

COLLECTIONS POLICY

Purpose

The aim of the Collections Policy is to ensure that the needs of customers and Western Water are met and exceeded in the pursuit of arrears reduction in compliance with Board Policy, the Customer Service Charter and relevant legislation.

Policy

The Policy meets the requirements in the Customer Service Code issued by the Essential Services Commission (ESC) and Western Water's current Customer Service Charter.

The policy aims to:

- ensure Western Water adopts best practice debt collection methods whilst monitoring performance to other water businesses;
- differentiate and manage vulnerable and hardship customers from "won't pay" customers;
- Inform the business on billing system processes that can improve debt reduction.

Collections Policy

Collection procedures adopted have an emphasis on early contact with the customer and their response to:

- clearing arrears quickly;
- committing to realistic and regular payments within a reasonable time frame;
- accepting tailored assistance when identified.

Customers will always be strongly encouraged to communicate with Western Water staff if unable to meet commitments. Follow up action by Credit Management staff take into consideration:

- the age of the debt;
- the account history;
- the customer's co-operation in accepting remedial solutions;
- Western Water's ability to provide assistance or referral.

Implementation

Western Water will create an environment where effective communication is established and nurtured between Western Water Staff and customers to achieve policy objectives for Debt Collection.

The Collections Policy will apply to:

- Meter and Service Charges (including Class A recycled water)
- Recycled Water Charges (Class B & C contract customers)
- Private Scheme Accounts
- Accounts Receivable.

If an account remains unpaid, any overdue balances greater than the threshold will be subject to Debt Recovery and Collection Processes outlined in Western Water's Collection Procedure.

COLLECTIONS POLICY

To achieve policy objectives, Western Water will:

- Negotiate tailored instalment plans and arrangements with individual customers consistent with their capacity to pay regardless of their current account balance;
- Consider additional assistance for customers identified as experiencing financial hardship in accordance with Western Water's Customer Support Policy;
- Encourage customers to apply for Government Funded Assistance Programs;
- Refer customers to free, independent and accredited financial counselling;
- Engage a Mercantile Agent to undertake processes on Western Water's behalf who have a proven collection record whilst still being customer focussed;
- Consider restriction of a customer's water or recycled water supply for non-payment to re-establish communication between parties. Restriction of supply will be in accordance with legislative requirements;
- Consider legal action once all reasonable endeavours have been made to address outstanding accounts through the normal collection process have been exhausted to no avail;
- Regularly report performance to the Board through the Balanced Scorecard and reports to the Audit & Risk Committee;

Application of other debt recovery tools outside of those contained in the Policy will be subject to a separate decision by the Board.

Related Policies & Procedures

Customer Service Charter
Hardship Policy
Quality Management System - Collection Procedures
Information Privacy Act 2000
Personal Privacy Charter
Code of Conduct

Accountability for Implementation

General Manager, Customer and Community Relations
General Manager, Business Services
Manager, Customer Service and Key Accounts
Manager, Finance
Senior Credit Officer