

ACTIVE

we're switched on

**Active Utilities Pty Ltd**

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# Financial Hardship Policy (VIC)

Active Utilities

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# FINANCIAL HARDSHIP OVERVIEW

## INTRODUCTION

Active values our relationship with our customers and recognises that there may be instances where customers experience payment difficulties or financial hardship. To work in the best interest of our customers, Active maintain this Financial Hardship Policy.

This policy applies to all residential customers living in Victoria who find it hard to pay their energy bills due to hardship.

You might experience hardship because of factors like:

- > death in the family
- > household illness
- > family violence
- > unemployment
- > reduced income

This policy explains:

- > what we will do to help you manage your energy bills
- > how we consider your circumstances and needs
- > your rights as a customer in our hardship program.

You can ask a support person to contact us, such as:

- > a financial counsellor
- > someone who helps you manage your energy bills

We need your permission to talk to your support person

Active has systems in place to enable us to meet our obligations with respect to customer hardship in:

- > the Energy Retail Code
- > Active's financial hardship policy

## STATEMENT OF INTENTION

Active are here to help.

We will work with you to help you respond to financial difficulty, whether temporary or long-term. We are committed to helping customers facing financial hardship maintain service access and working with you to find a sustainable solution. Any help we can give will depend on your individual circumstances, and we provide help on a case-by-case basis.

## IDENTIFYING AND ASSESSING HARDSHIP

When you contact Active and indicate that you are experiencing financial difficulties in relation to an outstanding bill payment, Active will assess your eligibility for our Financial Hardship program. In order to assess your categorisation as either experiencing 'payment difficulties'\* or 'financial hardship'\* [\*see definitions next section] we may ask you to provide certain documents such as:

- > Employment Status
- > Income
- > Dynamic of household/number of dependents
- > How much you can afford to pay
- > Other financial commitments

Alternatively, a residential customer may be assessed as experiencing financial difficulties by a financial counsellor who advises Active of that fact.

Active will also consider the person's current financial situation and their ability to meet the overall costs of their basic living needs which are defined in the Energy Retail Code as including:

- > Rent or mortgage
- > Other utilities (e.g. electricity, gas, phone and water)
- > Food and groceries
- > Transport (including petrol and car expenses)
- > Childcare and school fees
- > Clothing
- > Medical and dental expenses
- > Any other relevant information provided to Active.

## CONTACT US

We encourage you to contact us if you experience any difficulties paying our services.

**Telephone:** 1300 587 623 (Option 5)  
**Email:** [accounts@activeutilities.com.au](mailto:accounts@activeutilities.com.au)  
**Website:** [www.activeutilities.com.au](http://www.activeutilities.com.au)

## FINDING A FINANCIAL COUNSELLOR

You can talk to a phone financial counsellor or a consumer advocate who deals with financial difficulty matters from anywhere in Australia by ringing 1800 007 007 (minimum opening hours are 9.30 am – 4.30 pm Monday to Friday). This number will automatically switch through to the service in the State or Territory closest to you.

Alternatively, you can find the financial counselling service nearest to you by visiting <https://ndh.org.au/Talk-to-a-financial-counsellor/Find-a-financial-counsellor/>.

## TEMPORARY SUSPENSION OF DISCONNECTION AND DEBT RECOVERY PROCEDURES (MORATORIUM)

Active will temporarily suspend any disconnection and debt recovery procedures where a customer is assessed as experiencing payment difficulties or financial hardship. The length of the temporary suspension will be for a period of 14 business days, but may be extended if requested by the customer, where a consumer representative organisation requires more time to assess the customer's capacity to pay

## PRIVACY

Active is bound by the Privacy Act 1988 (Cth) and Australian Privacy Principles, which regulate the collection, disclosure, use and storage of personal information. Active will handle all information responsibly and in accordance with your instructions. Personal information may be collected when you contact us with details about an account, eligibility or participation in our Hardship Program. Personal information provided by yourself will be used to confirm your eligibility and to determine the level of support appropriate for that account.

# ACTIVE'S FINANCIAL HARDSHIP PROGRAM

## INTRODUCTION

Active has produced this policy to comply with the requirements of the Energy Retail Code in Victoria.

This Financial Hardship Policy has been developed to assist residential customers experiencing financial hardship and is made in accordance with the requirements of the Energy Retail Code.

## HARDSHIP ASSESSMENT

Active may not be able to make an assessment of your circumstances if you do not provide us with the requested information during the initial process.

A customer will be assessed as experiencing financial hardship if:

- › The customer is unable to pay an outstanding amount in accordance with Active's standard credit management policy due to immediate financial disadvantage; and
- › Payment of an outstanding amount would affect their ability to meet basic living needs.

Such a customer will be referred to an appropriate consumer representative organisation for further assistance. This may be necessary because a second assessment of financial hardship may need to be undertaken by an approved financial counsellor to qualify for a grant in order to be eligible for the Government's Hardship Utility Grants Scheme.

Given the range of expenses incurred by customers for basic living needs, if the customer has consulted a consumer representative for advice, Active will rely on the assessment of a consumer representative organisation when determining how to assist the customer, including consideration of alternative payment arrangements, reduction in fees, charges and debt, and payment in advance.

If the customer does not wish to consult a consumer representative organisation to assist in determining which payment arrangements would be most appropriate, Active will work directly with the customer to determine a suitable payment arrangement.

Once we received all required information, we will let you know within 7 business days whether you are eligible for assistance under our Financial Hardship Policy. If requested, Active will advise the customer of the details of the assessment it carried out and if Active is satisfied that the information provided indicates the customer is unable to pay an outstanding amount in accordance with Active's standard credit management policy without suffering immediate financial disadvantage, the customer will be assessed as experiencing payment difficulties.

If you are eligible, we will work with you to come to an arrangement that allows you to pay your outstanding charges in a way that does not worsen your financial position. Where appropriate we will discuss means with you how to limit your spend (this may include barring some service features) during the time of our arrangement and thereafter.

Once we come to an agreement, we will put this in writing via letter or email to you. You must inform us if your circumstances change (for better or for worse) during our arrangement.

We will not charge you for assessing your Financial Hardship circumstances or for administering the matter.

## DEFINITIONS

### PAYMENT DIFFICULTIES

Payment difficulties are where a residential customer experiences immediate financial disadvantage due to a change in personal circumstances such that they cannot pay an outstanding amount due for power usage.

A change in personal circumstances is defined in the Energy Retail Code to include:

- › Sudden and unexpected disability, illness of or injury to the residential customer or a dependent of the residential customer;
- › Loss of or damage to property of the residential customer; or
- › Other similar unforeseeable circumstances arising as a result of events beyond the control of the residential customer

## **FINANCIAL HARDSHIP**

Financial hardship is a more serious situation where payment of an amount for power usage would affect the residential customer's ability to meet their basic living needs or those of a dependent.

The criteria for determining financial hardship may be caused by (but is not limited to) sustained incidence of one or more of the factors listed below:

- > Loss of the customer's or family member's primary income;
- > Spousal separation or divorce;
- > Physical and mental health issues;
- > Loss of a spouse or a loved one;
- > Chronically ill child;
- > Domestic violence;
- > Budget management issues associated with a low income; and
- > Other unforeseen factors resulting in a customer's incapacity to pay, such as a reduction in income or an increase in nondiscretionary expenditure

## **PAYMENT OPTIONS**

Customers who are eligible to participate have access to one of several options below:

### **PAYMENT DIFFICULTIES**

#### ***STANDARD ASSISTANCE***

Customers that are assessed by Active as experiencing payment difficulties will be offered access to one of the following alternative standard assistance interest-free and fee-free payment arrangements:

- > Additional time to pay and/or
- > Other arrangements, such as differing intervals and/or
- > Instalment Payment Plan and/or
- > Paying for energy use in advance

For residential customers facing a state of immediate financial disadvantage, Active will temporarily suspend any disconnection and debt recovery procedures, though will not automatically waive overdue notices, reconnection or dishonour fees (where incurred) nor automatically reduce charges. However, after making an assessment Active may consider such options if it views this is warranted in the circumstances.

In offering an instalment payment plan or other arrangement to a customer or in accepting one proposed by a relevant consumer representative organisation, Active will:

- › consider information about the residential customer's usage needs and capacity to pay having regard to the period of the plan and the number and amount of each instalment;
- › ensure the plan or other arrangement specifies the period of the plan, the number, frequency and amount of each instalment, estimated consumption during the period of the plan and how the amount of the instalments is calculated (including the number of instalments to pay out any arrears);
- › ensure that the plan or other arrangement specifies whether or not the customer will be in credit or debit during the period of the plan due to seasonal fluctuations in the customer's usage;
- › offer fair and reasonable procedures to address payment difficulties experienced during the period of the plan or other arrangement, including payment in advance or arrears; and
- › provide for recalculation of the amount of the instalments where the difference between the estimated consumption and actual consumption may result in the customer being significantly in credit or debit at the end of the period of the plan or payment arrangement.

## **FINANCIAL HARDSHIP**

For customers assessed as experiencing financial hardship, Active will waive all overdue notices and reconnection or dishonour fees that relate to the customers current account and they will be offered access to the payment options outlined above for Payment Difficulties.

In offering payment options, Active generally relies on the payment plans proposed by the customer's financial counsellor as this is informed by an independent assessment of their financial situation, considering the customer's capacity to pay.

## ***TAILORED ASSISTANCE***

Customers can also be offered tailored assistance in the instance of Financial Hardship:

- › advice about payment options that would ensure repayment of arrears at regular intervals of up to one month being fully paid over not more than 2 years;
- › specific advice about the likely cost of your future energy use and how this cost may be lowered;
- › specific advice about any government and non-government assistance (including Utility Relief Grants and energy concessions) available to help you meet your energy costs;

- > practical assistance to help you lower your energy costs including, but not limited to:
  - practical assistance to help you reduce your use of energy, based on your pattern of energy use and on the circumstances of where you live, provided there is scope for action to be taken for that purpose; and
  - information about how you are progressing towards lowering your energy costs;
- > an initial period of at least 6 months during which:
  - repayment of your arrears is put on hold; and
  - you pay less than the full cost of your on-going energy use while working to lower that cost;

## **REDUCTION AND/OR WAIVER OF FEES, CHARGES AND DEBT**

Active will review each customer's circumstances on a case by case basis when considering whether to reduce and/or waive an outstanding debt. However, generally Active will waive debt only in cases of:

- > Death
- > Spousal separation
- > Domestic Violence

However, debt reduction and/or waiver may also be considered in other extenuating circumstances and will be considered by senior Active employees on a case-by-case basis on information provided to Active.

## **PAYMENT OPTIONS**

Where the customer enters into a payment plan or arrangement, Active encourages the Customer to pay via one of the following options, where applicable.

- > BPay
- > EFT
- > Cheque
- > Credit Card

## CONCESSIONS

### **VICTORIAN CONCESSION INFORMATION**

The Victorian Government has concessions and grants available for energy customers experiencing hardship of payment difficulties.

The two primary non-mains concessions and grants made available by the Victorian Government are detailed below:

#### ***NON-MAINS ENERGY CONCESSION***

You may also be eligible for a grant through the Non-Mains Energy Concession. This grant assists concession cardholders who access non-mains electricity via an embedded network.

All non-mains energy costs are covered from 1 January to 31 December each year. The amount of the rebate depends on the amount of energy purchased during that period from a non-mains energy source.

The Non-Mains Energy Concession fact sheet is available to download here: [Non-Mains Energy Concession fact sheet](#).

To be eligible for this concession you must hold at least one of the following concession cards:

- > Pensioner Concession Card
- > Health Care Card
- > DVA Gold Card

#### ***NON-MAINS UTILITY RELIEF GRANT***

You may also be eligible for a Non-Mains Utility Relief Grant.

Information on the Non-Mains Utility Relief Grant can be accessed here:

[http://www.dhs.vic.gov.au/\\_data/assets/pdf\\_file/0004/850225/URGS-mains-factsheet-April-2016.pdf](http://www.dhs.vic.gov.au/_data/assets/pdf_file/0004/850225/URGS-mains-factsheet-April-2016.pdf)

## INFORMATION ON THE COMPLAINTS HANDLING PROCESS

You may wish to make a complaint and request a review if you are not satisfied with the outcome of your Financial Hardship application. If you lodge a complaint, that complaint will be managed in accordance with Active's Compliant and Dispute Resolution Policy.

You are entitled to have your complaint internally escalated if you are not satisfied with the investigation or resolution of the complaint.

If you are not satisfied with Active's response or investigation into your complaint, you always have the option to contact the relevant ombudsman for assistance or review of the outcome of the complaint. You may find the relevant contact details below:

### **VICTORIA**

#### ***ENERGY & WATER OMBUDSMAN VICTORIA***

Freepost: Reply Paid 469, Melbourne VIC 8060

Free call: 1800 500 509

Free fax: 1800 500 549

Email: [ewovinfo@ewov.com.au](mailto:ewovinfo@ewov.com.au)

Interpreter: 131 450 - For help using an interpreter

National Relay Service: 133 677 - For help using this service visit NRS