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Water Billing Hardship Arrangements

**A report of interviews with financial counsellors,
water customers and advocate organisations**

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June 2015

Reference Number: WG4266

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Appendix 1: Discussion Guide – Counsellors

Appendix 2: Discussion Guide – Customers

Appendix 3: Discussion Guide – Advocate Organisations

A note to readers on the interpretation of Qualitative findings

In the results which follow the reader is reminded that qualitative research seeks to develop insight and direction rather than provide absolute measures.

Given the sample sizes, the special recruitment methods adopted and the objectives of the study, it should be understood that qualitative research work is exploratory in nature.

There are no statistical degrees of confidence in qualitative findings and they are not representative of the broader population.

Qualitative findings should therefore be viewed as a frame of reference and indicative in their nature.

1.0 EXECUTIVE SUMMARY

This research comprised face to face and telephone depth interviews with three groups – 12 financial counsellors, 8 advocate organisations, and 24 water customers identified as having been in some degree of financial hardship. The interviews addressed issues relating to financial hardship, particularly in relation to water bills. The geographical scope of the work was the four water company areas of South East Water, Yarra Valley Water, Western Water and City West Water. The report presents the views expressed by these respondents. These views are not necessarily those of Wallis or the Essential Services Commission.

In addition to addressing the nature of hardship, and the awareness, levels of access and customer experience regarding hardship support, this research aimed to understand change and development in the delivery and perception of hardship support since the last survey in 2014, and to give greater consideration to the experiences of those from culturally and linguistically diverse (CALD) communities.

The nature of hardship and experience of hardship support

Counsellors and advocates identified a wide range of reasons and underlying issues for customer hardship that could broadly be divided into **two groups**:

- People who have **faced financial hardship for an extended period of time**, because of continued low incomes (mainly from Centrelink payments, but also some working poor), or issues which have driven hardship, such as disability, chronic ill health, addiction, poor language or literacy skills, or mental health issues;
- Those who have seen **unexpected events** which have impacted their finances, such as loss of employment (sometimes only of one partner in a household), sudden ill health, relationship breakdown or gambling losses. There is evidence to suggest the **proportion of people facing hardship because of ‘unexpected events’ has increased**.

Recent immigrants from CALD communities, especially asylum seekers and refugees, and people with limited command of English, were considered vulnerable, as were some aboriginal Victorians.

Water bills in the large majority of cases had a lower priority than other bills.

Priority tends to be given first to food and rent (or mortgage), then to gas and electricity bills, and last of all, to water bills (customers almost universally had difficulties in paying a number of bills, beyond their water bill). The key reason is that the penalty is not as great if the water bill is not paid – there is no threat of disconnection. Further, as one customer noted: *“Gas and electricity are very pushy but water are very nice...I pay the pushy ones first.”*

The general perception amongst advocates was that **water bills had risen more than inflation**, and that this was a contributor to hardship.

Based on the evidence from both advocates, counsellors and customers themselves, customer knowledge of hardship programs varied widely. **Broadly speaking, those who have faced hardship for an extended period of time are more likely to be aware of hardship programs** when they seek assistance. By contrast, **those who have experienced unexpected events** that have impacted on their finances, or those from parts of the CALD community, or those suffering mental health issues, **tend to be less aware of hardship programs**. Customers appeared to be most familiar with various payment plan options, including the use of Centrepay and the Utility Relief Grant Scheme (URGS), particularly if they had used it, or had been advised to use it by counsellors or water companies. On the whole, both counsellors and advocates felt that the water companies were making a concerted effort to promote awareness of their support programs, not only amongst counsellors and advocates, but amongst customers too.

Customers reported **positive outcomes from the solutions** put in place to assist them repaying their water bills. Counsellors and advocates both largely concurred. While a wide range of support measures were mentioned as accessible and effective, including URGs, Centrepay, bill smoothing, matched payments, retrospective concessions, hardship payments, payment extensions, waiving and payment arrangements, and temporary reduction of bills, the **two mentioned most frequently were URGs and Centrepay**.

While the support measures offered by the water companies were generally well thought of, there were nevertheless a number of **suggested improvements**, including: making a major effort to **reduce the URGs 'non return rate'** of 50% by simplifying the application process (note that URGs are a government rather than water business program); **achieving early intervention** by targeting those at risk earlier and more effectively; and by making a greater effort to **reach out across the community, including CALD communities and those with mental health problems**, by a number of measures including greater use of interpreters, greater connection with community organisations, bill waiving, complimentary plumbing and home support.

All three respondent groups made a **broadly positive assessment of the way that water companies addressed hardship issues** – on the whole it was felt by most that clients (both CALD and non-CALD) were treated with dignity and respect. In particular, water companies were compared positively to other utilities in their approach to hardship. Nevertheless, comments were not universally positive – a couple of advocates felt that members of CALD communities who had poor English skills or a foreign accent did not get assistance, although it was thought this could be more due to ignorance rather than rudeness.

Changes between 2014 and 2015

When examining changes over the last 12 months, several points stand out:

- A belief on the part of some counsellors and advocates that **economic conditions have deteriorated**. Evidence for this is that an increasing proportion of people who are having water hardship difficulties are either ‘working poor’, or are suffering from ‘unexpected events’ which often relate to a downturn in their income.
- Evidence that **communication** between the water companies and counsellors and advocates has **increased and improved**, and that this has been initiated by the water companies. There is clear evidence that hardship support is being communicated more widely.
- There is also some evidence that water companies are making **a greater effort to communicate with customers and to provide better support** – it was noted that websites with language specific areas and a greater use of incentive payments had occurred.

CALD communities

In terms of how people from CALD communities were treated compared to others, the **most common response was that they were treated equally well** (although it was also noted that it was hard to be sure as there was no way to measure whether there was a difference or not). Nevertheless, this ‘positive’ view was not universal – as noted earlier, a couple of respondents indicated there were **occasions where** they believed **CALD** communities were **not treated as well**, mainly due to language difficulties.

It was noted that **CALD** communities **were more vulnerable**, particularly ones that are newer or smaller, or where there were a high proportion of **refugees and asylum seekers who face work restrictions**. In addition to language and sometimes literacy problems, they face a range of issues, including lack of understanding of the billing process, transience in accommodation, low incomes, and in some cases, large families (which can lead to higher water bills) and a lower understanding of consumer rights.

There is evidence suggesting that water companies are making new efforts to reach out to CALD communities – it was noted that ‘Bring Your Bill Days’ were beneficial, and that water companies were making greater use of foreign languages in their billing and pamphlets, and looking at how they can make their customer service teams more effective.

2.0 TERMS OF REFERENCE

2.1 BACKGROUND

In the Metropolitan Water Price Review Final Decision 2013, the Commission allowed \$5.25 million for the metropolitan retailers to help them to assist vulnerable and low income customers to manage the impact of price increases. This was in addition to the pre-existing allocations for hardship that businesses already had.

In 2014, the Commission completed the first annual review of the measures implemented by water businesses with the results found in *Review of new hardship measures taken by metropolitan water businesses: 2013-2014* report.

This review published a range of quantitative measures provided by water businesses and included the results of a qualitative study undertaken by Wallis. As the first in a series of annual reviews, it was anticipated that the 2013/2014 review would establish a comparison point against which annual indicators and results could be considered.

Results of the qualitative study identified opportunities for improved services among vulnerable and disadvantaged customers, including those from culturally and linguistically diverse backgrounds.

2.2 THE PURPOSE OF THIS RESEARCH

The purpose of this research was to repeat the 2014 qualitative study, and **to compare results with those of the initial study**. Consequently, the methodology, discussion questions and areas of investigation for this survey were largely the same as the first survey.

The only changes the Commission wished to implement were;

- **Greater consideration to be given to the experiences of those from culturally and linguistically diverse backgrounds (CALD)** on account of there being evidence from the 2014 research that CALD communities were vulnerable to water hardship;
- A reduction in the number of direct customer interviews, given that information was more efficiently gathered from financial counsellors and advocates in the 2014 survey;
- The scope of this project should keep more narrowly to the reporting on the indicators given that general issues about the experience of customers in hardship had been covered in the initial report.

3.0 APPROACH AND METHODOLOGY

3.1 OVERALL APPROACH

As was the case when this research was carried out in 2014, the research has comprised interviews with three groups of respondents:

- Financial counsellors;
- Water customers;
- Advocate organisations.

This report comprises the analysed material from interviews with 12 counsellors, 24 water customers, and representatives of eight advocate organisations.

It is important to recognise that the views expressed in this report are those of the respondents – counsellors, customers and advocates. They should not be read as the views of either Wallis or the Essential Services Commission, and their presentation in this report should not be considered to endorse, or not endorse, the views expressed. The aim of this report has been to identify, understand and present the views of respondents.

Separate discussion guides were used for counsellors, customers and advocates. While largely based on those from 2014, the discussion guides were amended in 2015 to reflect the need to understand the change in the delivery and perception of hardship support since 2014, and to give greater consideration to the experiences of CALD communities. The discussion guides were developed by the Essential Services Commission and Wallis.

3.2 COUNSELLORS

Interviews were undertaken with 12 financial counsellors from a number of agencies across metropolitan Melbourne and adjacent areas of regional Victoria. The counsellors were recruited by Wallis from a list provided by the Essential Services Commission.

The counsellors interviewed all worked with customers of the four water companies operating in metropolitan Melbourne – South East Water, Yarra Valley Water, City West Water and Western Water. Interviews were mainly delivered face-to-face between May 4th and May 28th 2015 (there were three telephone interviews), and followed a discussion guide which is appended to this report. In the majority of cases counsellors were interviewed singly, although on two occasions they were interviewed in pairs. Interviews ranged in length between 30 minutes and over an hour, depending on a number of factors, including the nature of the responses, the time available for an interview, and the number of people present. The counsellors interviewed were recompensed \$200 for their efforts.

Interviews were digitally recorded and analysed using an analysis grid in MS Excel to identify the key points emerging against each of the themes identified in the discussion guide. This report discusses the issues arising from these interviews, largely following the structure of the discussion guide. The discussion guide covered similar topics to those from 2014 with the exception that questions were introduced examining changes in the delivery and perception of hardship support in the last 12 months; and the experience of CALD customers. The topics from 2014 included: identifying client characteristics, experience and outcomes, the level of priority given to water bills, and the levels of awareness and effectiveness of support measures.

3.3 WATER CUSTOMERS

Interviews were also undertaken with 24 customers who had experience of hardship programs offered by water companies. The water companies provided a list of customers to Wallis, who then recruited the customers for the in-depth interviews. The customers were about evenly divided amongst the four water companies.

The in-depth interviews with customers were conducted via telephone from May 1st to June 12th 2015. Interviews followed a discussion guide largely similar to that used in 2014, and examined issues such as sources of customer advice, experience and outcomes, the level of priority given to water bills, and the levels of awareness and effectiveness of support measures. In 2015 interviews also examined whether there had been changes in the delivery and perception of hardship support in the last 12 months. The typical duration of interviews was 20-30 minutes, though some were longer or shorter than this.

Customers were reimbursed for their time in participating in these interviews with a \$100 cheque sent out within a week of their participation.

Interviews were digitally recorded and analysed using an analysis grid in MS Excel, to identify the key points emerging against each of the themes identified in the discussion guide. This report discusses the issues arising from these interviews, largely following the structure of the discussion guide. Topics included: sources of advice, priorities in bill payment, knowledge of hardship programs, customer experience, customer outcomes and the role of financial counsellors.

3.4 ADVOCATE ORGANISATIONS

To supplement interviews with financial counsellors, and with customers with experience of hardship, a series of interviews were also conducted with organisations which had detailed, often strategic knowledge and insight into the issues around hardship arrangements. Eight such organisations were selected and interviewed – Good Shepherd Youth and Family Service, Kildonan Uniting Care, the Ethnic

Communities Council of Victoria, the Consumer Action Law Centre (CALC), AMES Australia, Springvale Community Aid and Advice Bureau, Cardinia Combined Churches Caring (4Cs), and the Migrant Information Centre (East Melbourne). Interviews were undertaken face-to-face between May 8th and June 4th 2015. Interviews followed a discussion guide agreed with the client and covered similar topics to those covered in 2014 with the exception that questions were introduced examining changes in the delivery and perception of hardship support in the last 12 months; and the experience of CALD customers. The topics from 2014 included: identifying the characteristics of people requiring support because of financial hardship, exploring the underlying issues which might impact on hardship, the relative importance of water bills, the impact of above inflation price rises in water, awareness of and views about the effectiveness of support provided, suggested changes and improvements to the current hardship support arrangements, and customer experience of hardship support.

Respondents were senior people in each organisation, with a substantial grasp of the strategic role of their organisation, and the policy issues relating to hardship arrangements. Interviews ranged in length between 30 minutes and over an hour.

Interviews were digitally recorded and analysed using an analysis grid in MS Excel to identify the key points emerging against each of the themes identified in the discussion guide. This report discusses the issues arising from these interviews, largely following the structure of the discussion guide.

4.0 RESEARCH FINDINGS - COUNSELLORS

4.1 CLIENT CHARACTERISTICS AND REASONS FOR HARDSHIP

While counsellors noted that clients in hardship covered a very broad range of situations and issues, and were affected by factors such as the difference in localities where the counsellors operated, and the extent to which Culturally and Linguistically Diverse customers (CALD) were clients, many similar issues were mentioned amongst counsellors, and could be broadly divided into two groups:

- People who have **faced financial hardship for an extended period of time**, because of continued low incomes (mainly from Centrelink payments, but also some working poor), or issues which have driven hardship, such as disability, chronic ill health, addiction or mental health issues;
- Those who have seen **unexpected events** which have impacted their finances, such as loss of employment (sometimes only of one partner in a household), sudden ill health, relationship breakdown or gambling losses.

This is illustrated by a series of quotes taken from our interviews:

“There are more on Centrelink, and your category of people on Work cover or the TAC, that are waiting on claims. On a low income for a few years. And then you have people where a change of circumstances has led them to have difficulties. They might even be employed, but they’ve got a change of circumstances like death or illness in the family.”

“Tend to be single parent, low income cross section of people...Others might find they’re in financial hardship because of some loss of job, change in circumstance, medical condition which is unexpected. Then there are some people who’re just on low income. I’d guess you’d call them the working poor’.

Several counsellors felt that the **proportion of people in hardship because they are ‘working poor’, or because of unexpected events, had increased:**

“Clients around this area are mainly clients on Centrelink...and they are in hardship because of inadequate income. However, in the last year or so we have noticed that not only Centrelink recipients are getting hardship but we are getting working clients, people earning minimum wage but they are still struggling.”

“We seem to be getting away from the traditional welfare client that was long term unemployed or disabled or had generational unemployment and more into people where situations have altered.”

In more detail, the range of issues contributing to financial hardship set out by counsellors included:

- Reliance on Centrelink payments (it was noted that anyone on Centrelink would be unlikely to meet their utility costs);
- Having large families which contribute to very large water bills (e.g. ten people in the household or more);
- Unemployment – long term, or newly encountered after being self-sufficient;
- Low working incomes (the ‘working poor’);
- Pensioners, particularly those who are retired but are still paying a mortgage;
- People diagnosed with an illness so they have to take time off work;
- Adult children who are unwilling or unable to help their parents;
- Poor facilities (e.g. leaking taps, inefficient showerheads);
- People paying more than they need to because they have not been granted concessions which they are due;
- The movement away from an industrial workforce to a more casual/service focused workforce which is not as well paid, and which can make budgeting difficult;
- Relationship breakdown, sometimes exacerbated by domestic violence. Income can be reduced and the legal responsibility for the bills is often unclear or disputed;
- Changes in family structure, with budgets stretched by the addition of children, often alongside one partner ceasing work, or reducing hours;
- Addictive behaviour, either related to substance abuse or gambling;
- Unfamiliarity with the internet, which can be a source of advice and awareness of how to negate hardship;
- Poor language or literacy skills;
- Lack of understanding of Australian culture or billing systems, and sometimes a complete lack of awareness of the support available in times of financial hardship, which was particularly notable amongst new migrant and refugee communities;
- Transience, often associated with those new to Australia, with people sharing houses, and responsibility for bills often falling on one or two named individuals, often when there are others staying;
- Mental health issues, either as a result of the crisis situation in which people find themselves (this is often anxiety or depression, and can often be undiagnosed), or ongoing;
- Financial over-commitment (particularly to mortgage debt, loans and credit cards) leaving clients exposed to changes in circumstances.

4.2 THE PRIORITY ACCORDED TO WATER BILLS

Counsellors were asked where does payment of water bills rank in terms of priority for their clients, and what are the key factors in determining this order of priority.

Water bills in the large majority of cases had a **low priority** compared to other bills. Priority tends to be given first to food and rent (or mortgage), then to gas and electricity bills, and last of all, to water bills.

There were several factors given for this order of priority, as indicated in quotes taken from our interviews:

“It is who’s calling out the loudest or threatening most. Usually of course its first mortgage or rent because you need a roof over your head. And electricity and gas have ramped up their collection activities. It happens very quickly. Water, though, is a very benign creditor. It has exemplary customer processes.”

“Sometimes it (water) is not one of the priorities because mortgages, rent or food are more important. The other utilities (gas and electricity) are a little more ruthless with their disconnections. People can be disconnected from gas for months but still have water.”

“Water will usually fall to the wayside because it is a low priority. The likelihood of having water restricted immediately is not a threat...some people are willing to let that debt to grow, and for their income to go to more important costs being food and shelter...the threat of electricity being cut off is a lot greater”.

4.3 AWARENESS AND UNDERSTANDING OF SUPPORT MEASURES

Counsellors were usually familiar with the support measures available to clients, and were frequently **complimentary about the efforts of the water companies to maintain open communications**. Indeed, in **several cases** counsellors believed that communications between themselves and the water companies had **improved in the past 12 months**. This is indicated in the following quotations:

“We have actually met with [water company]. That was great. They are good like that... They are willing to get out there and meet the people...In the last 6 months this has happened. There has been an improvement in engaging. We are building this relationship so if we did have concerns we could speak to certain people...They have made a greater effort to contact us and inform us about what is going on”.

“It has changed with [water company] in the last year because [water company employee] actually came out...and discussed what they were doing. It seems that he is out and about now talking to financial counsellors and advocates”.

“One of the reasons I think [water company] is exemplary in their hardship areas is that when I started here I was invited to a [water company] forum. All the financial counsellors in the area went to that forum and there was a lot of two way communication. We know all the people in the hardship area and we have direct email communication at all times”.

However, there were a small number of occasions where counsellors were not complimentary of the efforts of water companies in passing on relevant information.

“As in receiving information about what opportunities are available for clients, we don’t get much feedback...only through word of mouth or a conference or something like that that we become aware of what’s available”.

Counsellors report widely differing levels of knowledge and understanding amongst their clients about support measures - broadly speaking, those who have faced hardship for an extended period of time are more likely to be aware of hardship programs when they come to counsellors for assistance. By contrast, those who have experienced unexpected events that have impacted on their finances, or those from parts of the CALD community, or those suffering mental health issues, tend to be less aware of hardship programs:

“The reality is your traditional client sort of knew the system because they had been through it before, whereas our new frontier of clients, with the change...they don’t know.”

“Clients will be more likely to know if long term, but usually not through websites but via counselling and word of mouth.”

“Unless they (CALD clients) have a (social) worker when they move into accommodation and help them to know what Centrepay is and concession, otherwise they wouldn’t know. Regarding the remainder, a lot of them are aware that at least they have to ring and get a concession applied.”

“People are generally able to access relevant information unless lacking capacity for some reason...such as ill health.”

In general terms, it seems, clients are most likely to know about and understand the URGS, payment plans, and Centrepay.

Amongst those who are facing hardship because of unexpected events, and who are **not part** of the CALD community, the fact that they speak English fluently means it is easier than for CALD customers to find out what is available from the water provider via bills or websites or direct communication.

“Regarding the people who are not CALD, a lot are aware, at least they know they can ring to get a concession applied, and then [water company] will tell them what to do.”

Nevertheless, even amongst those **not part** of the CALD community, there can still be some hesitation in contacting their water provider. There can be a lack of confidence, or a sense of embarrassment, especially if they have never had to go through the process before. This is a major factor behind clients **accessing support via financial counsellors** – this usually works as clients often see that water companies are easy to deal with once they have been introduced by counsellors.

For those **in the CALD community**, financial counsellors are very important as regards communicating information, as are social workers (as alluded to in a quote on the previous page). In addition, CALD communities are more likely to find out about support measures via special initiatives such as ‘Bring Your Bill’ days and community meetings.

Counsellors set out a number of reasons why clients might not be well informed, or might need support and advocacy to address hardship issues:

- Clients can be stressed by the time they present to counsellors – their finances may already be out of control: *“the problem is they may already be hugely in debt before it is realised there is a problem”*.
- Some struggle with forms and official paperwork, and need counsellor support for this. It was noted that the URG application form is detailed and in English – this can be particularly problematic for someone with poor English or literacy skills.
- Refugee and migrant communities may be struggling not only with language issues, but with a lack of understanding of the need to actually pay water bills – some have come from communities where there was no need to pay for water.
- People with mental health issues can find it very hard to cope with and stay on top of bills. It was noted that some people will not open their bills for six months or more at a time.

One area where there seemed to be misunderstandings was in the application of Centrelink concessions on bills - at times concessions had not been applied where they ought to have been. As one counsellor noted:

“There have been and continue to be inconsistencies with concessions.”

The extent to which concessions could be backdated was also mentioned as an issue - It was mentioned there have been occasions where concessions had not been applied for a couple of years, but the retrospective application of such a concession could only be applied for the last 12 months.

Many clients were also reported to lack awareness of the various programs offered by water companies to tackle high usage, and potential associated faults such as leaks.

Moreover, many clients are cautious about investigating potential problems such as a leak, because they fear unaffordable bills if a problem is found which requires major work, or the landlord may be annoyed because of the cost.

4.4 EFFECTIVENESS OF SUPPORT MEASURES

Counsellors were generally in agreement that most of the programs offered by water companies to support customers in hardship **were accessible and effective**, including: URGs, Centrepay, bill smoothing, matched payments, retrospective concessions, hardship payments, payment extensions, waiving and payment arrangements, and temporary reduction of bills.

Indeed, one counsellor opined:

“They’re all accessible – clients easily understand what’s available, especially when going through with a counsellor.”

While a broad range of support measures were mentioned as accessible and effective, the two mentioned most frequently were URGs and Centrepay. URGs were considered particularly useful for paying off debt, while Centrepay ensured that clients were able to make regular affordable payments. Centrepay was also considered useful in that it meant the client did not have the opportunity to spend their ‘water money’ on something less useful, for example, gambling. These findings are illustrated in the following quotes:

“I do think URGs are good. Being able to access URG is an advantage to get things in line. Can be very useful.”

“URGs are really good. You can plan ahead with URGs. You can get a lower payment knowing that the URG will cover the difference.”

“Centrepay is great in that it happens automatically. A great safety mechanism.”

Nevertheless, several of the counsellors offered suggestions as to how these support measures could be made more accessible. One issue that was raised was that people who had addictions, such as alcohol or gambling, or mental health issues could have difficulty accessing services. It was suggested that **home support** could be provided to people who have mental health problems.

Other measures that were suggested that could improve client access, understanding, and effectiveness of support measures included:

- Having information on hardship clearly on the front page of the website. It was noted that one water company had information on hardship on the home page of

its website, whereas another water company required the word 'hardship' be typed in to reach the hardship section.

- There could be greater promotion of the service where compensation for plumbing services can be made provided the client is not the cause of the fault.
- Better education, particularly for some refugees and migrants who do not understand their need to pay.
- The whole process of applying for URGs could be simplified – currently it involved populating a detailed application form in English, an onerous task for someone fluent in English, let alone someone not fluent in English or with low levels of literacy.
- Early intervention should be promoted so that clients were not put in a situation where they had a particularly large bill. It was noted that people had arrived with bills of several thousand dollars because they had let it drift for years. Once a bill is that large, it becomes hard to address the issue via URGs.
- Education about smart usage of water would be positive; particularly amongst certain CALD communities newly arrived in Australia. One counsellor noted that several years ago six community sessions were conducted (one a week for six weeks) for a CALD community which was very successful in imparting relevant information about efficient water habits.
- It was suggested that greater use of payment matching (where a proportion of debt would be eliminated after several successful water bill payments) would be useful. It would both eliminate some debt and put the client in the habit of paying bills – *“payment matching would be really good because it gives the client something to work to. It would encourage the client. It’s an incentive”*. It would enable companies to recoup at least some outstanding monies owed to them, as well as rewarding clients who try to do the right thing. It was noted that payment plan support measures could be of limited use if they did not eliminate debt – a person on a limited income could have debt hanging over their head for years if there was no provision for eliminating debt.
- Some counsellors mentioned programs were often not well publicised, but they generally did note that could understand why this was the case as the companies might be inundated if they were heavily publicised.
- Maintain and enhance the training of customer facing staff (not just the hardship specialists) to better understand and engage with the issues behind hardship and with clients facing hardship.
- Extend the reach of information about hardship programs past traditional communication media such as letters or bills in the mail.
- It was also observed that URGs could be allocated once every year rather than once every two years, and to allow greater backdating of concessions (we note these are under DHS criteria and outside the discretion of the water businesses).

4.5 CLIENT EXPERIENCE

Counsellors were asked to consider whether there were groups of clients or non-clients who weren't accessing the support that they needed. Counsellors identified several groups within the community, or sets of circumstances, where people may miss out on the support they needed. These groups include:

- People with mental health issues, including depression and anxiety. One counsellor described this group as particularly vulnerable, not opening their mail for months on end or answering telephone calls;
- Many people with drug problems who display similar patterns of behaviour to those with mental illness, particularly as regards being difficult to contact or engage;
- People in abusive relationships;
- Those who have managed in the past, but due to some unexpected event, such as losing a job, they face hardship. On account of several factors, such as pride, or the fact that they think they still can cope, financial issues may not be immediately addressed. Consequently, when they finally do contact a counsellor or water company, their problems are worse than they might have been had they addressed the issue sooner;
- Some people from the CALD community. There can be many factors at work here: there could be language or literacy barriers; a lack of understanding of what is required of them in terms of paying bills, or a culture that is wary of contacting authority;
- Groups of people who for various reasons aren't entitled to Centrelink support, such as asylum seekers;
- Indigenous people.

While there were several groups of people who sometimes fail to access the support they need, the counsellors themselves had very positive views on how clients were treated. On the whole, it was felt that clients (both CALD and non CALD) were treated with dignity and respect, and that the clients experienced better treatment from the water companies than other utilities. This view was consistent across each of the four water companies.

"Clients are definitely treated with consideration and respect. [water company] is very forthcoming"

"People are definitely treated with respect. Possibly the best hardship department of all the utilities."

"If all the utilities were like [water company] it'd be fantastic. They're very compassionate".

While it was noted in all cases that people experienced better service at the water companies than other utilities, there was one occasion where a counsellor had dealings with two water companies, and believed one gave better service than the other (although he noted both were very much better than the gas or electricity utilities):

“If a score of one was excellent service, and five was poor service, I would give the gas and electricity utilities a five, [water company] a three and [water company] a one and a half.”

There were several reasons given for the water companies providing better service than the other utilities:

- The water companies had well trained staff, with lower levels of turnover than the other utilities. Consequently, counsellors were better able to establish effective working relationships. It was noted for example, that counsellors were often on a first name basis with contacts in the water companies whereas this was not the case with the other utilities;
- A thorough understanding of hardship, and in particular an approach which is not ‘vindictive or accusative’;
- Setting reasonable goals for getting clients back into credit, and in establishing reasonable levels for payment;

It is worth noting that several counsellors considered that a key reason for the better performance of the water companies was that their industry (i.e. monopolies) had a different structure than that of the gas or electricity utilities (which is much more competitive).

4.6 CHANGE IN THE LAST 12 MONTHS

When examining changes over the last 12 months, a couple of points stand out:

- There is some evidence of a **deterioration in economic conditions**, and an **increase in ‘working poor’** presenting to counsellors;
- There is evidence that **communication** between the **water companies** and **counsellors and/or the community** has **increased and improved**, and that this has been initiated by the water companies.

It is worth noting that the changes noted above were not mentioned by all the counsellors interviewed – between about one-third to one-half of counsellors mentioned either of the points listed above.

Regarding the increase in working poor and worsening economic conditions, several counsellors felt that the proportion of people in hardship that are ‘working poor’ had increased. Others cited a worsening economic situation. The following quotes illustrate these points:

“In the last year or so we have noticed that not only Centrelink recipients are getting hardship but we are getting working clients, people earning minimum wage but they are still struggling because of the cost of living. I think the general cost of living is increasing.”

“More working poor compared to 12 months ago. The high cost of energy is having an impact. Economic issues are driving this.”

“There have been more one-offs (e.g. people not on long term benefits), such as people losing jobs, houses being foreclosed.”

“There have definitely been more problems in the past year. More people are coming in...Perhaps there is more publicity. Lower interest rates could mean people are overextending. Not as many permanent jobs as previously – there are more contracts, there are more casual positions.”

There was evidence on the part of several counsellors that communications between water companies and counsellors and customers had **improved in the past 12 months** (in some instances). This is indicated in the following quotations (some already noted earlier in the report, but are again listed here because they illustrate the point):

“We have actually met with [water company]. That was great. They are good like that...They are willing to get out there and meet the people...In the last 6 months this has happened. There has been an improvement in engaging. We are building this relationship so if we did have concerns we could speak to certain people...They have made a greater effort to contact us and inform us about what is going on.”

“In the last 12 months [water company] have improved in that they have established a hardship policy. They want to work with their customers to improve efficiency and to have dispute resolution.”

“It has changed with [water company] in the last year because [water company employee] actually came out...and discussed what they were doing. It seems that he is out and about now talking to financial counsellors and advocates.”

“[Water company] has made some changes – it’s more evident that they’re around and who they are. They are making an effort about being more visible in the community. They also seem to be calling people more proactively as well. For example, identifying instances where there may be leaky pipes”.

“[Water company] may have improved, but it was great a year ago. There is possibly more education around the accessibility of hardship; I think they do have pretty good publicity around their hardship”.

4.7 CALD EXPERIENCE

Counsellors were asked how the experience of CALD clients differed from those of other clients, if at all.

In terms of customer service the response was generally positive – both CALD clients and non-CALD clients are treated well by the water companies:

“There is no difference as far as I can tell between CALD clients and others.”

“There are fewer CALD in [water company’s area]. However, [water company] does a good job and everyone is treated well. There have been some efforts to translate materials.”

“Don’t have a huge amount of migrants, do have aborigines – the way they interact is similar to everyone else. I don’t think there are any issues accessing the same services as anyone else.”

Nevertheless, while customer service is perceived to be similar, it was believed that CALD clients were more likely to face difficulties accessing support services. This related to several factors including: language or literacy barriers, sometimes exacerbated by not wanting to use interpreters; a lack of understanding of what is required of them in terms of paying bills (some are not aware that bills need to be paid at all), or a culture that is wary of contacting authority.

Counsellors noted several measures which they felt would improve access for CALD customers, including:

- **Providing education** about smart usage of water. One counsellor noted that several years ago information sessions were conducted in a community hall for a CALD community which was very successful in imparting relevant information about efficient water habits. Since then, the proportion of this African community facing water hardship problems has reduced substantially.
- **Community events, such as ‘Bring Your Bill’ days** were considered to be very useful in terms of imparting knowledge:

“A lot of time communities do not know about things, but the water company does work on it, for example, ‘Bring Your Bills Day’. [Water company] is the sponsor. It was great – someone hadn’t had a concession and then and there it was applied.”

- Having access to **social workers or financial counsellors** was also considered particularly important for CALD communities:

“Unless they (CALD clients) have a (social) worker when they move into accommodation and help them to know what Centrepay is and concession, otherwise they wouldn’t know.”

“The Sudanese clients – they find out from me. A lot of women (CALD clients) do not have proper schooling – it can be very difficult. They are less likely to contact the water company directly than non Sudanese.”

- Having an interpreter service was considered important.

5.0 RESEARCH FINDINGS – WATER CUSTOMERS

5.1 CUSTOMER SOURCES OF ADVICE AND ASSISTANCE

Customers' first source of contact in the event that they found themselves having difficulty paying a water bill was invariably their water company. While most customers cited this as their preferred option, many advocates and financial counsellors surveyed mentioned that they were often the conduit between customers and their water companies. On the whole, customers maintained a positive outlook and held the view that the water company was able to provide a viable solution to their financial difficulty, at least with regard to easing the burden of paying a water bill.

Payment plans or instalments were most commonly mentioned as being the solutions expected to be offered by their respective water companies to assist them in overcoming their bill payment difficulties.

"I'd contact the company or carrier and inform them that I was having difficulty making a payment. Ask if I could be put on a payment plan or extend the payment"

"I'd just contact [water company] to make alternative arrangements"

"Well I ring them up. Sometimes I use the Utility Relief Grant every couple of years if I'm entitled to it."

"Ring immediately the provider that was giving me the service and let them know the issues that were facing me at the time."

"Everything was very clear, there's a number on the bill, you speak to someone straight away... it was too easy."

It seemed important to some customers to make the water companies aware of their financial hardship and to be seen to be taking action. Customers did not want to be seen as merely ignoring their water bill.

"If I knew I couldn't pay my accounts on time I would let those people know so they never thought I was trying to avoid paying my bill. The worst thing you can do is not let somebody know that."

The proactive attitude adopted by the water company was highly valued by customers. In many cases they felt that the water company was truly trying to help not only reduce the amount owed but also the level of water usage.

"They tried to find out why we had such a high water bill like whether we had a leak. They got a plumber to come out and check for leaks. After the assessment they provided us with a form to fill out to get an allowance from the government."

Generally, customers consulted in this wave were largely focussed on approaching the water company directly. For those who had sought advice or assistance from a financial counsellor or advocacy organisation, communication was generally initiated via this channel, though this occurrence was less common. On the whole, the water bill provided the necessary contact information for customers to contact the support teams of the water companies.

“Ring the company. It’ll have a separate number on the bill saying to ring if you have difficulties and it’s a separate service.”

Some customers relied on existing knowledge of support measures that they had heard about from friends or family. One customer mentioned that she knows of some community organisations such as the Salvation Army that provide support to people in hardship.

“I’d go to a community service like maybe Salvos or something. There’s also some other ones...”

“I’d contact the Department of Human Services to get that government grant”

This customer observed that apart from calling the water company to seek financial assistance with paying the water bill, she was unaware of anywhere else to look for the same kind of assistance. While community organisations can provide advice, they are not the vehicle for facilitating payment plans.

“In terms of the water there is no one else out there who can help you pay those bills so you have to go to the company. There’s no Salvos or anyone out there who can help with water bills as far as I know”

In some cases it was the financial counsellor who led the customer to contact the water company as part of their role is to be aware of support programs. However, it is evident that for many customers not in contact with financial counsellors, the water company **were** the only organisation they approached about their water bill outside of personal contacts (though typically, they may also have been in contact with other utilities and organisations about other debts). In addition to payment plans, financial counsellors also urged customers to apply for the Utility Relief Grant (URG).

“The financial counsellor helped arrange a hardship payment which cut down some of the bills for me then I negotiated the payment plan.”

5.2 THE PRIORITY ACCORDED TO WATER BILLS

Customers consistently agreed that paying their rent/mortgage first was the best thing to do. Utilities as a whole were considered the next group of bills that needed to be paid. Gas and electricity usually came before water when considering urgency as

most customers knew they could always contact their water company to make alternative arrangements for a payment extension or to go on payment plans.

“Rent is the first priority because you need somewhere to live, the gas and electricity are next and water is the third priority... I let the water slip. Utilities have always been extremely helpful organising plans.”

“Pay mortgage first. Paying gas and electricity before water is just a habit. We never used to pay for water going back more than 20 years.”

One respondent identified that electricity has priority because they were particularly persistent in their debt collection policies (her comments echoing those of a number of other customers in reflecting difficult relationships with gas and electricity providers).

“Gas and electricity are very pushy but water are very nice, they are more understanding. I pay the pushy ones first. Gas is the hardest to pay.”

One respondent prioritised the paying of her bills based on which utility or supplier would be more supportive if she had to contact them to arrange a payment plan. Multiple customers acknowledged the risk of disconnection with gas and electricity with only one customer being under the impression that water could also be disconnected.

“Essential services are the top of the list so your power, your water – otherwise your water is cut off and you need that to survive... We had to define who we were able to work with and get the most support from. I was able to get the most support from the utilities.”

The issue of bill frequency was also raised by one customer who found it extremely difficult to budget for the water and electricity bills because they are on a different cycle to the gas bill.

“Water and electricity are the hardest to budget for and they’re the most spread out because gas is every two months whereas water and electricity are every three months”

When asked how customers organise paying their bills, some customers indicated that they paid bills according to the due date rather than assigning certain levels of importance to different services.

“Always the rent. Then I pay bills based on due date”

Whilst most respondents indicated that their water bill was less difficult to pay than rent, other utilities and a number of other commitments, one customer noted that their water bill was the most difficult for them to pay, because of the size of their household:

"I have a large family so the water bill is hardest to pay because it's the biggest."

5.3 AWARENESS AND UNDERSTANDING OF SUPPORT MEASURES

It is difficult to draw generalised conclusions about customer knowledge and understanding of the various support measures offered by water companies to address hardship. Amongst the variety of support measures that hardship customers could draw on, individual respondents were only familiar with a limited number of measures. These are commonly the ones that they are presently using, or have had prior experience with either through water or for another utility.

Many had come to use or know of these plans through the recommendation of their financial counsellors, or through contacting their water company either directly themselves or through a financial counsellor. Simply because most customers used some form of payment plan, awareness tended to be highest for this sort of program. Those utilising payment plans were frequently very positive about them, indicating that they were allowing them to pay bills and manage their money effectively.

Customers who are already receiving Centrelink payments are naturally more aware of Centrepay. Centrepay is a very popular payment option for hardship customers. For those customers on Centrepay, the idea of affording priority for bills is redundant because all bills are debited on their due date. This has been a significant stress relief for many customers experiencing hardship.

"I get everything debited out through Centrepay so I don't think about it. It all comes out at the same time. Before this came along I was all over the place."

"Your bills are pretty much all paid for you through Centrepay and I like that because if you pay your bills on time you can get discounts on your gas and electricity."

The URG is considered the most helpful by some because it can cover your bills and debts. Overall the water companies seemed promote the URG to customers who were eligible.

"I didn't know anything at all until [water company] knocked on the door the other day and say they could offer me this program which can give me \$500 and I said 'Oh thank God for that!'"

The URG was also one of the solutions suggested by financial counsellors and advocacy organisations. Some counsellors and advocates would help customers fill in the form or direct them to the water company telling them to ask about the URG.

The Hardship payment was not universally recognised by customers. Among those who did recognise it, there is a possibility that they simply assumed this was an umbrella term for either the URG or being on a payment plan.

“I’ve heard of it by never used it.”

While most [water company] customers were unaware of the plumber home visits, some customers did use the service.

“I had a leak and I contacted [water company] and they contacted the maintenance and they came out and fixed it all up and put new taps in so I’ve got no more leakage”

“The plumber who came out to check the leak wrote me a letter which I gave to [water company] and they took an amount off the bills.”

The value of home visits for customers is immense. Many responses suggest that having personal communication with a representative either from the water company or a plumber sent from the water company was extremely useful and would have been appreciated in some instances. One customer mentioned experiencing problems when her new toilet broke on a weekend and ended up paying \$250 for a local unlicensed plumber to replace the part.

“If [water company] had a subsidised plumber they could send out I wouldn’t have been ripped off... I had to borrow that money and pay somebody back whereas if there was a way that the water company could get someone to come around and have it added to the bill...”

One customer mentioned being aware of budgeting services seen on television such as MyBudget and similar companies.

The relative order of awareness and understanding for various programs and options appeared to be:

- Payment plans – most commonly aware and used;
- Instalments;
- Payment extensions;
- Relief grants (URGS);
- Hardship payment
- Assistance for Pensions and Concessions;
- Retrospective concessions
- Subsidies for Plumbers and maintenance (i.e. Leaks); and
- Home visits

5.4 CLIENT EXPERIENCE

Many of the clients consulted in this wave volunteered information that explained their personal circumstances which had led to their financial difficulties. Their circumstances were diverse, ranging from serious health problems, redundancies, relationship break up, or being on low incomes or benefits for long periods. It was evident that in many cases, customers had a number of inter-related issues, and complex personal and financial issues to resolve.

“My youngest son is at home but studying at university so I have to help him with his books, entrance fees, his myki, all those things.”

“I very recently separated from my husband and he took care of all the bills but I had to call them up to make sure he was making the repayments.”

“My husband left me 20 years ago and left me with all the bills so I’ve been on a payment plan ever since.”

“My wife had to have chemotherapy and I have to wash all her clothes and sheets separately which causes me to have high water bills.”

Clients’ experiences dealing with water companies were almost unanimously positive. This was further enhanced by the fact that many had experiences with other utility companies such as those dealing in electricity and gas that were, in comparison, rather more negative.

“Could not compliment the staff more. They were great, they helped with all my questions. If they said they were going to call me back in a couple of days, they called back. They followed through.”

“When we were going through those months looking for work we were struggling to commit to a payment and that’s when the woman told me of the opportunity to claim some \$400 from the government program to take off my bill that I owed [water company] and I didn’t know that even existed. She went out to bat for me and she got it for me. She saved me over \$400. She was a brilliant woman.”

“You must communicate. Hearing someone’s voice is better than anything I can think of.”

“Respect, courtesy, helpful are the three words I’d choose”

“They’ve been angels”

“They helped me more than I even imagined.”

“They could not have helped me any more than they did given my situation at the time.”

Some customers expressed a certain degree of hesitation in contacting the water companies based on previous experiences with both water and utilities companies. This was largely overcome by the time they came into contact with their water companies and reported that none of the things they feared might happen eventuated.

“Sometimes you get a bit afraid about ringing them ‘cause they might force you into a payment plan you can’t pay.”

One of the most significant aspects of the positive feedback collected for the relationship between customers and their water company has been grounded in the service they received when they first called to get advice on how to make a late payment. Often customers recalled the exact person’s name who they had spoken to on one or more occasions. Many customers truly gained the sense that they were having a personal conversation with a friend rather than merely discussing a water bill with a representative. This rapport is invaluable and is a contributing factor to a sustained relationship whereby the customer views the water company and, by extension, their water supply with caring service.

“I was always treated very fairly. There was one woman who was always my first line of contact and so we built up a rapport over time.”

“I feel like I’m their only customer. They remember, they know who you are. It’s quite personal. They understand and they care.”

“I was incredibly impressed. I remember the lady’s name was [water company employee], that’s how impressed I was. She was extremely helpful, extremely considerate, made me feel back on track with everything.”

“They are very nice. I speak to [water company employee] – he is excellent. [water company employee] and [water company employee] are very helpful indeed. They are very helpful. They’ve given me a gadget that tells me how much water I’m using for the day and when I go over it, it tells me. Those things are amazing.”

Many customers made comparisons between the service they received from their water companies to the comparatively negative experiences they have had with other utility providers such as gas, electricity and internet.

“I would never get that service from my gas and electricity providers.”

“I tried with [electricity company], no way were they as helpful as [water company]. They were hard to deal with. I still had support from them but they weren’t going to go out of their way to help me find out about that grant.”

“If [internet provider] were half as good as [water company] I wouldn’t have so much bloody trouble. I’ve been asking [internet provider] for the Utility Relief Grant for 12 months but they’ll send me the overdue notice long before they’ll send me that. [Water company] were bloody brilliant.”

“Imagine you’ve been with [credit card company] as a Platinum cardholder since you were 18 and now you’re 50 and they’re brutal and ruthless you think ‘woah’... There’s no flexibility and it’s impersonal. Utilities show a human side ... there’s an understanding that people have setbacks sometimes.”

“They [gas and electricity provider] put me on the hardship program and then take me off of it again. I don’t know where I stand with them.”

While the vast majority of water customers are extremely complimentary toward the water companies’ ability to help, there were some instances where the customer felt their situations were not appreciated. As in any situation regarding customer service, it is very difficult to verify the accuracy of claims of poor service that come from the party who feels disadvantaged. The following quotes came from customers in relation to their dealings with their respective water companies in response to being asked “How do you feel you were treated by the water company when you spoke to them about your water bill?”

“When I called [water company] ... the lady said to me “get your life sorted, you still need to pay your accounts” kind of thing, so that was the end of that! We decided to just keep working through it and that’s what we did. But then I rang [water company] a little while ago and I got a different lady who was VERY nice and said ‘look, we’re here to help’. It all depends on who you get.”

“They didn’t care. Apart from the people who came to measure the water flow, they’re not that great, to tell you the truth. They’re quite rude in the way they speak to you. They’re insensitive. All the other companies are sensitive to customers situations, but water companies are the worst.”

“I’m renting so the landlord is paying for my water bill but then because they were really high I took them over. I called and asked ‘is there anything you can do?’ and was told ‘No’. So then I called Good Shepherd.”

While the payment plans were overwhelmingly popular, one woman claimed she would still panic when she’d see the water bill in the mail and not want to open it:

“...it was embarrassing to tell you the truth. You know that every few months they ask if you can increase the repayment and I felt they were saying ‘why are you using so much?’. We’ve got five in the family. I don’t run the water just to look at it. I found them insensitive, inconsiderate.”

5.5 CHANGES FROM PREVIOUS YEAR

A similar survey was conducted in 2014 with a greater number of customers. Customers in this wave were asked if they had experienced any changes in the service they had received over the last 12 months. In some cases customers had not been in contact with the water company for more than 12 months, however, they were able to provide insights into each encounter they had. The general consensus amongst customers was that the service had remained consistently good throughout the time period that they had been in contact with the water company.

“Companies now have now, more so than ever, set up ways to help people through hardship.”

“They’ve been supportive the whole way through”

“Always been consistent, always been supportive.”

“I first called [water company] for the first time a few years ago and then most recently two or three months ago... It was just as good the first time as it was the last time. I can’t praise them enough.”

One customer first contacted her water company more than 20 years ago when her husband separated from her leaving her with all the household bills. It seems that over the last five years there has been a marked improvement in quality of service.

“They’re better now than what they were 20 years ago. Not sure if it’s because of changes in policy or what. Back when I needed help they weren’t helpful at all but recently when I needed to change my payment they were great. The change has happened probably over the last 5 years.”

5.6 CUSTOMER OUTCOMES

Customers reported positive outcomes from the solutions put in place to assist them in repaying their water bills. The mere act of speaking to someone who was offering support and kind advice made an immense difference to some customers. This seemed to resonate with female rather than male respondents (close to 80 per cent of customers contacted were women).

“The relief of speaking to them and having something in place was enormous...They went over the options that were relevant to me I felt everything was helpful and adequate.”

“The fact that they were so understanding was good... it takes the pressure off you so you’re not so stressed out about it.”

The URGs were considered the most effective tool for alleviating the stress of debt repayment. There was some confusion over which organisation issues the grant with one woman under the impression that the URG was issued by the organisation who notified her about it rather than the government.

“The grant I got through Good Shepherd was very useful. It knocked off like \$500 from the bill.”

For those who consider themselves in temporary financial hardship short-term solutions such as payment plans and extensions are ideal. However, those customers who are considered to be in long-term hardship require systems in place that will one day provide them sustainable solutions to financial difficulty.

One customer described the payment option such as extensions and instalment plans as helpful but made the point that they considered payment extensions to be a short term fix whereas going on a payment or instalment plan was more of a long term solution.

“The extensions prolonged everything, I guess. Whereas the payment plans keep you on track.”

By contrast, another customer who was using the [payment plan] felt that it was very effective in the short term however, in order to get himself on to a level playing field so that he didn't require the ongoing assistance, he needed to engage in legal counsel.

“It [payment plan] was only like a Band-Aid situation, I needed something a more permanent resolution which is what I got through legal counsel.”

One customer mentioned that given she considers herself in temporary hardship, the extensions were ideal. When asked if these payment solutions actually helped in better managing the bills and debts, she mentioned:

“Not really because I think it's up to you individually and while it is really good that you're given extensions and help and patience and other resources, it doesn't fix the long term problem.”

It was common for customers to have used financial counsellors in the past for matters unrelated to their current financial hardship and difficulty paying their water bills. For their most recent financial difficulties however, many customers did not feel that a financial counsellor could have provided anything over and above what they had been offered by their water company and may have thought they would have to pay for the service.

“I don't need a financial counsellor, I need more money!”

“They suggested that I go to a counsellor but I'm not very interested.”

Some customers had used the services of a financial counsellor in previous situations many years ago but some were hesitant to seek the same counselling for help with water bill hardship.

“I spoke to a financial counsellor many years ago and was quite disturbed by it to tell the truth. They suggested the only option I had was to file for bankruptcy and that bothered me a lot. I felt that was not my only option.”

The use of a financial counsellor has of course benefited some customers to get back on track while learning ways to alleviate their debt. This young customer felt that speaking with a financial counsellor was the first time she had been shown how to budget and what to do when she couldn't pay her water bill.

“They helped me manage and organise my bills. I never would've learnt how to pay my bills properly because I never actually got taught how. The financial counsellor helped teach me that there is a way to manage bills. All you have to do is call the water company.”

“It was vital. It helped in settling a claim that has put me in a better position now”

Customers were asked if they could make any suggestions for improvements to the way in which water companies helped people who were having difficulty paying their water bill. One such suggestion was that they could advertise the fact that they are very approachable. One customer felt that more people would know to contact the water companies if they knew what was going to happen.

“A lot of people that I've spoken to keep putting it off and don't want to ring so I tell them you're better off ringing and going on a payment plan. A lot of other companies don't seem as approachable”

Some other suggestions included getting water saving tips from the water company, having access to a subsidised plumbing service for emergencies, and increasing the billing cycle to make it easier to budget:

“[Water company employee] told me to get to get a front loader but I have a very bad spine so I have a top loader. But I don't know whether to wash in the day or the night. I don't know the peak times. If they could give me some water saving tips that would be good.”

“If the water company could've recommended a plumber to me or sent someone and added it to my bill I would have to find my own plumber who ripped me off when the front tap was running.”

“Make the bills a little more frequent so they're easier to budget for. Also make the bills simpler to read. All the usage stuff is confusing.”

“They could start with making water a bit bloody cheaper! My bill is \$500 a quarter. Don’t know why it’s so big but anyway.”

“Maybe utility companies could put people’s accounts on ‘holiday’ like you can do for your mortgage for three or five or six months. For people in extreme hardship that might be an idea. Just to give them a window of time where they can explore other options without stressing about bills.”

“Make all the staff compassionate” (this woman had a bad experience with one staff member who told her to get her life sorted then spoke to another lady who was lovely)

5.7 CALD OUTCOMES

Respondents from Culturally and Linguistically Diverse (CALD) backgrounds that were surveyed had generally lived in Australia for a significant amount of time and were therefore familiar with the conventions for asking for help. Participants who had English as their second language were generally in their 50s and had raised their children in Australia. There was one exception which was a customer from a Middle Eastern background who did not find that language was a barrier to communicating with the support team from his water company.

Despite this assertion, it is possible that some call centre staff may have found it difficult to understand the issues that he was trying to convey.

5.8 OTHER COMMENTS

Clients were asked to contribute any additional thoughts on the advice and assistance available for people who had difficulty paying their bills. Common themes that featured were:

- Advising water companies to be more pro-active in intervening when customers’ bills are getting too high.
- Improving advertising and communication strategies relating to the types of hardship assistances available to customers – such as advertising about grants on bills.
- Eliminating the stigma surrounding asking for help so more people are aware of the help out there

“Australia must need to adjust soon because it’s becoming very expensive, I’m sorry but we will have to adjust our lifestyle.”

“When you’ve been paying bills for 30 years sometimes all you need is a break and a bit of patience and understanding. It gives you a bit of moral support and

that boost that you need and you know that there are people alongside helping you and you're not being cut off."

6.0 RESEARCH FINDINGS – ADVOCATE ORGANISATIONS

6.1 CHARACTERISTICS OF PEOPLE NEEDING SUPPORT FOR FINANCIAL HARDSHIP AND REASONS FOR HARDSHIP

As was the case with financial counsellors, organisations stressed the diversity of people who might need, or seek, support relating to the payment of their water bills, and confirmed that in nearly all cases, the water bill was one of a number of financial commitments related to hardship. As also was the case with counsellors, people could broadly divide into two groups:

- People who have **faced financial hardship for an extended period of time**, because of **continued low incomes** (mainly Centrelink), or issues which have driven hardship, such as disability, chronic ill health, addiction or mental health issues;
- Those who have seen **unexpected events** which have impacted their finances, such as loss of employment, sudden ill health, relationship breakdown or gambling losses.

The following quotes illustrate the point:

“The majority of people are on a low income benefit, but there are also people who are facing unexpected situations. Single mums are more at risk, or if there is violence in the family. Poverty is exacerbated by family/relationship breakdown.”

“About 30% are in ‘vulnerable’, the remainder ‘hardship’. The ‘vulnerable’ may never have had to access help before. It’s due to life changes such as income dropping due to work or illness or separation. With the ‘hardship’ group income never really meets expenses. They tend to have really low incomes or maintain a mortgage they can’t afford or are pensioners. They may have depression or mental health issues. A high number have disabilities. Those on Centrelink, however, tend to be better at budgeting.”

“It’s variable. You have ‘traditional’ people on low income – they are generally good at knowing their rights. You also see people who have seen unexpected events such as a relationship or job loss. These people can get into trouble. Those suffering from mental health issues are also a concern.”

As was the case with counsellors, it was noted that those suffering from ‘unexpected events’ had increased:

“Historically most people have been ‘mainstream’ and Centrelink recipients. Now there is an increasing proportion of CALD and people in employment... Life events seem to be triggering hardship – unemployment, separation, divorce, family violence. Some older Victorians are presenting for the first time,

some self-funded retirees and those with unexpected expenses. People who have had reserves but now they are depleted. Lower interest rates are a factor.”

6.2 UNDERLYING ISSUES

Respondents were asked to explore some of the key issues which might help to explain the nature and distribution of financial hardship, particularly in relation to water bills. Several issues were raised, including:

- It was noted that **CALD** communities, particularly refugees and asylum seekers who face restrictions on working, were more vulnerable. In addition to language and sometimes literacy problems, they face a range of issues, including a lack of understanding of the process or concept of water supply and billing, transience in accommodation, low incomes, and in some cases, a lower understanding of consumer rights - *“some wouldn’t dare to question ‘authority’ such as the utility issuing the bill.”*
- It was mentioned that water companies could afford to promote their water hardship measures more – *“some companies think that if they advertise support strategies people will flock there in droves. That is not the case, people don’t ask for assistance unless they need it.”*
- Mental health was considered a major issue by another advocate and could become overwhelming. People may have had a problem for many years, such as experiencing family violence, but they do not have the confidence to get back on track.
- The ‘casualisation’ of the workforce was considered a problem, and mentioned by a couple of advocates. It was noted that people who had lost their jobs, or whose work contract had ended, often only sought assistance once the situation was very bad meaning their bills were likely to be very large. It was noted that *“with traditional hardship you are less likely to get huge bills because they are identified earlier.”*
- Related to the ‘casualisation’ of the workforce, it was noted that the community sector *“was getting better at dealing with people with (permanently) low incomes. The harder group is those who have suffered from unexpected events”*. As noted earlier, there is some belief that as a proportion of those suffering hardship, the proportion suffering from unexpected events has increased, and consequently, is becoming an increasingly larger contributor to hardship.
- Renters can face a particular struggle because appliances are often not well maintained, and rental stock is older housing which is inefficient in terms of energy and water use.

6.3 THE SIGNIFICANCE OF WATER BILLS

Water bills were not seen as the primary reason for debt or hardship. The primary issues would be other unmet expenses such as not being able to cover the rent/mortgage, telephone bills, or gas and electricity. Rather water bills, and particularly the debts due to unpaid water bills, are a secondary, contributory issue:

“Water is a lower priority. Higher priorities are credit card debt, threat of eviction, gas or electricity. It’s a contributor to levels of stress even though it might not be the highest priority to pay.”

“People tend to have multiple debts. Water is small compared to cars or credit cards. You can get an arrangement with water.”

“Water bills can be a major problem. However, households do not prioritise water – usually mortgage comes first and then gas and electricity.”

There were a number of reasons given by organisational respondents to explain the relatively lower priority of water bills for customers:

- The water bill is usually relatively modest in scale compared to a number of other bills, including housing, credit cards and other utilities (although this is not always the case, especially in very large households);
- Water companies are more likely to be accommodating than other utility companies;

“Water companies will not pursue people as much.”

“People are more likely to have a better relationship with their water company than with gas or electricity. They are more likely to feel they are being supported and thus will have a better relationship.”

- The consequences of non-payment are less severe for water bills than for a range of other debts and bills, such as electricity, gas and telecoms. Water customers rarely have their supply curtailed (and never cut off entirely);

Water is often paid last because the repercussions are not as bad – water will not be disconnected.”

6.4 PRICE RISES

The general perception amongst advocates was that water bills had risen more than inflation, and that this was a contributor to hardship:

“There has been a big increase in the last three or four years in water bills. A lot of people thought they would never have a problem with water.”

“In the last 12 months there has been upward pressure on water bills. That is why we’re now doing URGs.”

It was noted that the water price rises could be particularly problematic for CALD households with large families:

“There has been a considerable increase in water bills...Particularly if there are large families that is an issue. That is the case with new and emerging communities.”

However, water was not perceived to be the only utility with rising prices. The general perception was that electricity and gas had increased in price to the same extent:

“The price rises have been consistent for all utilities.”

“Water is up a lot in the last 12 months but so is electricity and gas.”

In the case of one advocate however, the perception was that water bills had not risen to the same extent as other utility bills:

“Rising water bills don’t bear comparison with power or gas. It’s not a major issue. While water has doubled, gas and electricity have tripled.”

6.5 AWARENESS AND EFFECTIVENESS OF SUPPORT

In terms of awareness of support, advocates were generally positive in their comments about the water companies’ efforts to boost awareness of their programs. There were also generally positive comments about the effectiveness of support. Nevertheless, they still advocated a number of changes and potential improvements.

Amongst the positive commentary:

- It was generally felt that **water companies were working hard to maintain positive relationships** with, and to provide information to, **counsellors and advocates**. There was some feeling that this had increased recently:

“In the last 12 months I have been contacted by all water companies. Three or four years ago I would not have been contacted as much.”

“Water companies are doing a lot trying to improve their engagements. They are trying to work more with intermediaries like financial counsellors.”

“[Water company] has promoted their hardship programs through ‘train the trainer’ days to counsellors and advocates.”

“[Water company] will actually fund counselling as part of their business and we think that is fantastic.”

“Building relationships? I think that is true and more so in the last 12 months. There’s been some good thinking around the vulnerability task force.”

- Some advocates felt that not only were the water companies doing a good job of **communicating** with financial counsellors and advocates, but also with **clients**:

“I know there is a lot of promotion by the water companies. A lot more user friendly options so people who are vulnerable don’t actually have to go and ask for help.”

“[Water company] want to organise a promotional day where parents can bring their kids and they’re going to explain about bill payments.”

“[Water company] are proactive in their offering of support – they provide information for potential clients and translate materials.”

“There is an awareness now of working with the consumer rather than against them – hardship programs are now not being seen as a debt collection tool within a business.”

“Developing websites with language specific areas – that’s been in the last 12 months – good for people who are computer savvy.”

- While the general feeling was that greater efforts were being made to promote awareness of programs to both counsellors/advocates and clients, there was also a **generally positive perception about the programs offered**:

“There is no question about the effectiveness of the support or interventions. The challenge is to make people aware of the support that is available.”

“All programs are effective to certain degrees. It is all about the quality of the conversation with the individual and to what extent it suits the individual’s needs.”

“Improved facilities, smoothing, waiving, affordability to pay – all have a part to play.”

- It was noted that one of the drivers of these positive trends *“was the underlying competition between water companies. – this has helped towards understanding of customer bases and the education of hardship teams.”*
- Specific programs and initiatives that were noted as being effective included:
 - [Payment plan] in particular was commended as an excellent program, with a 93% successful payment outcome
 - Programs that pay for water leaks
 - Programs producing materials in multiple languages
 - Working with community agencies that specialise in diversity

- Up skilling workers so that when CALD immigrants arrive they are well trained to deal with their issues
- ‘Bring Your Bill Days’ as a means of reaching the CALD community
- Having publications/bills/websites where there are clear links to other services – such as financial counsellors, or information about URGs.

The issues still in **need of attention**, and where changes were advocated, included:

- **Utility relief grants (URGs)** – it was thought they are not as well promoted as they should be, and the application process and paperwork is daunting. Most applicants need the help of a financial counsellor to submit an application.

“The URG form requires literacy. It’s a no brainer for utilities to promote this as it saves \$500 every two years, but there is a non-return rate of 50%. That makes no sense to me at all...An extra problem for CALD is that URG forms are only in English. It would be interesting to provide data on what proportion of CALD applications don’t get returned.”

- Achieving **early intervention**, by targeting those at risk earlier and more effectively, was also considered to be something that needed improvement.

“Quite often we only hear of a problem when the debt is already three or four thousand dollars. It makes much more sense to support them when their debt is low and achievable rather than when it is thousands of dollars.”

- **CALD communities**, particularly communities that are newer, smaller and disproportionately refugees can be particularly vulnerable. Amongst some CALD communities there is sometimes little understanding of contracts, or the fact that bills have to be paid. Language barriers remain a significant issue for some customers and other communities do not seek support because of cultural issues of shame and saving face.

“CALD communities can be particularly disadvantaged, especially refugees. It is a particular issue for refugees because there can be different cultural practices because in some societies the government would pay for water bills. They don’t understand the business framework so it is very easy to get into strife and not have anyone they feel they can ask.”

“CALD customers, particularly those that have newly arrived are more vulnerable. Also, where gender roles are entrenched, women haven’t had access to money, so if they are abused or separated, they can have real problems.”

“Asylum seekers really struggle, especially single Iranian/Afghani men. This is compounded if these individuals don’t have work rights.”

“With CALD it’s very important to offer services in different languages – the message should be short and simple.”

- While the majority of counsellors and advocates believe CALD communities are treated well by the water companies (*“there is no evidence of racism”*) it was noted that there were **occasions where CALD** communities were **not treated well**:

“When people with little or no English go to the water companies they do not get assistance or response. There needs to be training of the staff to understand the deprivation. CALD are not treated well – it comes across more as ignorance rather than rudeness.”
- It was also noted that water companies should connect more with advocates that deal directly with CALD communities – this will allow the water companies to better know the needs of their clients as the advocates understand the clients’ point of view.
- There are issues around **privacy in relation to the use of interpreters**. Given the reluctance of many to talk about issues outside the home, using an interpreter who is a member of the same language community can be a significant barrier. Even using a child as an interpreter can be problematic as their interpreting skills may not be adequate, and their parents may not want them to be aware of the situation in any case. There may be value in training water company staff around the effective use of interpreters. It was noted that *“use of interpreters for diverse communities is particularly important.”*
- Those who do not or **cannot use the Internet** are a challenging group to reach. This is the case amongst some in the CALD community (and also amongst those in more rural areas, and the elderly). Developing websites where people can change the language into their mother tongue would be useful.
- People with **mental health** issues and depression can still ‘fall through the cracks’ in the present systems.
- Payment plans are widely used, but sometimes not effective if the person is already in debt. If the client has a small income, payment plans do not provide a way to get rid of debt. Bill waiving should be considered – it provides greater opportunity to get out of debt for those who have a consistently low income.
- It was noted by a couple of advocates that more evaluation of schemes would be very useful. Perhaps some longitudinal research – *“Do some research on people - show evidence of improvement. Was it just a short term fix or has it actually put them onto an even keel.”*
- It was mentioned that water companies could afford to promote their water hardship measures more.
- It was noted that greater effort should be made to determine whether people are eligible for concessions as they were not always applied when they should be – *“you need to confirm when an account is established whether the person is eligible for a concession.”*

6.6 CUSTOMER EXPERIENCE

Generally speaking, the advocate organisations interviewed were positive about the way customers are treated by the water companies when seeking to access hardship support, and that their treatment by the water companies was better than that received from other utilities.

“In comparison to say, electricity or gas companies it is much better. They are more willing to understand the position of the person, and they are more likely to refer them onto a person in the hardship team.”

“It is a much more positive experience compared with electricity, gas or telcos. The customer service staff are much more friendly and open.”

“The customer experience with [water company] is great... Individual follow-up for clients, no waiting time on the phone, and they follow up questions. I have often needed to go to the Ombudsman for electricity or gas cases, but never for water. Hardship clients are not moved to specialist teams in the way that they are for gas and electricity.”

“I haven’t had issues with the way water companies treat customers. They are doing very well. They have contacted us, which suggests they are willing to listen, and to see how they can support customers as much as possible.”

Nevertheless, not all comments were positive. It was noted that more training could be undertaken – *“There is not enough understanding of consumer behaviour that indicates someone is in strife. It’s not one size fits all. It means you need an agile team that realise that just delaying the bill is not necessarily the answer.”*

As noted earlier, a couple of respondents have noted that CALD communities with limited English or awareness of the system have sometimes had less satisfactory interactions with water companies around hardship – these were advocates who had a great deal of interaction with CALD communities (it should be noted, however, that most advocates did not feel CALD communities were discriminated against, although they admitted poor English could be a barrier that creates problems).

“They have difficulty contacting the companies. My experience is that people who have a language problem or a strong accent don’t get as good a service as staff do when they ring up.”

As the quote above suggests, advocates consider that financial counsellors are significant in the customer experience process, and can be particularly useful when there are language barriers.

Other advocates felt financial counsellors were important as they were a great source of information and financial advice for those in need.

“Financial counsellors are absolutely significant because they are a source of information for people. They are really crucial.”

“Financial counsellors are very important, but at the early stage, when the bill is relatively low.”

6.7 CHANGE IN THE LAST 12 MONTHS

As was the case with counsellors, when examining changes over the last 12 months, several points stand out:

- A belief on the part of some advocates that **economic conditions have deteriorated**. Evidence for this is that an increasing proportion of people who are having water hardship difficulties are either ‘working poor’, or are suffering from ‘unexpected events’ which often relate to a downturn in their income.
- Evidence that **communication** between the water companies and advocates has **increased and improved**, and that this has been initiated by the water companies. There is clear evidence that hardship support is being communicated more widely.
- There is some evidence of **improvement of the hardship support** provided by the water companies.

Regarding the **deterioration in economic conditions**, it was noted that those suffering from ‘unexpected events’ relating to the economy had increased:

“There has been an increase in the proportion of customers with mortgages, although perhaps not as much in the west due to lower housing costs.”

“In the last 12 months there has been an increase in hardship. In 2013/2014 there were about 600 to 800 clients. In 2014/2015, there were between 800 and 1,100 clients. Things are getting tougher economically.”

*“Historically most people have been ‘mainstream’ and Centrelink recipients. Now there is an increasing proportion of...people in employment... Life events seem to be triggering hardship – **unemployment**, separation, divorce, family violence. Some older Victorians are presenting for the first time, some self-funded retirees and those with unexpected expenses. People who have had reserves but now they are depleted. Lower interest rates are a factor.”*

“There’s been a change in profile. Until 2013 it was only people on Centrelink who had issues. This has changed, there are a lot of working poor now.”

Related to the difficult economic conditions, some advocates felt that **water bills had risen more than inflation**, and this was a contributor to hardship:

“In the last 12 months there has been upward pressure on water bills. That is why we’re now doing URGs.”

While there was some evidence of declining economic conditions, several advocates considered water companies were working increasingly hard to maintain positive relationships with advocates:

“In the last 12 months it has really kicked on. They came and briefed us about all the things they were thinking and implementing.”

“In the last 12 months I have been contacted by all water companies. Three or four years ago I would not have been contacted as much.”

“Building relationships? I think that is true and more so in the last 12 months. There’s been some good thinking around the vulnerability task force.”

Some advocates felt that not only were the water companies doing a good job of **communicating** with financial counsellors and advocates, but were also making a greater effort to communicate with **clients**, and to provide better support:

“Developing websites with language specific areas – that’s been in the last 12 months – good for people who are computer savvy.”

“I think it’s more common now to have incentive payments in place and that it is becoming more mainstream. I think it’s been increasing in the last 12 months.”

“What has happened (in the last 12 months) is there’s been a bit of peer pressure. That’s been really good for the customer. So [water company] has a great online hub, [water company] set their solutions on tap thing where people can go and help themselves, [water company] are looking at ways they can work more closely with CALD... I think we’ve seen some really good proactive work in understanding their customer base and looking at a number of ways they can get information to them... They did a lot of mapping (all water companies) between themselves and amongst themselves to look at what are the hotspots, where is it within our catchments where people aren’t paying and what do we understand about the socio-demographic background of that, and then they tried to look at a number of indicators where they would try to predict which people would be in trouble...with a view to the most effective way we can reach people. For example, 18-35s we’re going to do stuff online. We’re going to have pamphlets in different languages, need to look at billing, making sure it is printed in different languages. Need to work more closely with financial counsellors and with community service providers. Need to see how we can get better reach across the community...As a result of that, they have all increased their online capacity and they’re all looking at how they can train their customer service teams to be more effective...I must say, I’ve been really impressed.”

6.8 CALD EXPERIENCE

Advocates were asked how the experience of CALD communities differs from those of other customers, if at all.

In terms of how people from CALD were treated compared to others, the most common response was that there was **no difference**, although it was also noted that it was hard to tell as there was no way to measure whether there was a difference or not:

“Language is a problem but there is no evidence of racism...it’s similar across all groups.”

“There are no differences with CALD, although language can be a barrier.”

“No-one has collected the data. There are challenges with most customer segments. It is about their working practice and how they show respect and integrity.”

While the most common response was that there was difference in which the way CALD and non CALD communities were treated by the water companies, this was not always the case. Amongst a couple of advocates who had frequent interaction with CALD communities, it was noted that there were **occasions where CALD communities were not treated well**:

“When people with little or no English go to the water companies they do not get assistance or response. There needs to be training of the staff to understand the deprivation. CALD are not treated well – it comes across more as ignorance rather than rudeness.”

“They have difficulty contacting the companies. My experience is that people who have a language problem or a strong accent don’t get as good a service as staff do when they ring up.”

It was noted that **CALD communities were more vulnerable**, particularly ones that are newer or smaller, or where there were a high proportion of **refugees and asylum seekers who face work restrictions**. In addition to language and sometimes literacy problems (as noted above), they face a range of issues, including lack of understanding of the billing process, transience in accommodation, low incomes, and in some cases, a lower understanding of consumer rights:

“Sometimes there is low awareness, due to poor English, or just a cultural mismatch. Some people would view utilities as authorities and wouldn’t dream of questioning or negotiating with them.”

“CALD communities can be particularly disadvantaged, especially refugees. It is a particular issue for refugees because there can be different cultural practices because in some societies the government would pay for water bills.”

“CALD customers, particularly those that have newly arrived are more vulnerable. Also, where gender roles are entrenched, women haven’t had access to money, so if they are abused or separated, they can have real problems.”

“With CALD it’s very important to offer services in different languages – the message should be short and simple.”

It was also noted that the water price rises could be particularly problematic for some CALD households as some had very large families:

“There has been a considerable increase in water bills...Particularly if there are large families that is an issue. That is the case with new and emerging communities.”

Advocates noted several measures which they felt would improve access for CALD, including:

- Water companies should connect more with advocates that deal directly with CALD communities – this will allow the water companies to better know the needs of their clients as the advocates understand the clients’ point of view.
- Having water companies participate in different community events, such as ‘Pay Your Bill Days’.
- It was noted that the *“use of interpreters for diverse communities is particularly important.”* However, this can be problematic as there are issues around privacy in relation to the use of interpreters - many show reluctance to talk about issues outside the home and consequently using an interpreter who is a member of the same language community, and is possibly known to the customer, can be a significant barrier. There may be value in training water company staff around the effective use of interpreters.
- It was noted that informing CALD communities how to reduce water usage could be particularly useful:

“All the interventions are effective to a degree, but the most important thing is education. Helping clients to reduce their water usage...in the first place would be the best thing.”

- It was noted that payment plans can be very beneficial:

“Many don’t end up remaining in hardship programs – with the help of a payment plan they are able to meet their obligations. Many of the clients are amazingly resilient people, they’ll get there in the end.”

**Appendix 1:
Discussion Guide
– Counsellors**

4266 Essential Services Commission – Hardship Indicators Survey 2015

Discussion Guide - Counsellors

Introduction

Explain research background and aims.

Set out why we are talking to counsellors, reassure about confidentiality.

Explain reason for recording and secure consent to record. Reassure that all recordings are deleted at the end of the study. Recordings are only used for analysis by Wallis staff. They are not passed to or shared with any third parties, including ESC, clients, and water companies.

NB: for counsellors interviewed in 2014, focus on change since last interview, and acknowledge that we already have their prior insight (review notes from 2014 before interview).

Client characteristics, behaviour

How would you describe or characterise the groups or types of people who require assistance paying their water bill because of financial hardship? Who are your clients and why are they in financial hardship? What other issues tend to accompany their difficulties in paying their water bills?

Where does payment of water bills rank in your clients' priorities? What is paid before the water bill? And in turn, what is paid after the water bill (ie. over what does the water bill have priority)? What are the key factors for clients in determining this order of priority for payment?

How has this changed, if at all, over the past year? Have you seen increases or decreases in the numbers of people presenting with hardship issues in the last year? Have you observed changes in the social and cultural makeup of those presenting with hardship (the types of people presenting with hardship)? Have the issues that they present with, or the complexity of hardship, changed significantly over the past year? Do you notice any trends in who presents to you, why they are coming to you, or whether their circumstances are more or less difficult?

Counsellor and client knowledge and awareness

There are a number of support measures available to clients experiencing difficulty paying their water bills. How do you become aware of the range of support measures? Are there any areas for improvement?

What support measures are clients aware of to help them if they struggle to pay their water bills? How do they find out about these support measures? How well informed are clients about this when they come to you?

In general, how well equipped are clients to access **information** about support? And how well equipped are they to apply for that support?

How well do they understand the support which is available to them – both initially, and after you have talked them through it? Has client understanding of the support available to them changed significantly in the last year? If so, why do you think this is?

Effectiveness of support measures

I'm aware that there are numerous Hardship and Vulnerable programs available such as; Utility Relief Grants (URG), Payment extensions, Hardship payments, Retrospective concessions, Centrepay, and Instalment plans - Are there some support measures which appear to be particularly:

- Difficult to access?
- Difficult to understand?
- Difficult to find out about?

And in contrast, which support measures are the most accessible and effective?

About what support measures, or parts of the support package relating to water bill payment, do your clients appear to need more, or most, advice, support or information? What could be done in practical terms to improve client access and understanding?

Thinking about everything we've discussed so far, have you noticed any changes since last year – in accessibility, understanding, effectiveness?

Client experience

Are there clients, or other non-clients who are low income, vulnerable or otherwise in financial hardship, who fail to access the support they need? Why is this? Are there particular groups or types of people who do not access the support they need? Why do you think this is?

How would you describe the experience of your clients in accessing support to pay their water bill? Are they treated with consideration and respect? Are they offered workable solutions? How much input are they offered in working out a suitable solution? Do you notice any changes in this over the last 12 months? Has client experience changed for better or worse in any way?

Client outcomes

Do the solutions put in place actually help clients to manage and/or reduce their levels of debt, or difficulties in payment? What are the most effective measures or approaches for helping clients to manage or reduce debt, or address difficulties in payment? And conversely, which measures are least effective, ineffective or even counter-productive?

What changes (for people struggling to pay their water bills) in current support measures have you seen in the last 12 months? Have outcomes and solutions improved or worsened in the last year? Why do you think this is?

What improvements or enhancements to current support measures would you suggest?

Variations in client experience

Does the experience of clients depend on the water company concerned (ie. does the approach of water companies vary on these issues and if so how)?

How does the experience of different types of client including those from CALD communities differ, if at all? In particular, how do the experiences of CALD clients differ from those of other clients, if at all? Are there particular issues that CALD clients experience or report? How well does hardship support work for them?

Are there some groups of clients which receive more sympathetic treatment than others? Are there types of clients who are treated more harshly, or more firmly, by water companies? What do you understand to be the reasons or motivations behind these variations in treatment? Has the way that water companies treat different groups of clients changed noticeably in the past year?

Final Comments

Are there any other comments you want to add in relation to the hardship arrangements currently in place for water bill payments – about their effectiveness, reach, function or delivery, for example?

Have you noticed any other significant changes in the way that hardship support is delivered over the past year? What has been the impact of these changes? Why do you think these changes have occurred?

Thank interviewee, provide and record receipt of incentive payment, reassure about confidentiality of responses.

Determine counsellor's position in relation to recruiting clients for research, if not already known, establish progress, offer help or support if required (note any support or input required which requires action on return to the office).

**Appendix 2:
Discussion Guide
– Customers**

4266 Essential Services Commission – Hardship Indicators Survey 2015

Discussion Guide – Customers

Introduction

Explain research background and aims.

Set out why we are talking to clients/customers (NB: this script presupposes interviewees may not be aware they are on a hardship program).

Reassure about confidentiality.

Explain reason for recording and secure consent to record. Reassure that all recordings are deleted at the end of the study. Recordings are only used for analysis by Wallis staff. They are not passed to or shared with any third parties, including ESC, counsellors, and water companies.

Client knowledge and awareness – sources of advice

If you had difficulty paying your water bill, what would you do?

Who would you go to for assistance or advice? Where would you look for information about the sort of assistance or advice that might be available? What sort of assistance or advice do you know about? Who provides this assistance and advice?

Have you had any assistance or advice about paying your water bill? Was this from a person or organisation or from a website or something printed?

If person or organisation: Who provided the advice? What did they tell you? Did the advice make sense? Did it assist you?

If a website, something printed (brochure, information sheet, newspaper, water bill etc.): Where did you find the information? What did it tell you? Did the advice make sense? Did it assist you?

Client behaviour - priorities

Thinking about the bills you have – for rent or mortgage, for gas, electricity and water, paying off credit or loans and so on – which ones do you pay first? Are some more important than others? Are some less important? What sort of bills would you pay before your water bill? And what sorts of bills are less important than your water bill? Why (probe for reasons for this priority)?

If you had a number of bills to pay, how would you organise paying them? How would you choose which ones to pay first? What would you do about the ones you couldn't pay immediately? Which bills do you find hardest to pay?

Awareness of support measures

Thinking about paying bills like gas, electricity or water, have you used or do you use any of the programs which aim to make bills easier to pay? What schemes have you heard of/are you aware of?

Have you heard of any of the following types of scheme or program? (Check on name first, find out what respondent knows about them, then follow up with description and probe for awareness and understanding) Have you used any of them?

Scheme name	Description
Instalment plans / payment plans Examples: Pay and save (matched payments) Smooth pay (pay bills fortnightly or monthly) Bill smoothing (pay in advance) Arrange and save	An alternative payment arrangement between the customer and the water business
Payment extensions	When a customer requests delayed payment of a quarterly account instalment
Hardship payment	When the customer receives a one-off reduction in their bill
Centrepay	A service where customers pay their bills as fortnightly deductions from their Centrelink payments
Utility Relief Grants (URG)	Where customers in a temporary financial crisis receive a maximum of \$500 within a two year period.
Retrospective concessions	A concession that is applied to bills issued in the past 12 months
Other: Visit from plumber to find leaks Assistance for pensioners & concessions Home visits to discuss solutions (Yarra Valley) Bonus on reduced water usage after an audit (Western) Assistance if 6 or more people in your house (Western)	

Anything else you know about, or have used (in terms of getting assistance or advice about bills, especially water bills, from your water company)?

(For any used or known) Which of these is most of use to you/helpful for you? And why?

Have you had assistance or advice from any other organisation (not your water company) about paying water bills, or other bills? Who was this from? What assistance or advice did they give you? How did this assistance, if at all?

Client experience

How are you treated by your water company when you talk to them? And how about if you speak to them about difficulties paying a bill? Do they listen to you? Do they treat you with consideration and respect? Is their advice useful, helpful?

Has your experience of your water company in helping you with these issues changed over the last year? Has their approach changed in any way? How? Overall has your experience of them been better or worse?

Have you had any assistance from a financial counsellor? (If relevant) How important was it that you had some assistance from a financial counsellor? Why?

Client outcomes

Do the solutions put in place actually assist you to manage your bills/debts better? What was most useful in assisting you? Was there anything that wasn't so helpful, or even made things more difficult?

Do you think your water company (the company who send you your water bills – remind respondent of company name if necessary) made it clear what sort of assistance was available to you in helping you to pay your water bills?

What improvements would you suggest to the ways that water companies assist people if they have difficulty with paying their bills? How can your water company do better in telling you the sort of assistance that is available? Have you noticed any change – for better or worse – in the way that your water company assist you or communicate with you?

Final Comments

Is there anything else you want to add about the assistance and advice that is available if you have difficulty paying your water bill?

Thank interviewee, provide and record receipt of incentive payment, reassure about confidentiality of responses.

**Appendix 3:
Discussion Guide
– Advocate
Organisations**

4266 Essential Services Commission – Hardship Indicators Survey 2015

Discussion Guide – Advocate Organisations

Introduction

Explain research background and aims.

Discuss confidentiality. Interviews can be confidential, but may be less effective as a result – advise non-confidential interviews (ie. on the record) but comments, attribution of some parts can be off the record.

Explain reason for recording and secure consent to record. Reassure that all recordings are deleted at the end of the study. Recordings are only used for analysis by Wallis staff. They are not passed to or shared with any third parties, including ESC, water companies.

NB: for organisations interviewed in 2014, focus on change since last interview, and acknowledge that we already have their prior insight (review notes from 2014 before interview).

Customer characteristics and context

How would you describe or characterise the groups or types of people who require help paying their water bill because of financial hardship? Are there particular groups of people in the community who are particularly vulnerable or at risk? Why are they vulnerable/at risk?

Are there underlying issues or wider contextual issues which help us to understand the nature and distribution of financial hardship?

How significant is hardship/debt relating to **water bills** amongst the wider issues of debt, hardship and vulnerability faced by people in financial hardship? Why? Are water bills a major contributor, or not? Why is this? How does this affect the decisions customers make about water debt compared to other debts they have? To what extent does this shape customers attitudes towards water debt?

What impact have increasing water prices had on hardship over the past few years? How does this compare with other cost of living pressures, other utility bills?

How has this changed, if at all, over the past year? Have you seen increases or decreases in the numbers of people experiencing financial difficulties or hardship in the last year? Have you observed changes in the social and cultural makeup of those experiencing hardship (the types of people experiencing hardship)? Have the issues clients present with, or the complexity of hardship, changed significantly over the past year?

Effectiveness of support measures

What support programs/measures are you aware of which help customers in water hardship/experiencing financial difficulties in paying their water bills? How well informed do you believe water customers are about these various support programs? How well equipped are they to access this support?

Are there types or groups of customers who cannot/find it difficult to access the support that they need? What are the barriers to accessing support? Why is this?

Which support programs/approaches (offered by water companies to customers who may be vulnerable or experiencing financial hardship) are most effective, and least effective? Why do they

work well, or not work well? To what extent are particular programs/approaches suitable for some customers but not others?

Are there measures which are notably difficult to access, understand or find out about? And in contrast are there measures which are particularly effective or accessible? Is this different for those from CALD communities.

Thinking about everything we've discussed so far, have you noticed any changes since last year – in accessibility, understanding, effectiveness?

Beyond what is already in place, what new measures, or adaptations to existing measures, would you advocate?

What can water companies themselves do to improve access to, effectiveness of and communication about, hardship support measures? How good are they in communicating about their hardship programs? Are they effective in reaching the groups in the community that they need to? Who is getting 'missed out' in this communication, and why? Has there been any noticeable change in the way that water companies communicate their hardship programs over the last year? What has changed? Why do you think this is?

Customer experience

What do you know or understand about the way in which customers including CALD customers are treated by water companies when they seek to access hardship support? How does this compare with other utility companies with which hardship customers might come into contact?

Are customers treated with consideration and respect? Are they offered workable solutions? How well is the customer contact handled and managed? How much input are customers offered in working out a suitable solution – ie. how much agency do customers themselves have?

Can you offer any comment on the effectiveness of the strategy of water companies towards hardship support overall, and compared to other utilities, in terms of:

- Understanding and meeting the social and economic needs of customers?
- Recovering debt?
- Encouraging effective financial management by hardship customers?
- Improving the financial position of hardship customers?
- Helping hardship customers to get out of debt, and stay out of debt over the long term?

How significant are financial counsellors in this process? To what extent do customers need financial counsellors to arbitrate on their behalf with water companies? Why?

Does the experience of clients depend on the water company concerned (ie. does the approach of water companies vary on these issues and if so how)?

How does the experience of different types of customer, including those from CALD communities differ, if at all? In particular, how do the experiences of CALD clients differ from those of other customers, if at all? Are there particular issues that CALD customers experience or report? How well does hardship support work for them?

Are there some groups which receive more sympathetic treatment than others? Are there types of customers who are treated more harshly, or more firmly, by water companies? What do you understand to be the reasons or motivations behind these variations in treatment or attitude? Has the way that water companies treat different groups changed noticeably in the past year?

Final Comments

Are there any other comments you want to add in relation to the hardship arrangements currently in place for water bill payments – about their effectiveness, reach, function or delivery, for example?

Have you noticed any other significant changes in the way that hardship support is delivered over the past year? What has been the impact of these changes? Why do you think these changes have occurred?

Thank interviewee, confirm arrangements for on the record/off the record comments.

Determine organisation's position in relation to recruiting clients for research using the flyer, offer help or support if required (note any support or input required which requires action on return to the office).