

Attachment 1 - DRAFT Water and Wastewater Charging Policy - SVC-ENG-PO-105-01

Policy Title	Water and Wastewater Charging Policy
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1. STRATEGIC PURPOSE

Snowy Valleys Council provides water supply and wastewater collection services to the community; these services are funded by users through annual access and quarterly usage charges.

Access and usage charges aim to recover the cost of providing these services and to raise the income necessary for the long term financial sustainability of the water supply and wastewater businesses, including investments in new and replacement infrastructure.

This policy establishes the circumstances under which the access and usage charges are applied, including fire services, and presents the options available to customers in the event of an account dispute and/or where there is an undetected water leak or exceptional water loss.

2. POLICY STATEMENT

The policy provides for water supply and wastewater access and usage charges to be recovered from property owners.

This policy applies to all properties within the water supply and wastewater benefit areas of Snowy Valleys Council, irrespective of whether lots are connected to the water supply and/or wastewater collection systems.

3. DEFINITIONS

Term	Definition
Fire Service	A water service used for fire fighting purposes. The fire service can either be stand alone or it may be part of a shared service.
Water or Wastewater benefit area	The service area of towns as generally defined by, but not limited to, developer servicing plans, and also includes all lots within 75m of a wastewater main and/or 225m of a water main, irrespective of whether the lots are connected to the Council wastewater and water systems.
Inspection Opening (IO)	An access point to the wastewater system, too small for human access, which allows for the inspection, testing and clearing of blockages in a wastewater service pipe. The IO defines the point of connection and responsibility.
Water Supply Point of Supply	An access point to the water supply system. Generally the point of supply on the water supply system is a water meter or valve. This point of supply defines the connection point and responsibility.

4. CONTENT

The provision of water and wastewater services, including operations and maintenance activities, asset renewals and upgrades is funded by income from users through water and wastewater access and usage charges.

Infrastructure required to service developments is funded by developers through construction costs and headworks (developer) charges; these charges are not covered in this policy.

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4.1 PROPERTY OWNER AND COUNCIL RESPONSIBILITIES

4.1.1 Property Owner Responsibilities

Property owners are responsible for the following matters:

- All water usage as recorded on the water meter/s servicing their property;
- The appropriate monitoring of water consumption and the undertaking of checks to identify water leaks, this includes checking stop-valves on water meters to assure that these are in working order at all times;
- Where water leaks are detected or suspected, the prompt engagement of licensed plumbers to undertake repairs;
- All costs associated with the maintenance and replacement of water pipes and fittings from the outlet of a water meter and within their property;
- The responsible use of water. Willful or negligent waste, misuse or inaction to repair a leak may result in the installation of a water restriction device at the point of water supply.
- The maintenance and replacement of wastewater services on the property side of the inspection outlet (IO);
- The management of stormwater on the property to ensure stormwater does not enter the wastewater network. It is illegal to connect or direct stormwater to the wastewater network.

Note: Council provides some options to assist customers with undetected water leaks or exceptional water loss, please refer to Sections 4.9 and 4.10.

4.1.2 Council Responsibilities

Council is responsible for the following matters:

- Reading meters and issuing water and wastewater notices, as applicable, for customers each quarter;
- Promptly notifying customers when meter readings clearly suggest that a water leak may be present at a property, such that customers may investigate and arrange corrective action. Council attempt to identify potential leaks based on previous meter reads, however not all leaks can be easily identified. Council will re-read all suspected leak accounts and record all notifications against customer water accounts. A "Water Meter – Works Notice" may be left at the property if there is suggestion of a leak following a meter reading or other site inspection.
- The maintenance of water mains, service lines and meters up to the outlet of water meters;
- The maintenance of wastewater service lines between the IO and a wastewater main, typically addressed in response to customer blockage complaints;
- The supply and fitting of water meter assemblies and/or wastewater junction cut-ins, within the water and wastewater service areas, in response to approved connection applications;
- The replacement of water meters, where these are determined to be faulty, not limited to:
 - Inaccuracy outside plus or minus 4%;
 - Leaking, either at or before the water meter;
 - Vandalisation;
 - Frost damage;
 - The meter is not working;
- Where damage to a water meter or IO has been caused by customer negligence, the customer will be responsible for all costs associated with replacing the water meter or repairing the IO; otherwise, the meter or IO will be replaced at no cost;

- Where it is determined that maintenance work on a water or wastewater connection is impeded by owner negligence and/or a building structure over the meter or IO, restoration costs are to be borne by the property owner;
- Where work on a water or wastewater connection is required and such work interferes with and/or requires the alteration of private property (except for impediment as above), the restoration works will be carried out as far as possible to the original condition or by mutual agreement with the owner to an alternate condition;

4.2 WATER METER READINGS

Water meter readings are accepted as final for the purpose of measuring water consumption, subject to the water meter not being defective.

Where meter readings suggest a water leak within the property; Council will re-read the meter at no cost to customers for confirmation purposes.

4.3 WATER CHARGES

Water charges comprise a two part tariff in accordance with *NSW Government Best-Practice Management of Water Supply and Sewerage Guidelines*. The two part tariff consists of the following charges:

- **Usage Charge (UC)** - a single step charge per kilolitre for quarterly water consumption; applies to both residential and non-residential customers.
- **Access Charge (AC)** - Residential - a flat charge issued annually at the commencement of the financial year; applies for each installed meter at a property*.
- **Access Charge (AC)** - Non-Residential - a flat charge issued annually at the commencement of the financial year; access charges are determined by the size of the water meter. As per best-practice requirements, the access charge for non-residential charges is determined as follows, where AC20 is the access charge (\$) for a 20mm non-residential service, D is the diameter (mm) of the meter, and with rounding per Council rules:

$$AC = AC20 \times D^2/400$$

Water usage charges are determined by multiplying the measured quantity of water used, less any approved concessions, by the water usage charge listed in Council's Fees and Charges Schedule.

The measured quantity of water is the difference in meter readings between the current quarter and the previous quarter, measured in kilolitres.

Access and usage charges are included in Council's Fees and Charges Schedule and Revenue policy, as published each financial year.

* For residential and non-residential community title, strata, flats, dual occupancies and vacant properties, please refer to section 4.5 for additional comments.

4.4 WASTEWATER CHARGES

Wastewater charges comprise a two part tariff in accordance with *NSW Government Best-Practice Management of Water Supply and Sewerage Guidelines*. The two part tariff consists of the following charges:

- **Usage Charge (UC)** - The usage charge is applied to non-residential customers only. Where there is no meter to measure wastewater discharge, the usage charge is determined using the customer's total water consumption multiplied by a wastewater discharge factor and the charge rate.

$$UC = WC \times WDF \times R$$

Where,

WC = Water consumption (kilolitre)
WDF = Wastewater Discharge Factor, 0.6 for all diameters.
R = Charge per kilolitre

For properties with wastewater meters, charges are determined from the volume as recorded by the wastewater meter.

- **Access Charge (AC)** - Residential - a flat charge issued annually at the commencement of the financial year; applies for each installed meter at a property*.
- **Access Charge (AC)** - Non-Residential - a flat charge issued annually at the commencement of the financial year; access charges are determined by the size of the water meter. As per best-practice requirements, the access charge for non-residential charges is determined as follows, where AC20 is the access charge (\$) for a 20mm non-residential service, D is the diameter (mm) of the meter, and with rounding per Council rules:

$$AC = AC20 \times D^{2/400}$$

* For residential and non-residential community title, strata, flats, dual occupancies and vacant properties, please refer to section 4.5 for additional comments.

4.5 RESIDENTIAL AND NON-RESIDENTIAL COMMUNITY TITLE, STRATA, FLATS, DUAL OCCUPANCIES AND VACANT PROPERTIES

Further to Sections 4.3 and 4.4, each strata title, flat, dual occupancy and vacant property within the water and wastewater service areas are treated as a single assessment and will each be charged the standard residential access charge as set in the Fees and Charges Schedule.

Where a master meter is located upstream of individual lots which are metered, the difference between usage charges for the individual lots and the master meter will be charged to the Owners Corporation or equivalent. Where individual lots are unmetered, all use will be charged to the Owners Corporation or equivalent.

Where individual lots are unmetered, and a master meter is used, access charges will be determined as the lower of (a) the number of individual unmetered lots at the 20mm access charge rate and (b) the master meter size access charge.

4.6 LIQUID TRADE WASTE CHARGES AND TANKERED WASTE

Liquid Trade Waste charges shall apply to all non-residential properties in accordance with the Liquid Trade Waste Policy SVC-ENG-PO-035. The charges for liquid trade waste including tankered waste are set in the annual Fees and Charges Schedule.

4.7 WATER AND WASTEWATER ACCOUNTS / BILLING**4.7.1 Water Usage Accounts**

Water notices are issued quarterly for the water usage between meter readings. Each water account will be determined based on the number of kilolitres passing through the relevant property's water meter, with charges as set in the annual Fees and Charges Schedule. Water access charges are issued with the general rates notices.

4.7.2 Wastewater Usage Accounts

Wastewater usage charges are issued on the water notices, where applicable. Wastewater access charges are issued with the general rates notices.

4.7.3 Payment of Accounts and Interest Charges

All accounts are required to be paid in full 30 days after the date of issue; failure to pay will result in follow up actions in accordance with the Council Debt Recovery Policy SVC-FIN-PO-086; this may result in the installation of a flow restriction device at the point of water supply.

4.7.4 Financial Hardship Relief.

Requests for assistance by ratepayers citing hardship circumstances shall be made in writing to Council; please refer the Rates Hardship Policy SVC-FIN-PO-085 for further information.

4.7.5 Pensioner Rebates / Donations

Other than subsidies payable by the Department of Local Government, no other financial assistance is provided to pensioners.

4.7.6 Home Dialysis Rebate

Requests for home dialysis rebates can be made to Council, customers can lodge an application form, please refer to the Dialysis Rebate Policy SVC-FIN-PO-060 for further information.

4.8 SPECIAL METER READINGS

Further to the quarterly meter reads, customer may request special meter reads, subject to the completion of an application form, Special Meter Reading Form - SVC-FIN-F-062, and payment of the applicable fee, as per the Fees and Charges Schedule.

Special meter reads shall be requested as follows:

- **For the Sale of Property:** applications for a special meter reading for the sale of a property shall be made to Council for the issuing of a final water notice;
- **For Other Purposes:** Any extraordinary meter readings for any other purposes will incur the same fee, even if a final water notice is not required.

4.9 DISPUTED METER READINGS

Where a quarterly meter reading indicates a higher consumption than for a previous billing period, Council will re-read the water meter as part of its quarterly meter reading operations at no cost to a customer.

If a customer believes their water meter may be faulty, an application form, *Water Meter Testing Application Form SVC-ENG-F-179*, can be submitted. Council will arrange for testing of the water meter upon payment of the meter test fee, as per the Fees and Charges Schedule.

Water meter readings are deemed to accurately measure the quantity of water, if they register within four (4) percent more or less than the correct quantity of water, per Local Government (General) Regulation 2005.

If testing reveals a meter to inaccurately measure the quantity of water, council will amend the water account and refund the meter testing fee as follows:

- a) Determine the amended consumption using the average daily rate for the corresponding meter reading periods in the previous three years;
- b) Refund the meter testing fee;
- c) Where wastewater usage charges apply, reduce this consistent with the reduction applied to water consumption (a);

Further to the above, defective meters will be replaced at Council's expense. A leak on the Council side of a water meter will not affect the usage recorded on the meter.

Council will not reduce a water billing account that is incurred as a result of water leaks on the customer side of the water meter; however, customers may lodge an application, *Water Leak Rebate Application Form SVC-FIN-F-175*, for circumstances where there is an undetected leak or an exceptional water loss, subject to satisfying the criteria as stated in Section 4.10 and as included on the form.

4.10 UNDETECTED LEAK OR EXCEPTIONAL WATER LOSS

Property owners are responsible for all water usage within their property. Council may provide a rebate where there is a significant increase in water use, subject to the following:

- a) An application is to be made to Council using the *Water Leak Rebate Application Form, SVC-FIN-F-175*, indicating that a leak was either (i) undetected or (ii) there was an exceptional water loss;
 - i. An undetected leak is a leak which is unable to be detected by visible inspection, and which may require the assistance of a licensed plumber to locate. The leak has no visible sign of water loss and could not have reasonably been detected by the customer.
 - ii. Where excess consumption is not attributed to a water leak, and which is a result of unauthorised water use or activity, a rebate will only be considered under special circumstances. The customer must include evidence of unauthorised water use or activity, including a police report, documentation demonstrating absence from the property, along with the inability to make an insurance claim to cover the water consumption.
- b) The application form must be received within two months of the water account being issued or within two months of a Council employee notifying the customer of a suspected leak, whichever occurs earlier;

- c) The applicant must be the owner of the premise for which the application applies;
- d) For an undetected leak:
 - a. The water leak must be hidden from view, for example, under a concrete driveway or a building. Water leaks in paddocks, yards, and gardens are typically detected through visual inspection and will not generally be considered for a rebate. Evidence of a yard or paddock leak include green patches of grass and/or boggy ground;
 - b. The leak must be determined and confirmed as being undetected by a licensed plumber;
 - c. The leak must have been repaired within 40 days of the water usage account being issued or within 30 days of a "Water Meter – Works Notice" being left at the property.
 - d. A licensed plumber has completed the repairs and a copy of the receipt/invoice and a statutory declaration from the plumber, outlining the repairs, has been obtained by the property owner. The statutory declaration must describe the nature of the leak and confirm the repair. The receipt/invoice and statutory declaration must be included with the application to Council.
- e) The water consumption for an undetected leak or exceptional loss request must be significant. Consumption is considered to be significant where the water usage for the period is 1.5 times greater than the average water usage for the corresponding meter reading period for the previous three years, subject to a minimum of 50 kilolitres.
- f) Adjustments will be limited to a maximum of 100% of the excess relative to the last three years, with an upper limit of 1000 kilolitres. In the event of a rebate being applied, all applicable interest accrued since the issue of the water account will be waived;
- g) A rebate will be granted for the previous billing period of an undetected leak and includes the current billing period up to the date of repair.
- h) Where undetected water leaks concessions are applied, wastewater charges for non-residential properties shall be reduced to the daily rate equal to the average daily consumption during the corresponding meter reading periods for the previous three years.
- i) Where an undetected leak rebate has been provided in the previous five years, a concession will not be approved;
- j) Authority is delegated to the CEO, or alternate authorised Council delegate, to appraise and authorise adjustments in accordance with this policy;

Note: Under S637 of the Local Government Act 1993, a person who willfully or negligently wastes or misuses water from a public water supply is guilty of an offence and may be fined unless they are able to prove that the waste was not within their knowledge. Willful, negligent waste, misuse of water or inaction to repair a leak may also result in the installation of a water restriction device at the point of water supply.

4.11 INTERNAL FIRE SERVICES

All internal fire services shall be metered and must include appropriate back flow prevention devices, in accordance with Council's backflow and cross connection prevention policy.

An annual access charge will be levied for all fire service lines connected to the water supply system. The access charge will comprise either a 20mm water connection for independent fire services, irrespective of size, OR the actual meter size, where the fire service is part of a shared service, that is also used as the main water supply for a premise.

Where a water meter has not been installed, Council may instruct the owner to upgrade the connection. If the works are not undertaken in the specified timeframe or the connection presents a risk to public health, Council may undertake the works as a matter of urgency with costs recovered from the property owner.

Water usage charges will apply for all water consumption through fire services, except where water has been used for fire fighting purposes, subject to the following conditions:

- The customer shall contact Council within fourteen days of a fire to notify that fire hose reels, hydrants and/or sprinkler systems have been used for fire fighting purposes;
- Council will arrange for the water meter to be read as soon as possible after being notified of such use;
- No charge will be levied for the water consumed between the last meter read date and the Council meter reading following the fire notification.

The testing of fire service lines is not exempt from user charges. Furthermore, use of the fire service is restricted to fire fighting purposes, testing and maintenance as required for the ongoing operation of the fire service connection. The fire service is not permitted for any other use except where the connection is a shared service.

4.12 EDUCATION

Wherever possible, information shall accompany the water notices to explain Council's charges and to assist customers with checking for leaks and conserving water.

4.13 EXCLUSIONS

4.13.1 Water and Wastewater Headworks (Developer) Charges

This policy does not cover the application of water supply and wastewater headworks or construction charges.

Developers fund the construction of new assets required to service their development, and contribute to the capacity upgrades of the existing system, where required, to accommodate the additional demand from their development.

Section 64 of the Local Government Act 1993 provides that Council may require a contribution from developers towards the cost of water and wastewater management works, i.e. headworks, where Council has developed a Developer Servicing Plan (DSP) prepared in accordance with the *Developer Charges Guidelines for Water Supply, Sewerage and Stormwater*.

4.13.2 Water and Wastewater Connection Charges

This policy does not cover charges for water and wastewater connections, including the installation of meters, services and the extension of mains.

4.13.3 On-site Sewer Management Devices

This policy does not cover charges related to septic tanks and other on-site sewer management (OSSM) devices.

4.14 EMPLOYEE RESPONSIBILITIES**Employees**

Under supervision, the appropriate Council officers are responsible for ensuring that this policy is implemented within their work area, after having received the relevant training to do so.

Executive / Management

Shall oversee the implementation of this policy.

4.15 REVIEW

Council reserves the right to review, vary and/or revoke this policy. The policy should be reviewed periodically to ensure it remains relevant and appropriate.

5. ASSOCIATED LEGISLATION

Associated legislation includes (but is not limited to):

- Local Government Act 1993
- Local Government (General) Regulation 2005.

6. ASSOCIATED COUNCIL DOCUMENTS

Associated Council documents include (but are not limited to):

- Special Meter Reading Form – SVC-FIN-F-062;
- Water Leak Rebate Application Form – SVC-FIN-F-175;
- Water Meter Testing Application Form – SVC-ENG-F-179;
- Water Meter Works Notice Form – SVC-ENG-F-137;
- Debt Recovery Policy – SVC-FIN-PO-086;
- Hardship Assistance Application Form – SVC-FIN-F-125;
- Arrangements to Settle Accounts Policy – SVC-FIN-PO-084;
- Arrangements to Settle Account Form – SVC-FIN-F-126;
- Complaints Management Policy – SVC-COR-PO-037;
- Rates Hardship Policy – SVC-FIN-PO-085;
- Rates & Annual Charges Protocols – SVC-FIN-PR-050;
- Dialysis Rebate Policy – SVC-FIN-PO-060;
- Liquid Trade Waste Policy – SVC-ENG-PO-035;
- Backflow and Cross Connection Prevention Policy – SVC-ENG-PO-112;
- Revenue Policy;

7. HISTORY

Date	Action	Name	Policy Number	Resolution Date	Resolution Number
23/07/2013	Superceded	Sewer Water and Water Meter Policy.(Leaks etc) (Former Tumbarumba Shire Council)	TSC-COR-PO-073-0	26/09/2013	M191
30/07/2020	For Public Exhibition	Water and Wastewater Charging Policy	SVC-ENG-PO-105-01	30/07/2020	OPS13/20
17/09/2020	Adopted No Submissions	Water and Wastewater Charging Policy	SVC-ENG-PO-105-01	n/a	