



CONCEALED WATER LEAKAGE CONCESSION

Summary:

The purpose of this policy is to outline Council's requirements for allowing a concession for excessive water use caused by a concealed leak and the methodology for calculating the amount of the concession Council will provide if the application for a concession is approved.

Policy Number	1.037
File Number	N/A
Document version	V1.0
Adoption Date	28 November 2018
Approved By	Council
Endorsed By	Executive Management Team
Minute Number	281/18
Consultation Period	N/A
Review Due Date	November 2021 – 3 years
Department	Finance & Technology
Policy Custodian	Manager Finance & Technology
Superseded Documents	Nil
Related Legislation	Local Government Act 1993; Tenterfield Shire Council Fees & Charges; Writing Off of Debts Policy; AS 3500 - Australian Standards 3500.1: Plumbing and Drainage.
Delegations of Authority	Manager Finance & Technology Chief Corporate Officer

1. Overview

This policy arose following numerous requests from ratepayers for relief from excessive water consumption charges as a result of concealed leaks.

Investigations into practices adopted by other Council's to deal with this situation found it to be common practice to provide a level of relief where a large water consumption charge is generated as a result of a concealed water leak.

It is acknowledged that some water leaks may be undetectable and it is these concealed leaks that this policy relates to, not leaks caused by appliances which should be able to be readily detected and rectified.

2. Policy Principles

Council policy is to grant a “one-off” financial relief, in the form of an account adjustment and/or extended repayment period, to customers with substantially higher than usual water consumption charges and sewer discharge charges (applicable for non-residential ratepayers only) caused as a result of concealed water leaks.

2.1 Application Criteria

- 2.1.1 The property was occupied at the time the leak occurred.
- 2.1.2 The property is not currently under water restrictions and / or legal proceedings for the non-payment of previous water accounts.
- 2.1.3 The concealed water service leak was in a location that was not readily visible or apparent (e.g. below ground, under a concrete slab, in a wall cavity, etc.).
- 2.1.4 The increase in water consumption due to the concealed leak must be substantial. An increase in excess of 100% of the normal water consumption is considered to be substantial.
- 2.1.5 Normal consumption will be determined by historical consumption data for the occupant/s (if relevant) or alternative methods at the discretion of Council’s Chief Executive or nominated delegate. (average water use will generally be determined using two (2) previous equivalent billing periods).
- 2.1.6 The Concealed Leak was repaired by a fully licensed plumber within **14 days** of an occupant/property owner or authorised representative being notified by a Council Officer of an increase in water usage. Notification may include the delivery of a ‘High Water Consumption’ letter to the owner of the property or verbal notification from Council Officers.
- 2.1.7 Applications for water account adjustment must be made using Councils’ “Application for Water Account Adjustment (Concealed Leak)” with a licensed plumber certifying:
 - a) The date the water service leak was repaired.
 - b) The location of the concealed water leak and the reason why the leak was not readily detectable (providing photographic evidence to Council if requested).
 - c) The repair was completed to meet AS 3500 standards.
 - d) The entire water service at the property was inspected and meets AS 3500 standards. Specifically, this means that a pressure test was conducted on the water service with no

further leaks found at the property, as per AS 3500.1 (16.3.1) "Water services shall not show any leakage when subjected to hydrostatic pressure of 1500 kPa for a period of not less than 30 minutes".

- e) The likely cause of the water leak.
- f) The water meter reading immediately after the repair had been completed. The application must be completed and lodged with Council within 21 days of the repair being completed. Late applications may be accepted at the discretion of the Chief Executive or authorised delegate.

2.1.8 Customers must lodge a completed "Application for Water Account Adjustment (Concealed Leak)" to Council within 21 days of the repairs being completed, stating:

- a) The date the occupier (or property owner/managing agent) of the property became aware, or was notified, of a possible water leak at the property.
- b) The date a licensed plumber was engaged to locate and repair the leak.
- c) The applicant understands and accepts that no further requests for account adjustment will be considered for the property for a minimum period of either five (5) years (if the property is residential) or ten (10) years (if the property is non-residential).
- d) The applicant grants permission for Council Officers to conduct an inspection of the property to verify that the water service leak was of a concealed nature and that repairs meet required standards (if Council requests such an inspection).

2.1.9 If the application is not approved, the property owner (or authorised representative) will be advised in writing and granted 30 days from the date of this advice to either pay the Water Account in full or enter into a suitable payment arrangement with Council.

2.1.10 If the application is approved, the property owner (or authorised representative) will be advised in writing that payment of the adjusted Water Account is required in full within 30 days of the date of this advice.

2.1.11 No water account adjustment will be considered if the "Application for Water Account Adjustment (Concealed Leak)" or any other required documentation is found to be incomplete or false.

2.1.12 No water account adjustment will be considered for leaking fixtures or water using appliances, such as:

- Taps
- Toilets
- Hot water systems (including solar)
- Irrigation systems
- Rainwater tanks or associated valves

- Air conditioners
- Dishwashers
- Washing machines
- Fridges
- Water features
- Swimming pools or spas

2.1.13 No water account adjustments will be considered for a leak caused by wilful, accidental or negligent damage to a water service.

2.1.14 Council will not reimburse or make any contribution towards associated plumbing costs for either the location or repair of a concealed water service leak.

2.1.15 Full discretionary decision-making authority to approve a water account adjustment which does not meet the requirements of this policy remains with the Chief Executive noting that the threshold at which a request for approval needs to be referred to Council is as per Councils Writing off of Debts Policy.

2.2 Adjustment Guidelines – providing application criteria has been met

2.2.1 Calculation of Concession – Water Consumption only Residential & Non-Residential:

Step1 - Determine Average Water Use (KL)

Average water usage will be determined using two (2) previous equivalent billing periods). Eg 250 KL + 230KL = 480KL /2 =240KL

Step 2 - Deduct the above from the total Water use amount subject to the leakage

Eg If the bill including the leak was 900KL then the amount of KL a concession would be applied to equals 900KL-240KL = 660KL. This is the amount of KL to be written off not the amount to be charged. The amount to be charged is the average of 240KL

Step 3 - Multiply the amount of consumption subject to a concession by the appropriate rate

Eg 660KL X either the tier 1 or tier 2 amount depending on where total consumption for the year is at the time of applying the concession. This is the amount written off the consumers account.

Assuming this is in the first billing period 660KL is the concession amount.

In other words, the new bill will be for 240KL at the appropriate tier level.

2.2.2 SDF & Trade Waste –Non residential

a) Water Loss not entering Council’s Sewerage System

For non-residential properties where a concealed water leak has also increased sewer and trade waste usage charges, but where the water loss was not deemed to be entering Council’s sewer system, the adjustment to sewer and trade waste usage charges will be 100% of the difference between the charges recorded on the water account issued immediately prior to the concealed water leak being repaired and the average of these charges (average sewer and trade waste usage will generally be determined using two (2) previous equivalent billing periods).

b) Water Loss entering Councils Sewerage

For non-residential properties where a concealed water leak has also increased sewer and trade waste usage charges and the water loss was deemed to be entering Council’s sewer system, the adjustment to sewer and trade waste usage charges will be 50% of the difference between these charges recorded on the water account issued immediately prior to the concealed water leak being repaired and the average of these charges (average sewer and trade waste usage will generally be determined using two (2) previous equivalent billing periods).

- 2.2.3** If the property that an adjustment is being provided for is not occupied by the owner then separate correspondence, including information on how to check for water leaks, will be sent to the occupant/s of the property.

3. Policy Objectives

This objective is to provide guidelines for managing accounts adjustments and / or payment extensions for the payment of excessive water consumption generated as a result of concealed water leaks.

4. Policy Statement

This Policy provides some relief to excessive water bills that may arise as a result of concealed water leakages.

5. Scope

This policy applies to all water customers of Tenterfield Shire Council in Tenterfield, Jennings and Urbenville.

6. Accountability, Roles & Responsibility

Elected Council

To approve Council Policies

Chief Executive, Executive and Management Teams

To determine relevant sub delegations.

Management Oversight Group

Not Applicable

Individual Managers

Manager Finance & Technology is responsible for this Policy.

7. Definitions

Concealed Water Leak – Water leaking from plumbing, on private property, that is hidden from view and generally underground. Water leaks in paddocks, yards and gardens are generally detectable by finding lush grass or saturated ground.

Loss of water from faulty fixtures and fittings such as taps and toilet cisterns or appliances such as dishwashers are not considered to be concealed water leaks.

Water Account – an account issued by Council for water related usage charges. Non-Residential properties are also charged for sewer and trade waste usage charges via the Water Account where these services are applicable.

8. Related Documents, Standards & Guidelines

Local Government Act 1993

Tenterfield Shire Council Fees & Charges

Writing Off of Debts Policy

AS 3500 - Australian Standards 3500.1: Plumbing and Drainage

9. Appendices

Application for Water Account Adjustment (Concealed Leak)

10. Version Control & Change History

Version	Date	Modified by	Details
V1.0	28 November 2018	Council	Adoption of Original Policy