

Interest payable on late water bills set to fall

The state's independent water regulator has reduced the maximum interest water businesses can charge customers who don't pay bills on time, from 3.9 per cent to 2.9 per cent.

Each year the commission sets the maximum interest rate water businesses may charge customers for unpaid bills, based on up-to-date information on borrowing rates.

Pricing director Marcus Crudden said that while the reduction provides additional protection for customers struggling to pay their bills, many were not currently being charged any interest.

"As part of the sector's response to the coronavirus pandemic, most of Victoria's water businesses in Victoria are currently not charging interest on customer debt," he said.

Under rules set by the commission in its customer service code, customers with concession cards and those on a water business' hardship program cannot be charged interest.

A [new report by the commission](#) found that, over the past 12 months, there has been a 42 per cent increase in metropolitan water customers on hardship programs, and a 14 per cent increase among regional customers.

The new maximum interest rate takes effect from 1 July 2021.

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