



Supporting energy customers experiencing family violence





Response to the Essential Services Commission draft principles and actions for family violence assistance

December 2018

The Victorian Council of Social Service is the peak body of the social and community sector in Victoria.

VCOSS members reflect the diversity of the sector and include large charities, peak organisations, small community services, advocacy groups and individuals interested in social policy.

In addition to supporting the sector, VCOSS represents the interests of Victorians experiencing poverty and disadvantage, and advocates for the development of a sustainable, fair and equitable society.

 /vcoss
 @vcoss
 ChannelVCOSS
 vcoss.org.au

This submission was prepared by Emma O'Neill and authorised by VCOSS CEO Emma King.

For enquiries please Llewellyn Reynders at llewellyn.reynders@vcoss.org.au

A fully accessible version is available online at vcoss.org.au/policy/



VCOSS acknowledges the traditional owners of country and pays respect to past, present and emerging Elders.

This document was prepared on the lands of the Kulin Nation.



Contents

Executive Summary	4
Recommendations	5
Family violence and energy retailers	6
Enhance the draft principles and actions.....	8
Broaden understanding of family violence prevention	8
Promote support for victim-survivors who cannot engage	9
Clarify that proof of family violence is unnecessary and potentially harmful.....	10
More information on financial impacts of family violence	10
Foster understanding of the gendered nature of energy use	11
Expand the guidance on intersectionality	12
Clarify energy retailers' role and provide referral resources.....	12
Develop accountability measures.....	13
Tie family violence assistance to energy retailers' licenses	13
Create minimum standards for family violence assistance	13
Use existing regulation to build accountability	14
Bring transparency to energy retailers' practices	15
Create a 'safe space' for collaborative training and learning.....	15

Executive Summary

The Victorian Council of Social Service (VCOSS) welcomes the Essential Services Commission's (ESC) draft principles and actions for energy retailer family violence assistance.

We commend the ESC for its previous water sector work to develop similar guidance. The water sector now undertakes business-wide family violence training, implements system changes, and builds family violence support. Water businesses are champions of family violence assistance, and we welcome their mentoring of energy retailers embarking on similar work.

VCOSS strongly supports the ESC's family violence work program for energy retailers. The Family Violence Royal Commission and VCOSS members' experience shows energy retailers can prevent harm and assist victim-survivors' recovery. A woman may reveal family violence to her energy retailer and few others. The person on the other end of the phone can show support to help foster self-belief; ensure energy supply is maintained so women can care for themselves and their children; free up time, money and space to concentrate on other aspects of survival; and encourage the victim-survivor in their path to build a life free from violence.

We welcome the ESC's draft principles and actions and suggest they can be enhanced by:

- broadening understanding of family violence prevention
- promoting support for victim-survivors who cannot engage
- clarifying that proof of family violence is unnecessary and potentially harmful
- providing further information on the financial impacts of family violence
- fostering an understanding of the gendered nature of energy use
- expanding the guidance on intersectionality
- clarifying energy retailers' role and providing referral resources.

We also recommend energy retailers are accountable for conforming to the principles and actions, including requiring them to develop and implement a family violence policy as a licence condition, and creating minimum standards for family violence assistance.

Recommendations

Enhance the draft principles and actions

- Add more guidance to the principles and actions for family violence assistance

Develop accountability measures

- Amend the *Electricity Industry Act 2000* (Vic) and the *Gas Industry Act 2001* (Vic) to require energy retailers to develop and implement a family violence policy as a licence condition
- Create minimum standards for family violence assistance under the Energy Retail Code
- Use the payment difficulty framework, explicit informed consent and clear advice requirements to enforce family violence assistance
- Monitor energy retailers' development and implementation of family violence policies
- Facilitate ongoing, collaborative training and learning for energy retailers on family violence assistance

Family violence and energy retailers

In response to the 2016 Family Violence Royal Commission, the Victorian government has asked the ESC to provide guidance on the policies and practices energy retailers should adopt to assist them engage with survivors, victims and perpetrators of family violence. VCOSS strongly supports family violence guidance for energy retailers and development of accountability mechanisms to enforce family violence assistance.

The Royal Commission found family violence perpetrators can control essential services such as energy, water and telecommunications as a form of economic abuse, including by:

- insisting the account is in a victim-survivor's name and refusing to contribute to the cost
- putting a service in the sole name of the victim-survivor without their knowledge or consent
- holding an account jointly and refusing to contribute to the cost
- holding the account in their own name and not paying bills, resulting in disconnection
- holding the account in their own name and threatening to have the service cut off, or having it cut off when they leave the family home.

As a result, victim-survivors can be forced to bear energy costs on their own, saddled with large debts, be disconnected and be without the energy necessary to care for themselves and their children, or have their safety compromised where energy retailers reveal new address details to perpetrators (e.g. when opening a new account).¹

Industry practices are gradually changing following the Royal Commission. WEstjustice's groundbreaking 'Restoring financial safety' project involves intensive work with victim-survivors, industry and government to improve family violence support. WEstjustice's work informs the ESC's draft principles and actions. WEstjustice found industry and government agencies repeatedly failed victim-survivors, including by:

- refusing access to hardship programs
- requiring proof of family violence
- not knowing how to respond to family violence disclosures
- not appreciating safety risks to people when dealing with accounts
- failing to appreciate ongoing trauma and abuse, and
- misinterpreting trauma or abuse as fraudulent behaviour, for example, when victim-survivors fail to answer phone calls.²

¹ State of Victoria, *Royal Commission into Family Violence: Report and recommendations*, vol 4, March 2016, 104.

² Stephanie Tonkin, *Restoring financial safety: Collaborating on responses to economic abuse*, WEstjustice, July 2018, 9.

Emira's story: inappropriate debt management

The Consumer Action Law Centre's *Heat or Eat* report on energy disconnections found family violence was a contributing factor for four of the six people interviewed.

One woman, 'Emira', even had an energy retailer call her as she was trying to escape family violence. Emira was living in public housing in regional Victoria, had left a violent home at age 14 and faced repeated violence in relationships. She relied on Centrelink payments and had significant debts, including abusive debts incurred in her name by her ex-partner. Emira had been disconnected and pressured to pay unaffordable amounts by her energy retailer, who was unsympathetic to her circumstances.³

Not all victim-survivors experience financial hardship or economic abuse. However, they benefit from energy retailer assistance to help them stay safe and recover from violence. This includes payment flexibility, support to open a new account after leaving a violent relationship, and keeping their account details private and secure. As the ESC emphasises, energy retailers' family violence assistance requires a whole-of-business understanding of family violence and system change to prevent harm.

The ESC has already assisted the water sector to develop family violence assistance. Like the water sector, the ESC will incorporate energy retailers' principles and actions for family violence assistance into a better practice manual. The Energy Retail Code will also change, to potentially include minimum family violence assistance standards. We comment in this submission on how the draft principles and actions can be enhanced, and how the ESC can develop accountability measures for energy retailers' family violence assistance.

³ Consumer Action Law Centre, *Heat or Eat: Households should not be forced to decide whether they heat or eat*, August 2015, 16, 28-29.

Enhance the draft principles and actions

Recommendation

- Add more guidance to the principles and actions for family violence assistance

The ESC proposes five family violence assistance principles:

- develop an informed approach that works for the organisation
- lead from the top and demonstrate accountability
- prioritise safety and choice for victim-survivors
- build a culture of awareness, internally and externally
- acknowledge and address barriers to access.

Several actions underlie each principle. The proposed principles and actions are quite comprehensive. We support focusing on cultural and organisational change, being fundamental to meaningful, safe family violence assistance, and its regulation. As the ESC recognises, it is largely futile to impose minimum family violence assistance standards without energy retailers undertaking ongoing expert training and building family violence understanding across their entire business. The ESC's guidance will help drive that process.

The following additions would enhance the proposed principles and actions.

Broaden understanding of family violence prevention

The ESC proposes energy retailers develop a family violence strategy for their whole organisation. This includes taking into account all business functions affecting people experiencing family violence, including outsourced call centre services and IT system changes.

It would help to provide more examples of business areas that may increase family violence risks, such as energy technology and product development. For example, new 'smart home' technology can enable abusive behaviour such as surveillance of victim-survivors, movement tracking, and remotely controlling heating and air-conditioner use, temperature settings and lighting. Technology-facilitated abuse can occur during relationships and after relationships end. The tendency for men to dominate or control 'smart home' technology

appears to increase abuse risks.⁴ Energy retailers should seek victim-survivors' input when developing new technology.

Promote support for victim-survivors who cannot engage

The ESC proposes energy retailers:

- show empathy to victim-survivors
- support victim-survivors' agency by sharing the burden and showing the way
- reduce trauma by minimising repeat disclosure
- keep victim-survivors safe by protecting private and confidential information
- respond to the financial impacts of family violence.

We support this, but note the actions generally rely on victim-survivors engaging. Energy retailers should be guided to assist people who have difficulty engaging or cannot engage.

Some victim-survivors may reveal only hints of family violence to their retailer. Retailers should respect disclosure limits, consistent with the payment difficulty framework, preventing retailers from asking people to disclose personal or financial information as a condition of assistance.

Some victim-survivors can engage sometimes, and then withdraw out of necessity. Victim-survivors should not be seen as deliberately disengaging or showing a lack of commitment to working with their energy retailer. Family violence can involve circumstances making engagement impossible, including when:

- victim-survivors are preoccupied with day-to-day survival or care of children
- family violence causes mental ill-health or exacerbates existing conditions
- other legal and financial processes consume the victim-survivor's time
- other financial pressures prevent engagement, for instance, no phone access or credit.

If victim-survivors stop engaging, energy retailers should be flexible and supportive where they have prior knowledge of family violence or previous interactions have suggested it. This includes avoiding disconnection. Victim-survivors may re-engage later when they have the time and resources or are not in immediate crisis.

Where family violence is not disclosed in any way, energy retailers should develop practices benefitting everyone, particularly people experiencing family violence. This includes:

⁴ Mark Burdon and Heather Douglas, 'The smart home could worsen domestic abuse. But the same technology may also make us safer', *The Conversation*, 12 September 2017, <https://theconversation.com/the-smart-home-could-worsen-domestic-abuse-but-the-same-technology-may-also-make-us-safer-82897>; Nellie Bowles, 'Thermostats, locks and lights: Digital tools of domestic abuse', *The New York Times*, 23 June 2018, <https://www.nytimes.com/2018/06/23/technology/smart-home-devices-domestic-abuse.html>.

- long call centre operating hours and allowing people to contact retailers at a time and using a method (e.g. email or messaging) that suits them
- fixed-price energy deals for at least 12 months, helping victim-survivors set budgets and stabilise finances after leaving a violent relationship.

Clarify that proof of family violence is unnecessary and potentially harmful

The principles and actions should explicitly state that energy retailers should not request proof of family violence. As the ESC notes, requesting proof indicates cynicism and mistrust. This could discourage help-seeking, from the energy retailer and other services. It may be impractical or costly to seek proof, and introduces delays when time is of the essence, such as when a woman wants security and privacy changes made to her account or is trying to get her energy reconnected. Obtaining proof can also place a woman at risk of violence if the perpetrator learns the woman is seeking help and disclosing violence to others.

More information on financial impacts of family violence

The ESC proposes energy retailers respond to family violence's financial impacts. Victim-survivors often accumulate energy debt, whether this is part of their abuse or not. In addition to the proposed information on debt management, joint accounts and payment difficulty assistance, the ESC can encourage retailers to consider the following matters:

Maximise access to affordable energy deals

Energy retailers should offer victim-survivors their most affordable energy deals to help prevent or resolve financial difficulty, regardless of whether they are assisted under the payment difficulty framework (i.e. the second stage of Tailored Assistance).

Victim-survivors may have poor credit histories from financial abuse, low incomes, credit reliance or high-interest loans. When a credit default relates to family violence, energy retailers should not only remove default listings from their own accounts, but show flexibility when a new customer is applying for an energy deal and they have default listings from other energy retailers or credit providers caused by family violence. Energy retailers should provide access to good value deals in these circumstances.

Victim-survivors may also need extra help opening new energy accounts, selecting appropriate security and privacy settings, and establishing appropriate payment methods, such as bill smoothing and Centrepay. VCOSS members report women leaving crisis accommodation or prison can find it particularly difficult to open energy accounts without assistance from financial counsellors or specialist support workers.

Promote sound debt management

The ESC can provide more explicit guidance to consider debt waivers for victim-survivors. Persisting with debt collection can worsen abusive experiences and impede recovery by

reducing available income, increasing stress and anxiety, and making it difficult to secure affordable credit.

Debts may be more acute and less manageable for family violence victim-survivors than other people, because of:

- high housing costs, because women may move homes quickly with few options
- low incomes and reduced capacity to increase income, if the abuse prevented education or paid work
- outstanding debts to housing providers for family violence-related damage.

Energy retailers should also have debt recall agreements when family violence is disclosed *after* a debt is referred to an external debt collection agency.

Encourage energy costs assistance

Energy retailers can help victim-survivors by offering energy-efficiency assistance to reduce energy costs. This can be offered as part of practical assistance under the payment difficulty framework, or outside it. Victim-survivors particularly need this assistance if they live in energy inefficient transitional or rental housing. Women may have left abusive relationships with very little, and benefit from portable items that do not require landlord approval to install, and can travel with women if they move. This includes efficient whitegoods and safe and efficient heating for children's bedrooms.

Foster understanding of the gendered nature of energy use

We fully support focusing on the gendered nature of family violence, given most family violence victims are women and children, men are the main perpetrators, and family violence often stems from culturally-constructed gender roles, behaviours and attitudes.⁵

To acknowledge and address barriers to access, the ESC proposes energy retailers:

- understand the gendered nature of family violence
- provide support that is inclusive for all Victorians
- provide referrals to expert support services.

Energy retailers should particularly understand how *energy use* is gendered and potentially linked to family violence or conflict. Women are often responsible for performing energy-intensive household activities. For example, in an RMIT study of households with children, 86 per cent of women carried out most or all of the laundry, compared with 27 per cent of men. Similarly, 88 per cent of women were mainly responsible for preparing evening meals, compared with 59 per cent of men.⁶ In heterosexual couples, housework is shared relatively

⁵ State of Victoria, *Royal Commission into Family Violence: Summary of Recommendations*, 2016, 17, 57-58, ch 36.

⁶ Larissa Nicholls and Yolande Strengers, *Changing demand: Flexibility of energy practices in households with children*, Centre for Urban Research, RMIT University, January 2015, 28.

evenly in couples without children, but following birth of a first child, women's housework share rises to 64 per cent and caring share rises to 72 per cent. This work is often energy-intensive, and remains gendered as children grow older.⁷ As a result, high bills and payment difficulty can be blamed on women if 'their' energy use is perceived as the problem.

Expand the guidance on intersectionality

The ESC proposes energy retailers provide family violence support inclusive of all Victorians. This includes taking an intersectional approach. The ESC points retailers to useful resources on the family violence experiences of women with disability, migrant and refugee women, and women from culturally and linguistically diverse backgrounds. While the ESC's guidance is only a starting point, it can also identify other groups who may experience family violence in unique ways, including older people, people with mental health conditions, women in or exiting prisons or forensic institutions, and LGBTIQ individuals.

The ESC can also explain that the relationship between family violence and energy use might be experienced differently for diverse groups. For example, older people can be financially abused by adult children living in the home who drive up energy costs but do not contribute to household expenses.⁸ Debt-related abuse may be particularly problematic for women with disability or long-term health conditions who have additional energy needs and higher energy costs than other people. This can be a need to re-charge communication or mobility devices, a medical need for increased heating or cooling, or the use of large amounts of energy for washing, cleaning and personal care.⁹

Clarify energy retailers' role and provide referral resources

The ESC proposes energy retailers provide referrals to expert support services, and notes retailers are not expected to be family violence experts or provide counselling. The ESC should further clarify energy retailers' role in providing family violence assistance and the need to set and observe boundaries. Victim-survivors' safety can be compromised if energy retailers provide well-intentioned but misinformed assistance or feel emboldened by training to give advice beyond their expertise, and offer 'counselling' or suggest a victim-survivor takes a particular course of action.

To promote consistent, quality referrals, we suggest the ESC develops basic referral resources that document primary family violence contacts, like those listed by Domestic Violence Victoria on its website, and financial hardship services such as the National Debt Helpline. This should include guidance on the need to make 'warm referrals', so victim-survivors and service providers are properly supported during referral processes.

⁷ Roger Wilkins and Inga Lass, *The Household, Income and Labor Dynamics in Australia Survey: Selected findings from waves 1 to 16*, Melbourne Institute: Applied Economic and Social Research, University of Melbourne, 2018.

⁸ Victorian Council of Social Service member consultation.

⁹ Victorian Council of Social Service, *Battling On: Persistent Energy Hardship*, November 2018, 22-25, 40-41.

Develop accountability measures

Safe and effective family violence assistance requires whole-of-business cultural change, guided by the ESC's principles and actions. This should be reinforced by retailer accountability measures that highlight good practice and hold retailers to account for behaviour that puts women and children at risk of harm.

Tie family violence assistance to energy retailers' licenses

Recommendation

- Amend the *Electricity Industry Act 2000 (Vic)* and the *Gas Industry Act 2001 (Vic)* to require energy retailers to develop and implement a family violence policy as a licence condition

The ESC's guidance will help improve energy retailers' family violence support but does not allow strong enforcement. Beyond existing regulation such as the payment difficulty framework, it is difficult to make retailers accountable for poor practice.

Retailers could be held accountable under their licenses to provide family violence assistance. Energy retailers are already required to develop and implement an ESC-approved hardship policy as a condition of their licenses.¹⁰ The Victorian Government should also require energy retailers to develop and implement a family violence policy to operate in Victoria. The policy should show how a retailer plans to implement a whole-of-business understanding of family violence and comply with relevant regulatory requirements, including the payment difficulty framework and any minimum family violence assistance standards.

Tying family violence assistance to retailers' licenses sends a clear signal to current and prospective retailers, so they can allocate sufficient funding for family violence assistance and understand Victorian regulatory expectations.

Create minimum standards for family violence assistance

Recommendation

- Create minimum standards for family violence assistance under the Energy Retail Code

A licensing requirement for a family violence policy can work in tandem with minimum assistance standards that are enforceable under retailers' licences. The ESC anticipates

¹⁰ *Electricity Industry Act 2000 (Vic)* s 43; *Gas Industry Act 2001 (Vic)* s 48G.

amending the Energy Retail Code to create a customer entitlement to respect, assistance and confidentiality when a person is involved in a family violence situation. Changes are expected by March 2019. The ESC will consult on how to express this entitlement, and the extent to which it defines minimum standards of conduct.

Minimum standards would be useful for debt management, account security and privacy, and confidential collection and storage of family violence information. Standards must be flexible enough to allow for the cycle of learning and iteration necessary for safe and effective family violence support, as emphasised by the ESC.

Use existing regulation to build accountability

Recommendation

- Use the payment difficulty framework, explicit informed consent and clear advice requirements to enforce family violence assistance

Along with minimum standards, existing regulation can build retailer accountability for family violence assistance. The payment difficulty framework, commencing 1 January 2019, will be one of the main regulatory levers for enforcing family violence assistance and guiding meaningful application of the principles and actions. The framework's Tailored Assistance support will assist victim-survivors, including those who cannot afford ongoing energy consumption, and require retailers to put arrears on hold, provide best offer advice, and deliver practical assistance to reduce energy costs. Standard Assistance helps people not in arrears and simply requiring some payment flexibility, such as a deferral.

Other potential regulatory levers are the explicit informed consent requirement and the new clear advice entitlement, commencing 1 July 2019. When seeking people's consent, retailers should train staff to help identify coercion or abuse. For example, it could become apparent that a person is being pressured to hold the account in their name because they have a concession card or the perpetrator wants to avoid a credit listing. Retailers can offer assistance when these issues arise.

The clear advice requirement means energy retailers must provide upfront information about the cost implications of energy deal terms, such as discount expiry dates and the cost of not complying with discount conditions. Energy retailers must also provide information about other deals that might better suit people. This information can help victim-survivors avoid or better deal with financial hardship.

Bring transparency to energy retailers' practices

Recommendation

- Monitor energy retailers' development and implementation of family violence policies

The ESC's monitoring of family violence assistance should allow the community sector, energy customers and industry members to track retailers' development and implementation of family violence policies according to meaningful qualitative metrics. The ESC can also provide public information on energy retailers' choice of training providers and case studies of good practice, including where retailers have learned from mistakes.

Create a 'safe space' for collaborative training and learning

Recommendation

- Facilitate ongoing, collaborative training and learning for energy retailers on family violence assistance

We commend the ESC for running energy retailer training and education workshops on family violence assistance. The workshops have been heavily informed by VCROSS members with deep experience in family violence issues, including Uniting Kildonan, Domestic Violence Victoria, Good Shepherd Australia & New Zealand, WEstjustice, WIRE, Women's Health East and No to Violence. As part of these workshops, it has been good to see water businesses share their enthusiasm for and knowledge of family violence assistance, having been the first ESC-regulated service to implement this assistance.

Given energy retailers operate in a competitive environment and have fewer collaborative opportunities than water businesses, we encourage the ESC to create 'safe spaces' for collective training and learning, particularly for smaller retailers that can benefit from the economies of scale of joint training with similar size retailers. These sessions should allow energy retailers to share insights and successes, learn from mistakes and promote good practice within a peer community.



[/vcoss](#)



[@vcoss](#)



[ChannelVCOSS](#)



[vcoss.org.au](#)