ACTIVITIES

Businesses conducted a range of outreach activities to engage vulnerable and hardship customers, including:

- attendance at community festivals and events
- letters and phone calls to customers who default on payment arrangements, providing them with information on customer support
- personal visits to customers at risk of hardship who have not been contacted by phone or mail
- information kiosks at Centrelink offices

- involvement with community events that include culturally and linguistically diverse (CALD) groups
- translated publications and interpreter services for English as a second language customers.

The businesses submitted that the success of these programs was reflected in the increased number of customers accessing the programs. Two large scale programs were:

- South East Water's (SEW) *Solutions on Tap* program, which integrates support options as a one-stop-shop, and is designed to increase awareness and uptake of payment and assistance programs
- Yarra Valley Water's WaterCare program to promote support options. A WaterCare vulnerability telephone number was created in August 2013, which was used by 12 903 customers to 30 June 2014.

## 7.2 STAFF TRAINING AND AWARENESS

The water businesses developed strategies to train their staff on the vulnerable and hardship customer support available. The training encompassed not only staff in hardship teams, but also contact centre and other front line staff. Kildonan Uniting Care reviewed all the businesses' customer services and policies, and identified staff training that was necessary.

The businesses also trained their staff in how to assist customers in hardship. This training included hardship awareness training — that is, ways to identify whether customers are in hardship even if they do not explicitly identify as such. The water businesses' submissions reported significant work to improve staff training, with initiatives continuing to be tested and rolled out.

## 7.3 WATER BUSINESSES' COOPERATION

Water business cooperation is measured to improve the cooperation among businesses in delivering their hardship policies. Overall, the water businesses reported a high level of cooperation — with each other and with community agencies — to share insights and develop best practice for hardship policies.



The businesses created a Vulnerable Customers Taskforce to develop strategies to support vulnerable customers. The taskforce includes community sector agencies such as Kildonan, Good Shepherd and the Adult Migrant Education Service. It established the Vulnerable Customer Working Group (VCWG), including operational leads from the four water businesses.

For this reporting period, the water businesses began tracking the number of their meetings related to hardship policy (table 7.1).

**TABLE 7.1 MEETING BETWEEN WATER BUSINESSES**

Measure	Definition	2012-13	2013-14	Change in no. of meetings
Meetings between water businesses to discuss best practice	Any meeting or discussion between multiple water businesses that is directly related to vulnerable and hardship customers — that is, the Vulnerable Customers Taskforce, working groups, meetings with hardship representatives, and any phone meetings or conference calls	na	30	na

na Not available.

The water businesses submitted that the Vulnerable Customers Taskforce and VCWG met regularly to discuss:

- progress on joint initiatives such as an English as a second language syllabus
- learnings from programs/activities underway
- the consistency of industry guidelines and definitions.

Taskforce work in 2013-14 included:

- commissioning of a joint research project through GA Research
- a two day innovation workshop attended by more than 45 stakeholders from government, the water industry, social groups and the community
- the development of better practice guidelines for assisting vulnerable and hardship customers
- sharing of City West Water’s English as a second language syllabus
- attendance at the Financial Councillors Australia Conference
- representation at the Financial and Consumer Rights Council.



# 8 KEY INITIATIVES

In addition to reporting on the qualitative and quantitative measures, the metropolitan water businesses were required to provide an update on the types and progress of activities being undertaken with the additional funding, and on possible future programs under consideration.

## 8.1 CITY WEST WATER

Key initiative	Initiative description	Funding	Stakeholder engagement	Program status
Community involvement	Continue events participation and sponsorship in the community.	Existing budget + new funding	Various	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Organised 'Day at the Zoo' event to engage with newly arrived migrants</li> <li>- Sponsored Financial Counselling Australia 2014 Conference</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Repeat 'Day at the Zoo to engage with newly arrived migrants</li> <li>- Attend 50+ community events to promote programs to assist vulnerable customers</li> <li>- Sponsor community events, including those of multicultural groups to continue establishing goodwill with CALD groups</li> <li>- Manage delivery of 200 community and adult ESL school presentations</li> <li>- Update information on the community education trailer and deploy at community events</li> </ul>

Information programs	Continue programs to schools and new migrants and extend existing information/education programs run by external service providers to vulnerable customers outside CWW's normal scope.	Existing budget + new funding	Various	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Worked with water businesses to share CWW's existing ESL syllabus</li> <li>- Continued current information programs</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Finish the review of Unit 3 of the ESL syllabus</li> <li>- Provide translated publications and translation services for ESL customers and communities</li> <li>- Continue current information programs</li> </ul>
Program review/ Consulting	Review CWW's current approach, programs and plans etc.	Existing budget + new funding	Kildonan, collections partner, metering partner, working group	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Engaged Kildonan to complete a full review of current programs, approach, material etc. to determine 'vulnerable customers' focus</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Implement recommendations from the Kildonan review</li> <li>- Continue consultation</li> </ul>
Data analysis/ reporting	Use available data to better understand customer base.	Existing budget + new funding	Internal, working group	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Developed segmentation model</li> <li>- Developed detailed reporting</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Complete the development of a customer segmentation tool so CWW can better understand vulnerable customers and target specific messages and programs</li> <li>- Share the customer segmentation tool with the other water businesses</li> </ul>
Awareness, efficiency and proactive programs	Develop promotions to increase awareness of support available. Develop proactive identification, contact and water efficiency programs. Identify existing programs from other water businesses to review for CWW sustainability.	Existing budget + new funding	Working group, community partners	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Launched Water Efficiency Support Program to targeted hardship customers</li> <li>- Jointly developed (with other water businesses) industry guidelines and vulnerability definitions</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Undertake a review of the current communications, processes and data touch points that CWW has with its vulnerable customers</li> <li>- Begin refining content of communication material sent to customers and published electronically</li> <li>- Continue to deliver the Water Efficiency Support Program</li> </ul>
Research	Research CWW customer base to establish benchmarks and target programs.	Existing budget + new funding	CWW	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Conducted customer research to understand awareness of support programs</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Continue to use customer interaction information to target communication materials</li> <li>- Begin measuring the effectiveness of customer awareness programs/initiatives</li> </ul>

Dedicated financial counsellor	Invest in a dedicated financial counsellor to whom CWW can refer customers for immediate assistance	New funding	CWW, community partners	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- With social sector agencies, discussed structure for more immediate financial counselling</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Review the type of investment in financial counselling to best suit the CWW customer base</li> </ul>
Training	Develop hardship and early identification training for contact centre and collections and metering partners	New funding	Community partners, collections partner, metering partner, working group	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Completed briefing sessions with all Customer Operations staff to understand the GA Research results and CWW's vulnerable customers strategy and program of work</li> </ul>

## 8.2 SOUTH EAST WATER

Key initiative	Initiative description	Funding	Stakeholder engagement	Program status
Community involvement	Continue events participation and sponsorship in the community in key target areas.	Existing budget + new funding	Various	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Ran community events: Cranbourne Family Day, Big Play Out, story time sessions</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Run more community events: Cranbourne Family Day, 'Bring your Bills' days,</li> <li>- Share information with councils and community providers</li> </ul>
Information programs	Continue programs to CALD audiences and extend existing information/education programs run by external service providers to vulnerable customers outside SEW's normal scope. Provide information sessions to community service providers and work with councils to share information.	Existing budget + new budget	Various	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Worked on ESL syllabus</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Develop presentation to include updated information and online information</li> <li>- Develop an interactive online resource available in multiple languages</li> <li>- Run workshops with local councils to share information and tap into local programs</li> <li>- Run a financial counselling forum to share information and learn trends</li> </ul>
Program review/ consulting	Review current approach, processes and policies.	New funding	Kildonan, South East Water	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Engaged Kildonan to complete a full review of current programs, approach, material etc. to determine targeted 'vulnerable customers' focus</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Develop processes and embed policy</li> </ul>
System enhancements/ data analysis/ reporting	Integrate existing systems into the Salesforce platform in an innovative and efficient way. Collect customer data, including emails and mobile numbers to effectively communicate assistance offerings. Integrate Solutions on Tap into the customer self-service environment. 'mysoutheastwater' environment to have consistent branding across all customer contact points.	Existing budget + new funding	Internal, working group	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Developed <i>South East Water Assist</i> system into Salesforce platform</li> <li>- Developed detailed report</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Integrate Solutions on Tap into customer self-service environment 'mySouthEastWater'</li> <li>- Undertake further system enhancements, including Centrepay and URGS</li> <li>- Develop payment plan tracking to enable clear reporting on success for direct Solutions on Tap campaigns</li> <li>- Further enhance the Solutions on Tap microsite</li> <li>- Assess interpreter scripts and service</li> </ul>
Awareness, efficiency and	Use Solutions on Tap awareness program to proactively engage customers in key target areas, building awareness of	New funding	Community partners,	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Launched Solutions on Tap program</li> </ul>

proactive programs	the assistance available and encouraging them to self-serve through SEW's online environment. Assess existing Waterwise Checkup program and the new innovative product offering to customers in the SE Water Assist Program.		internal stakeholders, South East Water	<ul style="list-style-type: none"> <li>- Ran targeted campaigns</li> <li>- Assessed existing Waterwise Checkup program</li> <li>- Ran staff trial of new product</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Continue evolving Solutions on Tap campaigns</li> <li>- Trial a new product offering with customers</li> </ul>
Research	Research the <i>South East Water Assist</i> program, its offerings and customer experience.	New funding	South East Water, Sweeney	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Began researching the <i>South East Water Assist</i> program</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Complete research, analyse findings and identify changes to be implemented</li> </ul>
Training	Develop training modules on hardship awareness and respectful practice for <i>South East Water Assist</i> team and contact points across the business. Develop online training module for all new SEW staff, with refresher modules for existing staff.	New funding	South East Water, Kildonan	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Brainstormed sessions with <i>South East Water Assist</i> team around how they see what they do within the business and what the business can do better</li> <li>- Conducted hardship awareness and respectful practice training for <i>South East Water Assist</i> team and Credit staff, field officers and SEW trainers</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Roll out training for all contact points across business</li> <li>- Train the trainer</li> <li>- Develop online training module for all new SEW staff</li> <li>- Develop refresher training for existing staff as part of the compliance training</li> </ul>
Joint initiative	The hardship and vulnerability guidelines adopt a whole-of-business approach to the prevention, early identification and assistance to financially vulnerable and hardship customers. From setting tariff structures, to planning capital works and projects, these guidelines act as a reference across all business units when making decisions that impact customers.	Existing budget	YVW, SEW, CWW, Western Water, Vulnerable Customers Taskforce, VCWG, customer groups	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Completed and signed off on industry guidelines and vulnerability definitions</li> </ul> <p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Worked with other water businesses to share CWW's existing ESL syllabus</li> <li>- Continued current information programs</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Deliver units 1, 2 and 3 syllabus</li> <li>- Create interactive ESL syllabus</li> </ul>
Work with CWW to produce education programs to schools and new migrants and extend existing information/education programs run by external service providers to vulnerable customers		Existing budget + new funding	Various	

## 8.3 WESTERN WATER

Key initiative	Initiative description	Funding	Stakeholder engagement	Program status
Customer Support Program	Develop appropriately enhanced vulnerable and hardship customer initiatives after reviewing Western Water's Customer Support Guidelines. Apply contemporary best practice methods in working with this customer group.	Existing + additional funding	Financial counsellors, Kildonan, industry networks	<b>2014-15</b> - Continue program - Continue review of Customer Support Guidelines and program
Awareness programs	Review wording on all payment arrangement letters to ensure inclusion of offer to assist	Existing + additional funding	Western Water	<b>2013-14</b> - Completed
	Review Final Notice to include pictorial messaging as recommended by financial counsellors.	Existing + additional funding	Western Water, financial counsellors	<b>2014-15</b> - Yet to be undertaken
	Establish mobile information kiosks within the community for customers to speak with Western Water outside the office environment.	Existing + additional funding		<b>2013-14</b> - Trialled successfully <b>2014-15</b> - To be rolled out
	Investigate use of the Centrelink Kiosk to promote concessions on water bills.	Existing + additional funding		<b>2014-15</b> - Yet to be undertaken
	Set up dedicated hotline for Customer Support.	Existing + additional funding		<b>2014-15</b> - Established
Efficiency program	Promote the WaterTight program through targeted mail-outs to concession card holders with high use and other vulnerable groups.	Existing + additional funding	Western Water	<b>2013-14</b> - Selected sample group and completed mail-out with some success <b>2014-15</b> - Complete larger scale mail-out by June 2015
Efficiencies in administration of existing programs	Enhance the billing system. Implement Aquarate Release 12 (including work on the Debt Management Problem Statement) to deliver more efficient work processes. Replace the CRM.	Existing + additional funding	Western Water, Thinking Windows, CRM vendor (TBD)	<b>2014-15</b> - Release billing system enhancements in March 2015 (tentative date) - Replace CRM in February 2015 (tentative date)



## 8.4 YARRA VALLEY WATER

Key initiatives	Initiative description	Funding	Stakeholder engagement	Program status
	<p>The jointly developed hardship and vulnerability guidelines adopt a whole-of-business approach to the prevention, early identification and provision of assistance to financially vulnerable and hardship customers. These guidelines act as a reference for executive management and staff across all business units when making decisions that impact YVW's customers.</p>	Existing budget	YVW, SEW, CWW, Western Water, Vulnerable Customers Taskforce, VCWG, key customer advocacy agencies	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Completed and signed off industry guidelines and vulnerability definitions</li> </ul>
	<p>YVW is working with CWW to produce education programs for schools and new migrants, and to extend existing information/education programs run by external service providers to vulnerable customers.</p>	Existing budget + new funding	Various	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Worked with other water businesses to share CWW's existing ESL syllabus</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Deliver Units 1, 2, and 3 of the ESL syllabus</li> <li>- Create electronic interactive ESL for WaterCare Hub</li> <li>- Continue current information programs</li> </ul>
WaterCare brand	<p>WaterCare brand was established to help customers manage their water and sewerage bills, so they are aware of (and understand) the support programs offered, don't feel shame or fear in requesting help, and trust the business.</p>	Existing budget + new funding	YVW, Customer Consultative Committee, key customer advocacy agencies (e.g. CALC, Kildonan, Uniting Care)	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Launched WaterCare brand and programs to all customers in the quarterly account insert in April</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Continue current information programs</li> </ul>
WaterCare Hub	<p>The WaterCare Hub provides a tool to reach a broader base of customers through agencies working as YVW's advocates. Agencies register on the hub and then have access to all the support information that their clients require. The hub directs customers towards assistance options earlier in the vulnerability cycle, supporting them to be financially stable and minimising the risk of transition into financial hardship</p>	New funding	YVW, Customer Consultative Committee, customer advocacy agencies, usability testing with financial counsellors	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Designed, developed and delivered website</li> <li>- March: pre-launched WaterCare Hub to the emergency relief agencies</li> <li>- May: launched WaterCare Hub to the community sector</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Develop and deliver WaterCare e-newsletter</li> <li>- Enhance information on WaterCare Hub</li> <li>- Continue current information programs</li> </ul>

<p><b>WaterCare comms</b></p>	<p>Undertake stakeholder engagement and customer awareness of WaterCare initiatives</p>	<p>Existing budget + new funding</p>	<p>YVW, Customer Consultative Committee, key customer advocacy agencies</p>	<p><b>2013-14</b>  - Participated in conferences to promote programs, such as conferences by the Financial and Consumer Rights Council, Financial Counselling Australia, OZ Water  - Communicated programs in various publications, including articles in <i>Your Child</i> magazine, promotions in community and sporting materials such as EFL football fixtures, and promotions in industry publications  <b>2014-15</b>  - Undertake demographic profiling of at-risk customers to ensure greater take-up of support programs  - Undertake targeted pilot programs promoting WaterCare products and services to customers at risk of vulnerability</p>
<p><b>WaterCare Customer Support Team</b></p>	<p>Create communication pieces to increase awareness of support programs and assist with early intervention strategies</p>	<p>Existing budget + new funding</p>	<p>YVW, Customer Consultative Committee, Kildonan UnitingCare</p>	<p><b>2013-14</b>  - Developed new customer communications such as flyers, brochures, forms, information packs and web content  - Produced web content and information on concessions, SmoothPay, hardship policy and customer support programs in YVW's top 20 languages (including English)  <b>2014-15</b>  - Design and implement the Customer Support Team information Pack  • We're here to assist you  • Frequently asked questions  • Water saving tips  - Produce a magnet to prompt customers to call and not miss payments</p>
<p><b>WaterCare water efficiency program</b></p>	<p>This initiative aims to reduce water costs by providing free water at properties, which may include repair and replacement of water efficient fittings or fixtures, and repair of leaks on the property. This program is offered to customers without the financial capacity to fund repair.</p>	<p>Existing Budget + New Funding</p>	<p>Various</p>	<p><b>2013-14</b>  - Launched water efficiency program to targeted hardship customers  - Completed 187 water audits for Customer Support Team  <b>2014-15</b>  - Continue and enhance current programs  - Develop and implement the CareRing integrated customer support referral program with Kildonan Uniting Care</p>

<p><b>Preferred language</b></p>	<p>YVW has a large number of customers who speak languages other than English, which can create barriers to customers accessing the right support. YVW is working on programs to better understand the requirements of CALD customers and better target communications.</p>	<p>Existing budget + new funding</p> <p>YVW, Customer Consultative Committee, key customer advocacy agencies</p>	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Implemented the preferred language identifiers in YVW's Customer Care and Billing System and Business Intelligent reports to capture and target preferred language communicators to customers</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Created and rolled out materials in YVW's top 20 languages</li> <li>- Continue and enhance current programs</li> <li>- Develop animated CALD education material</li> <li>- Create easy English WaterCare information material</li> </ul>
<p><b>Community outreach</b></p>	<p>To enable YVW to build trust and engagement with vulnerable customers, YVW will focus on having a strong presence at community events and forums. YVW will also leverage off existing trusting relationships within the community to continue to promote WaterCare initiatives.</p>	<p>Existing budget</p> <p>YVW, Customer Consultative Committee, key customer advocacy agencies</p>	<p><b>2013-14</b></p> <ul style="list-style-type: none"> <li>- Presented to CALD migrant communities with interpreters, giving an overview of YVW water supply, 'Choose tap', 'What not to put down your drain' and 'Understanding your bill and WaterCare'</li> <li>- Attended community festivals and events throughout the Yarra Valley Water service area and promote the WaterCare program</li> <li>- Participated in community run 'bring your bills' days and Job Skills expo</li> <li>- Ran information kiosks at local Centrelink offices to engage with vulnerable customers</li> <li>- Attended community sector conferences</li> </ul> <p><b>2014-15</b></p> <ul style="list-style-type: none"> <li>- Continue and enhance current programs</li> <li>- Run pilots with existing community networks to interact and engage with customers through targeted outreach programs</li> </ul>