

POLICY OBJECTIVE

To guide Council's decision-making on the extent of, and the conditions under which, a reduced water account may be offered to Property Owners who have received unusually high-water use charges due to a 'Concealed Leak'. This reduction is defined as a 'Leak Allowance'.

SCOPE

This policy applies to all requests for a reduction in water charges from customers using potable water provided by Edward River Council (ERC) in the area of Deniliquin who receive a metered supply of water to residential and non-residential property.

It applies to accounts that will have used less than 1,250 kilolitres over a twelve (12) month period.

This policy applies to ERC staff delegated to consider applications for a reduction in a water account due to a Concealed Leak.

It allows delegated staff to only waive the 'step-up' increase in price per kilolitre (KL) as set out in Councils current Fees and Charges. Pricing on water charges 'steps-up' from tier 1 to tier 2 per KL once an account exceeds 800 KL over the 12-month billing period.

POLICY STATEMENT

Principles

Council is responsible for repairing water leaks on council-owned infrastructure up to and including the water meter.

The Council is not responsible for diagnosing and/or repairing water leaks in the pipes carrying water from the water meter onto the owner's property. These and any associated water damage from such a leak remain the sole responsibility of the property owner.

The property owner is responsible for reporting an unusually high-water bill to Council for consideration under this policy. Council is then responsible for investigating whether usage is historically high and in excess of expected 'Average Consumption'.

Subject to any Council resolution approving the reduction in a water account under this policy, the property owner is responsible for the payment of the water account in full including consumption related leaks.

Applicability

Council will only consider a request for a reduction of a water account due to a water leak where:

- the leak was a concealed leak;
- an AMR device is installed on the meter at the property;
- the property owner took all reasonable steps to ensure the leak was repaired as soon as possible; and
- the leak was repaired by a licensed plumber with the necessary certificate completed.

Financial Implications

The following is an example for the calculation of a 'Leak Allowance' discount that would be applicable under this policy. This example uses water pricing as at September 2019.

Example:

Water charges are \$0.99 per kilolitre (KL) for the first 800 KL (tier 1 pricing) and \$1.41 per KL thereafter (tier 2 pricing). If a concealed leak at a property used the full difference between the 800 KL in tier 1 pricing and the policy cap of 1,250 KL, then the owner would be able to apply for a concession of \$189 (1,250 less 800 x \$1.41 less \$0.90) under this fee structure.

By charging the tier 1 rate for all water, Council will be recouping its costs in providing the service. However, in these cases it would forego the extra \$189 in potential revenue.

Limitations and Exclusions

- Customers can only apply for one (1) allowance per owner per property every five (5) years.
- A completed 'Leak Allowance Application Form' must be submitted (with a copy of the Licensed Plumbers Invoice) within 30 days from the date of repair.
- Any reduction in a water account, as a result of a decision by Council, will be limited to six (6) months of water consumed immediately prior to the date of the property owner's application being received by Council.

Delegated Staff

- Finance Manager
- Director Corporate Services
- General Manager

ASSOCIATED POLICIES AND PROCEDURES

DEFINITIONS

AMR Automatic Meter Reading Device

Average Consumption The average of the past three years actual water consumption for the property. The Council Officer then to use AMR data to ascertain whether there has been a material and unusual spike during the latest billing period.

Concealed Leak A leak that has occurred within the property in the main water supply pipe from the water meter to the primary constructed structure where the leak was not apparent, and the occupant was not aware of its existence and could not reasonably be expected to be aware of its existence

POLICY VERSION CONTROL

Title	Leak Allowance Policy			
ECM Doc Set ID	85069			
Date Adopted	30 November 2019			
Council Minute No.	2019/10/239			
Responsible Officer	Director Infrastructure			
Version Number	Modified By	Modifications Made	Date modified and Approved by Council	Council Minute Number
3	Manager Finance	Draft for Executive Management Team Review	N/A	N/A
4	Manager Finance	Updates required by Executive Management Team for Councillor Workshop	N/A	N/A
5	Director Corporate Services	Changes to Policy ownership at request of Director Infrastructure	N/A	N/A
6	Director Corporate Services	Council Meeting for Adoption	24 Oct 2019. On public exhibition from 1 Nov 2019 to 29 Nov 2019	2019/10/239