



# **Water hardship in regional Queensland**

Phase 1: Desktop research summary report

June 2021



[qcross.org.au](http://qcross.org.au)

## About QCOSS

We are QCOSS (Queensland Council of Social Service), Queensland's peak body for the social service sector.

Our vision is to achieve equality, opportunity and wellbeing for every person, in every community.

We believe that every person in Queensland – regardless of where they come from, who they pray to, their gender, who they love, how or where they live – deserves to live a life of equality, opportunity and wellbeing.

We are a conduit for change. We bring people together to help solve the big social issues faced by people in Queensland, building strength in numbers to amplify our voice.

We're committed to self-determination and opportunity for Aboriginal and Torres Strait Islander people.

QCOSS is part of the national network of Councils of Social Service lending support and gaining essential insight to national and other state issues.

QCOSS is supported by the vice-regal patronage of His Excellency the Honourable Paul de Jersey AC, Governor of Queensland.

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## Executive summary

QCOSS is exploring the experiences and outcomes for regional Queensland households who cannot pay their water bills due to financial hardship. In this report, QCOSS identifies the hardship provisions applicable to regional water providers in Queensland, as well as the hardship support being offered in practice.

Currently, water providers in regional areas are permitted to take punitive action against people who do not pay their water bills. This includes charging interest or taking legal action, without any regard to whether the customer is experiencing hardship.

Further to this, because water services are primarily provided by local councils in regional Queensland, relevant legislation bundle rates and water charges together. As a result, local councils have the authority to sell a person's property to recover water debt if it remains unpaid for three years.

This represents a clear disparity in the treatment of people across the state – with water customers in South-East Queensland who may be experiencing financial hardship being guaranteed access to hardship policies, flexible payment plans and interest waivers that regional Queenslanders are not.

Unfortunately, the scale of this problem is unknown as there are no indicators within the relevant reporting frameworks to monitor the incidence of customers experiencing financial hardship. For example, the Queensland performance reporting framework does not include any metrics related to hardship or non-payment of water bills. The national performance reporting framework includes two measures that relate to non-payment of bills, but this data is not useful to accurately identify and track the incidence of hardship.

Some regional water providers have voluntarily implemented hardship policies in response to community need. However, in some cases this support has only been introduced as a short-term measure in response to COVID-19. Additionally, there is a lack of consistency in approaches across councils, and the support being provided is mostly limited to pausing punitive actions, rather than taking positive steps to support people to get back on track.

Given water is an essential service, it is incumbent on the Queensland Government to ensure that an adequate level of water consumption is affordable for all, which extends to ensuring appropriate consumer protections when people experience payment difficulties.

Based on these findings, QCOSS has developed the following preliminary recommendations to improve outcomes for regional Queenslanders struggling to pay their water bills:

- Amend the *Water Supply Act* to require all water providers to have a hardship policy and ensure it is accessible from their website.
- Amend the *Guidelines for rate notice or account for supply of water to residential premises* to require water providers to include messages on their bills encouraging customers to contact their water provider if they are experiencing payment difficulty.
- Amend the *Local Government Act* to require hardship support to be offered prior to legal action being taken, and prevent punitive measures, such as charging interest, being applied to people identified as experiencing financial hardship.
- Improve regulatory oversight by expanding Queensland's performance reporting framework to include metrics associated with financial hardship and ensure these metrics clearly align with the steps regional Queensland water providers are taking in relation to hardship.

While further research under phase two and three of this project will aid refinement of these recommendations, they are presented in this report as preliminary suggestions for consideration and discussion.

## Introduction

Water is an essential service. It is incumbent on the Queensland Government to ensure that an adequate level of water consumption is affordable for all. This extends to ensuring appropriate consumer protections are in place when people experience payment difficulties.

According to a 2020 survey commissioned by The Energy Charter, water bills have emerged as a key financial concern for Queenslanders during COVID-19.<sup>1</sup> This may be due to the potential for higher household water usage from increased hygiene practices and additional time at home due to social restrictions, changed working conditions and loss of employment.

The Water Supply Association of Australia (WSAA) has identified that increasing numbers of water customers are experiencing hardship across most regions of Australia, and that the existing hardship approaches offered by water providers may be insufficient to provide the assistance required.<sup>2</sup>

For these reasons, it is critical that providers of all essential services have appropriate hardship measures and supports in place. Hardship policies are an important component of the service delivered by water providers, as confirmed by the Productivity Commission in their 2011 review of Australia's Urban Water Sector. In this review, the Productivity Commission recommended that governments develop best practice consumer protection principles for water service provision, which must include "*clearly defined service standards and provisions to assist consumers facing hardship*."<sup>3(p231)</sup>

The provision of hardship policies is not only important to protect low-income consumers who may struggle to afford their essential water needs but it is also necessary to have a safety net for people who may experience temporary or transitional hardship that impacts capacity to pay. Temporary crises can be triggered by a variety of factors including job loss, reduction in income, ill health, domestic violence, addiction, relationship breakdown, or unexpectedly large bills caused by concealed water leaks.

The value of effective hardship responses is widely recognised by the water sector. The WSAA agree that "*effective hardship policies are essential to assist those in (payment) difficulty*."<sup>4(p4)</sup>

Hardship policies should not be viewed as an additional cost for water providers. Effective hardship responses reduce the cost of debt collection processes in instances where the customer cannot pay and enables the early identification of hardship before debts spiral out of control.<sup>3</sup>

In Queensland, the requirements for water service provision vary between South-East Queensland (SEQ) and the rest of the state. While SEQ water providers are required to offer hardship support to their customers under the *South-East Queensland Customer Water and Wastewater Code*, there is no such Code for water providers outside SEQ.

The purpose of this report is to improve our understanding of the hardship approaches being taken by regional Queensland water providers to determine what outcomes are being experienced by regional households who cannot pay their water bills due to financial hardship.

## Methodology

This research is being delivered in three phases. This report is the deliverable for the first phase.

To complete this report, desktop research was undertaken to identify the hardship provisions that apply to regional water providers in comparison to hardship provisions that apply to SEQ water providers. Secondly, the report identifies what hardship support is being made available to regional Queensland water customers in practice. This has been achieved by:

- reviewing relevant legislation to identify the hardship provisions that regional Queensland water providers must adhere to
- comparing the hardship provisions applied to regional water providers to those that apply in SEQ
- reviewing the hardship indicators under the performance reporting frameworks to determine the incidence of water-related financial hardship in regional Queensland
- selecting a sample of nine regional water providers, including the three water providers with the largest Aboriginal and Torres Strait Islander and Culturally and Linguistically Diverse populations (based on 2016 Census data) and a spread of providers of different sizes across different regions<sup>5</sup> and
- reviewing websites of regional water providers to identify what support is being publicly offered to water customers who may be experiencing financial hardship.

This report has also developed several preliminary recommendations to address identified gaps in hardship provisions for water customers in regional Queensland. These recommendations will be finalised following completion of the final two phases of research in 2021-22. The final two phases will involve:

- Collecting data and case studies to identify the outcomes people in regional Queensland are experiencing when they find themselves unable to pay their water bill due to financial hardship.
- Identifying how the water hardship provisions that apply in regional Queensland compare to hardship frameworks in other sectors and jurisdictions.

Deliverables for these further phases of research will be developed in agreement with the Department of Regional Development, Manufacturing and Water (DRDMW), under the QCOSS Water Consumer Advocacy project workplan for 2021-22.

## Hardship provisions in Queensland

In Queensland, the requirements for water service provision vary between SEQ and the rest of the state. This section will explore the hardship provisions that apply to regional Queensland water customers, in comparison to those in SEQ. The list of water providers that fall under the definition of regional Queensland for the purposes of this report are included at Appendix A.

### Regional Queensland

In regional Queensland, residential water services are primarily provided by local councils who typically bill for water charges as part of their rates notice. Therefore, water charges are subject to the requirements for 'rates and charges' according to the *Local Government Act 2009* (the LG Act) and the *Local Government Regulations 2012* (the LG Regulation), managed by the Department of State Development, Infrastructure, Local Government and Planning.<sup>6, 7</sup>

In addition, there are also requirements related specifically to the provision of water and sewerage services contained within the *Water Supply (Safety and Reliability) Act 2008* (the Water Supply Act) and the *Water Supply (Safety and Reliability) Regulation 2011* (the Water Supply Regulation).<sup>8, 9</sup> This legislation is managed by the Department of Regional Development, Manufacturing and Water (DRDMW), who has responsibility for regulating the registration of water service providers, customer service standards and performance reporting.

This section summarises the provisions contained within this legislation that are relevant in influencing the level of service provided to customers who may be experiencing financial hardship.

### Local Government Act 2009

Section 120 of the LG Regulation allows councils to offer a concession on the payment of rates and charges if they are satisfied that the payment will cause hardship. However, it does not require them to do so. Councils may also offer a discount or other benefit for early or on-time payment of bills.

Part 12 (Overdue rates and charges) of the LG Regulation sets out how councils should respond if bills are not paid by the due date. There is no mention of hardship or payment difficulty in this section. Under the LG Regulation, councils are permitted to take the following actions:

- *Charge interest:* Under s133 of the LG Regulation, interest may be applied to overdue rates and charges from the day the payment becomes overdue. There are no exceptions specified for customers experiencing payment difficulty. As at April 2021, the maximum interest rate is approximately 8.1 per cent, compounding daily.
- *Undertake court proceedings:* Under s134 of the LG Regulation, the council may recover overdue rates and charges by bringing court proceedings for a debt to the person liable.
- *Sell or acquire the land:* Under s136-152 of the LG Regulation, if the rates and charges are not subject to court proceedings and have been overdue for at least three years, the council can sell the land (or acquire it if the value of the land is less



than the value of the overdue amount). They must issue a *Notice of Intention to Sell* that sets out the total amount owing (including interest charges) that must be paid within three months, or the land will go to auction.

## Water Supply (Safety and Reliability) Act 2008

Under the Water Supply Act, water providers are required to develop and publish customer service standards that describe how they will deliver water and sewerage services to customers, including how they will manage service connections, billing, metering, accounting, customer consultation, continuity of services, and complaints and dispute resolution. There are no minimum standards required. Instead, service providers are required to develop these standards in consultation with their customers. Performance against these standards is not actively monitored by the DRDMW as the regulator.

Service providers outside SEQ must also comply with the *Guideline for issuing a residential water rate notice outside South East Queensland*.<sup>10</sup> Regional water providers must comply with this guideline, despite the requirements for levying rates under the LG Act. The guideline specifies how frequently bills must be issued (at least six monthly for providers with over 1,000 connections) and the type of information that *must* be included on bills, such as:

- Customer's name and billing address
- Property address
- Billing period – dates and number of days
- Current and previous meter readings (or estimate if meter has not been read and anticipated data of next actual meter read)
- Total volume of water supplied (kilolitres)
- Contact details for billing enquiries
- The total charges including fixed and volumetric charges
- Due date and payment methods
- Information about any relevant concessions, discounts or rebates
- Any interest charged for late payment
- Average daily water supplied during the billing period (litres per day)
- A graph comparing the average or median daily water consumption for the billing period, compared to the previous billing period and the same billing period in the previous year (and, for water providers over 1,000 connections, the average for the local area).

The guideline also suggests that advice about hardship policies should be included on bills, but it is not required. This guideline does not apply to SEQ water providers as their billing requirements are covered under Section 99AV of the *South East Queensland Water (Distribution and Retail Restructuring) Act 2009*.<sup>11</sup>

## Dispute resolution

Regional water customers do not have access to specialist dispute resolution services, because disputes with water providers outside SEQ fall outside the Energy and Water Ombudsman Queensland's scope. Regional water customers with a complaint about water services can contact the Queensland Ombudsman.<sup>12</sup>

## South-East Queensland

Water provision in SEQ differs from regional Queensland, following the introduction of the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* (the SEQ



Water Act) and *South-East Queensland Water (Distribution and Retail Restructuring) Regulation 2010* (the SEQ Water Regulation).<sup>11, 13</sup>

This legislation gave effect to the creation of distributor-retailers Urban Utilities and UnityWater who operate alongside Redland City Council, Logan City Council and Gold Coast Water to service the SEQ region. Under this framework, SEQ water providers are subject to the *South East Queensland Customer Water and Wastewater Code* (the SEQ Customer Code), which sets out the hardship provisions that providers must adhere to.<sup>14</sup>

## SEQ Customer Water and Wastewater Code

Under the SEQ Customer Code, water providers in SEQ are required to deliver a range of supports to assist customers who may be experiencing payment difficulties. The key hardship-related provisions within the Code are outlined below.

### Hardship policies

Water providers in SEQ are required to have a hardship policy in place to support customers who may be experiencing payment difficulties. This policy must contain information about:

- their processes for identifying customers who are in financial hardship to ensure early identification of potential hardship
- what measures they use to promote the hardship policy to customers
- flexible payment options (including a payment plan and Centrepay)
- under what grounds they will consider deferring payment, debt waivers or concessional tariffs
- programs that the service provider may use to assist the customer pay their account
- information about relevant government concessions and wider supports, such as financial counselling services or community service organisations
- information about water efficiency measures to help customers reduce their water costs
- the circumstances in which the hardship policy will cease to apply to a customer and
- a timeframe for periodic review of the hardship policy and the associated administrative procedures, which must occur at least every four years.

### Payment plans

SEQ water providers must also allow customers experiencing payment difficulties to pay an account by instalments under a payment plan. The payment plan must state the:

- amount owed
- period of time over which the customer will pay the instalments
- amount and timing of each instalment during the period and
- any other terms or conditions of the payment arrangement.

### Interest charges

SEQ water service providers cannot charge interest on the debt customers are paying off under a payment plan. However, if a customer does not pay an instalment by the agreed due date, interest may be charged. The interest rate charged can be no more than the prescribed interest rate, which is the same as that prescribed under the LG Act.

### **Flow restriction**

Residential water supplies cannot be disconnected for non-payment. However, SEQ water providers may restrict (reduce) the flow of water to a customer's property if they have not paid a charge for the water service. Flow can be restricted to the prescribed minimum flow rate necessary for the customer's health and sanitation purposes, which is 10 litres per minute at the tap nearest the water meter. Water supply flow cannot be restricted if the property is registered as a special needs property or if the property is tenanted and the owner has not paid the charges. Before flow can be restricted, the water provider must give:

- at least 1 months' notice to pay the charge and
- at least 2 reminder notices stating the account is overdue and there has been no request for help to pay the account.

SEQ water providers may also restrict the water supply to a property if the customer fails to comply with a payment plan two or more times within a 12-month period.

### **Reminder notices**

SEQ water providers are required to issue a reminder notice if a customer has not paid their account by the due date. The reminder notice must be issued prior to taking any form of recovery action and must include:

- advice about what help is available if the customer is experiencing financial difficulty
- the water provider's telephone number for account enquiries and payments and
- advice about consequences if the account is not paid and no alternative arrangements are made.

### **Payment options**

Water providers in SEQ must enable customers to pay their account:

- in person at one or more agencies or payment outlets
- by mail
- by electronic means
- by direct debit
- using Centrepay (for customers experiencing financial hardship) or
- by phone.

A service provider must allow a customer in financial hardship to use the Centrepay bill paying service for making regular payments towards their water and sewerage account. Other customers may also ask their service provider if they can use Centrepay.

### **Dispute resolution**

Water customers in SEQ have access to the Energy and Water Ombudsman Queensland (EWOQ). This is a free, fair and independent dispute resolution service that customers can access if they have raised a complaint with their service provider and are unable to resolve the matter to their satisfaction. EWOQ's functions are to:

- receive and investigate, and facilitate the resolution of referred disputes; and
- resolve the disputes if they cannot be resolved by agreement, negotiation or mediation.

EWOQ has the power to make binding orders about a dispute. If such an order provides for a stated amount to be paid to a customer and it is not complied with, the order can be filed in the Magistrates Court and enforced as a judgment of that court.

## Hardship approaches in practice

While legislation permits regional water providers to take highly punitive measures to recoup debts from customers experiencing hardship, it does not mean this is occurring in practice. Some water providers may recognise the benefits of offering hardship assistance and voluntarily choose to implement hardship measures to support their customers who might be experiencing payment difficulties.

This section explores performance reporting data and other public information sources to determine how regional water providers are responding to financial hardship and what practices they have in place.

### Performance reporting

Under Section 142A of the Water Supply Act, water service providers must report key performance indicators (KPIs) to the Queensland Government across a range of industry metrics, including customer service and affordability.<sup>8</sup> The number of KPIs reported on will vary according to the size of the provider and the type of service provided. Unfortunately, there are no metrics related to hardship or non-payment of water bills to help inform this research.

However, there are metrics in the National Performance Reporting (NPR) framework that could be indicative of potential financial hardship.<sup>15</sup> Under the Commonwealth *Water Act 2007* and *Water Regulations 2008* all urban water providers that service over 10,000 properties are required to report indicators to the Bureau of Meteorology under the NPR.<sup>16, 17</sup> This includes 15 water providers in regional Queensland (see Appendix A).

The following two indicators gather data on responses to non-payment of bills:

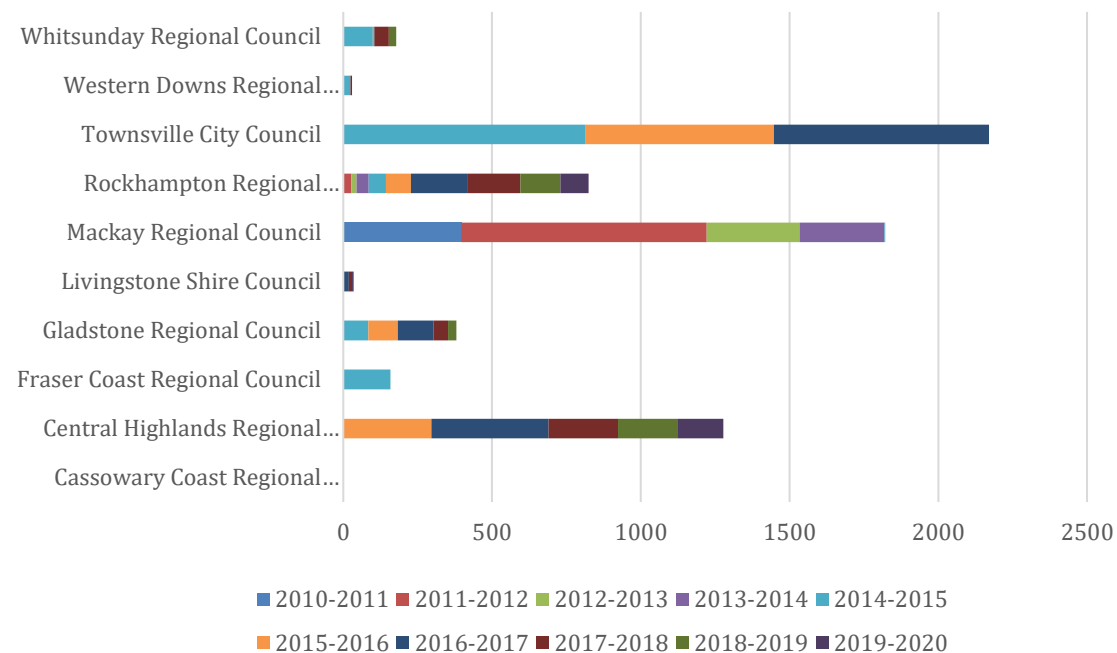
- Number of restrictions for non-payment of water bills (activities such as disconnection or restricting flow).
- Number of legal actions taken for non-payment of water bills (activities that have resulted in a legal summons being issued).

These metrics identify cases where a water provider has taken action in response to non-payment of water bills. While non-payment will not always be due to financial hardship, these metrics are the closest available measure to give a picture of how regional Queensland water providers might be responding to cases of financial hardship.

### Legal action taken for non-payment

According to the NPR framework, there were a total of 6,877 cases of legal action for non-payment across all regional Queensland water providers between 2010 to 2020 (Figure 1). Under this framework, 'legal action' is defined as legal action taken *after* a summons has been issued.<sup>18</sup> It therefore excludes any legal action that might have commenced before the summons was issued, as well as where legal action might have been threatened but not taken.

**Figure 1: Legal action taken for non-payment, cumulative cases from 2010-2020**



As outlined within the LG Regulation, regional Queensland water providers have three options for dealing with non-payment – charge interest, initiate court proceedings or sell or acquire the property. It is assumed that any action taken to sell a property for unpaid water debt would be the last resort of these options, and thus any incidence of a *Notice of intention to sell* being issued would be preceded by a case of ‘legal action’ that would be reportable under the NPR framework.

However, upon investigation of the data it is not clear whether this is the case. The NPR data indicates that nine of the 15 regional water providers who report under the NPR framework have taken legal action for non-payment since 2010, and two did so in 2019-2020 (Figure 1). Further to this, information in media reports and Government Gazette Notices indicate that there may be more instances of regional councils selling properties to recoup unpaid “rates and charges” (which can include water charges).

For example, in February 2019 the Cairns Regional Council sold land due to unpaid rates and charges (which included itemised water charges).<sup>19</sup> However, the Cairns Regional Council has never reported any cases of taking legal action for non-payment under the NPR framework.

To assess how frequently local councils reportedly sell properties to recoup unpaid rates and charges, a brief analysis was undertaken to compare the NPR data against publicly available information from the Queensland Government Gazette and local media. This analysis, while not exhaustive, found examples across six local councils where properties had been sold for unpaid “rates and charges.” Without viewing the itemised accounts, we cannot be certain whether these actions were taken to recoup rates only, or rates and water charges combined. However, it is possible to have included both as it is permitted under the legislation. A summary of this analysis is provided as Appendix B.

## Flow restriction applied for non-payment

Further investigation of the NPR data reveals that two regional water providers have applied flow restriction as a punitive measure for non-payment of water bills. Cairns Regional Council reported applying flow restrictions for non-payment in 23 cases in 2019-20, and Gladstone Regional Council reported doing so in 121 cases in 2016-17.

It is not clear from the legislation that these local councils have the authority to restrict flow for non-payment. While SEQ water providers are permitted to restrict flow for non-payment under section 99AT(1)(c) of the SEQ Act, this does not apply to water providers outside SEQ.<sup>11</sup> There is no explicit head of power to apply flow restriction for non-payment in either the LG Act or Water Supply Act.

## Voluntary hardship offerings

The only indicators that provide insight into potential hardship responses by regional water providers are those metrics related to legal action and flow restriction. However, water providers may offer hardship support voluntarily as good business practice and in recognition of the wider benefits of intervening early to avoid accumulated debt.

To explore whether this is the case, nine regional water providers were selected as a sample. The sample includes a variety of small to large councils from coastal to rural and remote locations, and with demographic profiles that represent First Nations and Culturally and Linguistically Diverse populations. The councils selected were:

- Cairns Regional Council
- Townsville Regional Council
- Toowoomba Regional Council
- Rockhampton Regional Council (Fitzroy River Water)
- Gladstone Regional Council
- Cassowary Coast Regional Council
- Central Highlands Regional Council
- Barcaldine Regional Council
- Mareeba Regional Council.

The data collected on each council is summarised in a de-identified way to give a general overview of the variety of hardship approaches across regional councils. The detailed data collected about each of the specific councils can be made available upon request.

## Hardship policies

Three of the nine councils have a hardship policy in place. An additional three councils had introduced short-term hardship measures specific to COVID-19, some of which expire on 30 June 2021. The remaining three councils made no mention of hardship or payment difficulty that could be easily found on their website.

Of those councils that had an accessible hardship policy on their website, the primary support offered was to waive interest charges on the overdue amount, freeze interest charging for a defined period of time and/or suspend legal action. One hardship policy indicated they could offer a rebate off the amount owing, subject to a decision by council on a case-by-case basis. In most instances, minimal information was provided on what the hardship policy offered beyond pausing punitive measures.

Additionally, most hardship policies included comprehensive eligibility criteria that must be met before the customer could access support. Examples of eligibility criteria includes:

- Requiring the customer to agree and adhere to a payment plan to pay the debt off within two billing cycles.

- Requiring the customer to contact an accredited Financial Counsellor and authorise them to act on the customer's behalf.
- Requiring the customer to provide detailed information about income, assets and liabilities external to the property, including superannuation balances, mortgage statements, credit statements, bank balances, etc.

## **Payment plans**

Only one of the water service providers had no information on their website to request customers to contact them if they are experiencing payment difficulty or hardship. In a section about overdue rates and charges, this provider stated that interest would be charged at 8.5 per cent from the date the amount became due with no mention about what to do if experiencing payment difficulty.

All other providers made some effort to encourage customers to contact them if they were experiencing payment difficulty – either by mentioning that payment arrangements could be negotiated, by providing an application form for customers to request to pay by installments, or by simply asking customers to call them if they are unable to make a payment.

## **Interest charges**

All the websites reviewed mentioned that the water provider would charge interest on overdue rates and charges. The most cited interest rate was 8.53 per cent. As previously mentioned, some had policies to waive this additional charge for hardship cases.

## **Flow restriction**

Only one water provider mentioned in their Debt Collection Policy that they would restrict flow for non-payment. However, it is unclear whether regional water providers have the authority to do this.



## Conclusion

Currently there are no requirements for water service providers in regional Queensland to have specific practices related to 'hardship' or customers experiencing 'payment difficulty'. Water providers in regional areas are permitted to take punitive action, such as legal action or charging interest, without any requirement to offer appropriate hardship support. Further to this, because legislation bundle rates and water charges together, local councils have the power to sell a person's property to recover unpaid water debt. This creates a significant disparity between the hardship support being provided to water customers in regional Queensland, compared to that being offered to customers in SEQ.

On a positive note, some regional water providers have voluntarily implemented hardship. However, in some cases the hardship support has only been introduced as a short-term measure due to COVID-19 and is therefore time-limited. Additionally, there is a lack of consistency in approaches across councils, and the support being provided is far from best practice. Hardship support appears mostly limited to halting punitive measures, such as charging interest or taking legal action, rather than taking positive steps to support people get back on track.

Additionally, the absence of hardship indicators within the relevant reporting frameworks makes it difficult to measure and track the incidence of customers experiencing financial hardship across the state. The performance reporting requirements under the state KPI framework do not include any metrics related to hardship or non-payment of water bills. While the NPR framework does include two such metrics, because the metrics are national, they do not necessarily align clearly with the procedures that are used in Queensland to recoup water debt.

Overall, there is a lack of support being provided to people in regional areas who may be experiencing financial hardship, and a clear disparity in the treatment of people across the state – with people in SEQ protected and supported in ways that regional Queenslanders are not.

Given water is an essential service, it is incumbent on the Queensland Government to ensure that an adequate level of water consumption is affordable for all. This extends to ensuring there are appropriate consumer protections in place when people experience payment difficulties.

Based on these findings, QCOSS has developed the following preliminary recommendations to improve outcomes for regional Queenslanders struggling to pay their water bills:

- Amend the *Water Supply Act* to require all water providers to have a hardship policy and ensure it is accessible from their website.
- Amend the *Guidelines for rate notice or account for supply of water to residential premises* to require water providers to include messages on their bills encouraging customers to contact their water provider if they are experiencing payment difficulty.
- Amend the *Local Government Act* to require hardship to be offered prior to legal action being taken, and prevent punitive measures, such as charging interest, being applied to people identified as experiencing financial hardship.
- Improve regulatory oversight by expanding Queensland's KPI framework to include metrics associated with financial hardship and ensure these metrics clearly align with the steps regional Queensland water providers are taking in relation to hardship.

While further research under phase two and three of this project will refine these recommendations, these are presented to DRDMW as preliminary suggestions for consideration and discussion.

## Appendix A: List of regional Queensland water service providers

Council	Required to report under NPR? <sup>18</sup>
Central Highlands Regional Council	Yes
Livingstone Shire Council	Yes
Southern Downs Regional Council	Yes
Western Downs Regional Council	Yes
Cassowary Coast Regional Council	Yes
Whitsunday Regional Council	Yes
Gympie Regional Council	Yes
Gladstone Regional Council	Yes
Rockhampton Regional Council	Yes
Mackay Regional Council	Yes
Bundaberg Regional Council	Yes
Fraser Coast Regional Council	Yes
Toowoomba Regional Council	Yes
Cairns Regional Council	Yes
Townsville City Council	Yes
Aurukun Shire Council	No
Burke Shire Council	No
Carpentaria Shire Council	No
Cook Shire Council	No
Croydon Shire Council	No
Doomadgee Aboriginal Shire Council	No
Douglas Shire Council	No
Etheridge Shire Council	No
Hope Vale Aboriginal Shire Council	No
Kowanyama Aboriginal Shire Council	No
Lockhart River Shire Council	No
Mapoon Aboriginal Shire Council	No
Mareeba Shire Council	No
Mornington Shire Council	No
Napranum Aboriginal Shire Council	No
Northern Peninsula Area Regional Council	No
Porpuraaw Aboriginal Shire Council	No
Tablelands Regional Council	No
Torres Shire Council	No
Torres Strait Island Regional Council	No
Wujal Wujal Aboriginal Shire Council	No
Yarrabah Aboriginal Shire Council	No

<b>Balonne Shire Council</b>	No
<b>Banana Shire Council</b>	No
<b>Barcaldine Regional Council</b>	No
<b>Barcoo Shire Council</b>	No
<b>Blackall-Tambo Regional Council</b>	No
<b>Boulia Shire Council</b>	No
<b>Bulloo Shire Council</b>	No
<b>Burdekin Shire Council</b>	No
<b>Charters Towers Regional Council</b>	No
<b>Cherbourg Aboriginal Shire Council</b>	No
<b>Cloncurry Shire Council</b>	No
<b>Croydon Shire Council</b>	No
<b>Diamantina Shire Council</b>	No
<b>Etheridge Shire Council</b>	No
<b>Flinders Shire Council</b>	No
<b>Goondiwindi Regional Council</b>	No
<b>Hinchinbrook Shire Council</b>	No
<b>Isaac Regional Council</b>	No
<b>Lockhart River Aboriginal Shire Council</b>	No
<b>Longreach Regional Council</b>	No
<b>Maranoa Regional Council</b>	No
<b>McKinlay Shire Council</b>	No
<b>Mount Isa City Council</b>	No
<b>Murweh Shire Council</b>	No
<b>North Burnett Regional Council</b>	No
<b>Palm Island Aboriginal Shire Council</b>	No
<b>Paroo Shire Council</b>	No
<b>Quilpie Shire Council</b>	No
<b>Richmond Shire Council</b>	No
<b>South Burnett Regional Council</b>	No
<b>Winton Shire Council</b>	No
<b>Woorabinda Aboriginal Shire Council</b>	No

## Appendix B: NPR Data comparison

Water provider	Cases of legal action taken, as reported under the NPR Framework	Examples of potential reportable cases (as per Government Gazette and media reports)
<b>Cairns Regional Council</b>	Nil reported.	In February 2019, Cairns Regional Council sold land due to unpaid rates ( including itemised water charges). <sup>19</sup>
<b>Central Highlands</b>	Has consistently reported cases since 2015-16. 155 cases reported in 2019-20.	At least two of the <i>Notices of Intention to Sell land for unpaid rates</i> issued by Central Highlands Regional Council in October 2017 included itemised water charges. <sup>20, 21</sup>
<b>Cassowary Coast Regional Council</b>	One case reported in 2017-18.	Despite no cases being reported in 2016-17, media reports confirm that five properties were sold by Cassowary Coast Regional Council to recoup unpaid rates in October 2016. <sup>22</sup>  Despite no cases reported in 2018-19, media reports confirm that in March 2019, Cassowary Coast councilors voted to sell 28 properties for outstanding charges. <sup>23</sup>  <i>Without an itemised list of the charges, it is not clear if these notices included water.</i>
<b>Fraser Coast Regional Council</b>	159 cases in 2014-15.	Despite no cases reported in 2015-16, media reports confirm that 342 Notices of Intention to Sell were issued by Fraser Coast Regional Council in August 2015. Five of these properties were sold in March 2016, with two more subject to ongoing negotiation. <sup>24</sup>  <i>Without an itemised list of the charges, it is not clear if these notices included water.</i>
<b>Gladstone Regional Council</b>	121 cases in 2016-17.	In February 2019, Gladstone Regional Council issued a large number of notices of intention to sell land for overdue charges. <sup>19</sup>  <i>Without an itemised list of the charges, it is not clear if these notices included water.</i>
<b>Maranoa Regional Council</b>	Nil reported.	In January 2019, Maranoa Regional Council auctioned properties as per notification in government gazette. <sup>25</sup>  <i>Without an itemised list of the charges, it is not clear if these notices included water.</i>

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