



URBIS

RESTRICTED WATER CUSTOMER RESEARCH

**PREPARED FOR SOUTH
AUSTRALIAN COUNCIL OF SOCIAL
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ACRONYMS

ABS	Australian Bureau of Statistics
CALD	Culturally and linguistically diverse
CAP	Customer Assist Program
ESCOSA	Essential Services Commission of South Australia
ESC	Essential Services Commission Victoria
‘SA Water’	South Australian Water Corporation
SACOSS	South Australian Council of Social Service
SAFCA	South Australian Financial Counsellors Association
URG	Utility Relief Grant

ACKNOWLEDGEMENT

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EXECUTIVE SUMMARY

In South Australia, water retailers can restrict the flow of water to residential households following the non-payment of bills. A total of 258 residential customers in South Australia had their water restricted in 2015-16. While this number is small, water restriction often impacts vulnerable individuals and families who are going through periods of significant financial stress and hardship, further exacerbating the situation. Research undertaken for this report also found that in many instances restriction is a distressing experience that negatively impacts individuals' emotional wellbeing and forces them to make significant sacrifices in their daily routines.

The experience of restriction prompted most households with their water restricted to contact SA Water. Many customers going through periods of financial hardship spoke highly of the available supports and wished they were aware of SA Water's Customer Assist Program (CAP) *prior* to a restriction occurring, including bill payment support.

This research revealed an opportunity to increase awareness of available supports early in the cycle of financial stress and hardship, to further reduce the number of households who face restriction each year. This includes efforts to proactively engage with customers who are vulnerable to periods of financial hardship, as well as efforts to ensure customers are made aware of available supports when they first experience difficulties paying their bills. Efforts to engage customers at this early stage will also help to limit debt accrued.

In addition to this, there is an opportunity to enhance support offered to those customers currently experiencing hardship and facing restriction. This includes ensuring these customers know what to expect from a restriction, are not left restricted for long periods of time, are made aware of the full scope of available supports and, where appropriate, are supported to access additional services beyond bill payment support.

An overview of the key findings and recommendations is outlined below.

Pathways to restriction:

- Customers often displayed low levels of financial resilience in the face of unforeseen life events and financial shocks.
- It was common for customers to respond to periods of financial hardship by 'burying their head in the sand' and ignoring bill reminders and notices.
- A lack of available funds meant that many customers were forced to prioritise their bills and work out which liabilities they would pay off first. In some instances, customers believed that SA Water was unable to cut off their water and consequently deprioritised this bill.
- Several customers contacted SA Water either in the lead up to restriction or during an earlier period of financial hardship. Despite this, most of these customers were not placed on payment plans at that time.

The experience of restriction:

- Most customers were not at home when their water restriction commenced.
- Although many customers knew they had fallen behind on their bills and, in some instances, were avoiding their mail, the experience of restriction still came as a shock.
- The experience of restriction often heightened the stress that many customers were already feeling, as well as triggered a range of negative emotions, such as feelings of shame, helplessness and embarrassment.
- There was significant variation in customers' reported access to water after restriction. While most customers indicated they experienced a reduced flow, others didn't notice any change, while others reported their water had been completely cut off.
- The level of water access strongly influenced customers' experience of restriction. While life remained the same for a small number of customers who noticed no change to their water supply, most people were forced to adapt to deal with the effects of restriction.

- Some customers found the experience of restriction to be ‘empowering.’ This was because it triggered them to take action and contact SA Water.

Pathways out of restriction:

- After experiencing a restriction, many customers called SA Water either straight away or within a week of the restriction commencement to arrange a payment plan.
- Customers who called SA Water following a restriction typically found them to be understanding, sympathetic and very helpful when it came to arranging an appropriate payment plan.
- Several customers delayed contacting SA water, living with a restricted water supply for long periods of time. This was primarily because customers did not feel they had any funds available to contribute to a payment (even on a payment plan), and/or were not aware of available bill payment supports.
- The primary support provided to customers was bill payment support. In a limited number of cases, customers had also either received or been made aware of other available supports, including free water efficiency checks and referrals to financial counsellors.
- Beyond bill payment supports, which most people only became aware of following a restriction, customers were not often aware of the different supports that are available to them.
- A number of customers observed that they wished they had known about the available supports prior to a restriction taking place.

Recommendations to strengthen support to customers at risk of water restriction

1. Build on the success of SA Water’s Early-intervention Program

With a 75 per cent response rate, SA Water’s Early-intervention Program has been incredibly effective in reaching an otherwise hard to reach cohort.¹ The organisation could build on this success, by:

- expanding the Early-intervention Program to other council regions with customers that are likely to have low levels of financial resilience and be at risk of restriction,
- regularly reviewing the council regions targeted by the Early-intervention Program to ensure it is reaching those customers who are most likely to experience hardship, and/or
- replicating the use of plain envelopes when sending support materials to customers who are already in arrears. Similar to the Early-intervention Program, support materials could be sent to customers in a separate envelope to a customer’s bill reminders and/or notices. Separating the two may help to minimise the sense of hesitancy that some customers displayed around reaching out to SA Water, particularly given many of these customers believed the only path out of restriction was to make a full payment.

¹ Under the Early-intervention Program, SA Water proactively sends information on their Customer Assist Program to customer living in low socio-economic council regions.

2. Review materials to ensure messaging promotes customer understanding and engagement with the available supports	<p>Despite receiving letters and notices, many customers were not aware of the supports available to customers experiencing financial hardship and, as a result, often delayed contacting SA Water. When customers eventually spoke to a representative, they were often surprised by how understanding and helpful they were.</p> <p>Materials should be reviewed to ensure that the language is clear and clearly communicates a supportive tone, particularly when it comes to prompting customers to contact SA Water to discuss available supports. This could also include the use of infographics to visually demonstrate the available supports.</p>
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Recommendations to strengthen support to customers experiencing water restriction

3. Provide additional information at the time of restriction to ensure customers understand what to expect from a restriction	<p>The research revealed that customers do not always have a clear sense of what to expect from the restriction process, including how much water will be available for use. This was a source of additional stress at a time when customers were often already vulnerable and experiencing periods of significant financial hardship.</p> <p>Moving forward, additional information could be provided to customers at the time of a restriction that clearly outlines the restriction process and the impact it will have on a household's water use.</p> <p>It will be particularly important to inform customers that their water flow should only be restricted, and to provide contact details for customers to use if their water supply has been completely cut off.</p>
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4. Increase customer access to wrap-around supports, particularly financial counselling	<p>Many customers reported they still had low levels of confidence when it came to their ability to manage their water bills moving forward.</p> <p>While several customers noted they would now feel comfortable calling SA Water if ever they were falling behind on their bills, there is an opportunity for SA Water to play a proactive role and increase customers' awareness and access to the available wrap-around support services. Access to financial counselling for example, can help to ensure that customers continue to meet their commitments under their payment plans and avoid repeat experiences of restriction.</p>
5. Review the process for identifying customers who have had their water restricted for two weeks or more	<p>Several customers waited two or more weeks before contacting SA Water after a restriction and arranging for their water to be restored. During this time, they were often forced to make significant sacrifices in their daily routines, such as avoiding having friends and family visit due to feelings of shame and embarrassment.</p> <p>To limit these impacts and safeguard customers from long periods of restriction, SA Water could consider reviewing their processes to ensure their policy of customers automatically having their water restored is adhered to.</p>

Recommendations for advocacy and policy improvement

6. Increase awareness of the available supports, including by partnering with key organisations that come into contact with customers at risk of restriction	<p>The research suggests that customers who are at risk of, or currently experiencing, restriction are not always aware of the wide-ranging supports that are available to them. An opportunity exists to increase awareness of the available supports.</p> <p>At a broader level, this could be achieved by working with key organisations who come into contact with those at risk of restriction to develop proactive promotion strategies and build clear referral pathways to available supports. Potential organisations to strengthen engagement with include government support agencies (e.g. Centrelink), charities and community service providers.</p> <p>Introducing multiple referral pathways into the CAP and other supports, will help to ensure that customers at risk, or currently experiencing, restriction do not fall through the cracks.</p>
7. Undertake further research to identify effective program learnings from other jurisdictions and utility providers	<p>Early research undertaken as part of this project identified effective hardship programs and community outreach initiatives being undertaken to support customers in Victoria, including initiatives by government, water retailers and other organisations.</p> <p>There is the potential for significant value to be gained from further research into the policies and practices currently being applied in other jurisdictions, with the view to identify initiatives that can be used to enhance support for vulnerable customers in South Australia. These include limiting individual debt through early engagement with customers who are experiencing periods of financial hardship.</p>

1. INTRODUCTION

Background

There is a growing body of work to understand the impact of residential disconnection from electricity, particularly the experiences of individuals and families. Limited research has been conducted into residential restriction from water and sewerage supply.

In 2015-16, 258 households had their water restricted by SA Water.² While this represents a small proportion of SA Water's total customer base (0.038 per cent), the South Australian Council of Social Service (SACOSS) recognised that these households likely comprise some of the most vulnerable individuals and families living in South Australia.

In response, SACOSS commissioned Urbis to undertake research to better understand the profile of people who have had their water restricted, as well as the impact restriction had on their lives. Through a series of in-depth interviews with customers and key stakeholders, this report also seeks to identify opportunities to strengthen and enhance support provided to those who have had, or are at risk of having, their water restricted.

By primarily seeking feedback from customers, this report aimed to give customers being restricted from residential water and sewerage supply a voice.

Research objectives

The research was guided by three key objectives:

- profile restricted residential water and sewerage customers in South Australia, and customers at risk of restriction,
- identify the impacts of water and sewerage restriction on residential customers, and

- identify the causes of residential water and sewerage restriction, and effective ways to support customers restricted from residential water and sewerage supply.

Research Methodology

This report is informed by in-depth interviews with 24 SA Water customers who either have been, or are currently, restricted from residential water and sewerage supply. The research was focused on home owners in South Australia, who were residing in their homes at the time of restriction.

In stage one of the process, interviews were undertaken with restricted water customers over the telephone from June to August 2017. Interviews ran for 30-45 minutes each.

The interview recruitment process was supported by SA Water who sent letters inviting their customers to contact Urbis on a toll-free number if they wished to take part. Participation was voluntary, and customers who shared their experiences were given \$80 to thank them for their time and contribution. Customers' personal details were not shared with SACOSS or SA Water.

All interviews were recorded for analysis purposes. A thematic analysis was undertaken, in which interviews were reviewed iteratively to identify key themes and perspectives. Five cases studies were selected based on these themes and are presented in this report.

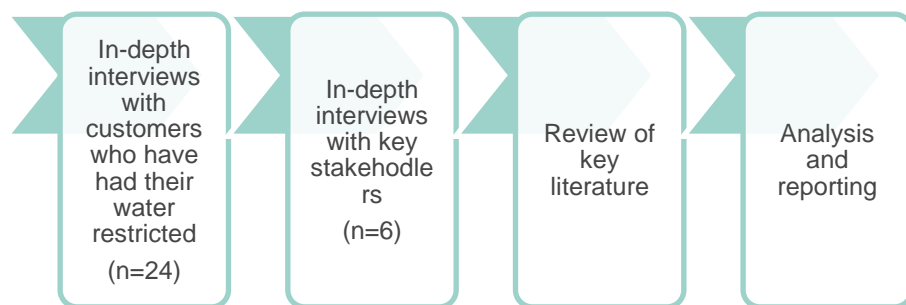
To better understand the context of restriction, an additional six interviews were undertaken with representatives from key organisations that are either involved in residential water restriction policy and regulation and/or providing support to households vulnerable to restriction. Interviews were conducted in August and September 2017, and comprised both telephone interviews of 30-45 minutes (n=5), as well as one written response.

² Essential Services Commission of South Australia. (January 2017) SA Water Regulatory Performance Report 2015-16. ESCOSA, South Australia. p.12.

The five organisations represented in these additional interviews included - SA Water, the Essential Services Commission of South Australia (ESCOSA), the South Australian Financial Counsellors Association (SAFCA), Yarra Valley Water and the Essential Services Commission (ESC) Victoria.

These stakeholder interviews were further supported by a review of key policy documents, as well as data provided by SA Water.

Figure 1 – Research methodology



Limitations

This research is largely focused on qualitative interviews with customers who have had their water and sewerage supply restricted. While it provides depth of understanding with regard to these customers' experiences, it does not necessarily provide generalisable data that is representative of all peoples' experience of restriction.

Terminology

The word customer/s is used in this report to refer the individuals who were interviewed as part of this research project.

2. POLICY CONTEXT

Essential Services Commission of South Australia

As part of its consumer protection role, ESCOSA developed the Water Retail Code ('the Code').³ The Code provides clear guidelines for all major retailers to follow, including regulations pertaining to the experience of water restriction. Notably, under the provisions of the Code, retailers are only able to restrict, and not completely disconnect, the supply of water to a home for a non-payment of bill/s.⁴ Additionally, a restriction can only take place under certain circumstances, such as where a customer has not paid a bill or agreed to a flexible payment plan.⁵

All retailers must have a hardship policy

Under the Code, all retailers must have a hardship policy in place within three months of obtaining their retail licence.⁶ Retailers may either adopt the existing residential customer hardship policy, which was developed by the Minister in accordance with the *Water Industry Act 2012*, or they can submit their own, modified policy to ECOSA for approval.⁷

Steps retailers must take before a restriction

Before a retailer can restrict the flow of water to a customer who has failed to pay their bills, they must fulfil a range of preconditions. Of particular relevance to this report, retailers are required to:

- use their "best endeavours" to personally contact the consumer e.g. by phone, mail, or visiting the property
- provide the customer with information regarding their hardship policy, including assessing the customer's eligibility to access hardship support/s
- offer the customer a flexible payment plan

- provide the customer with information regarding government water concessions, including referring the customer to the appropriate organisation for accessing these
- provide the customer with a written restriction warning which provides 5 business days' notice of its intention to restrict their water
- alert the customer to the industry ombudsmen scheme.⁸

At a policy level, there is a strong emphasis on ensuring retailers make every effort to connect with customers who experience hardship, work with them to arrange an appropriate payment plan and, ultimately, ensure active steps are taken to avoid restriction.

³ Essential Services Commission of South Australia, 'Water Retail Code – Major Retailers' (January 2013) WRC-MR/01, South Australia.

⁴ Ibid p.55.

⁵ Ibid pp.53-55.

⁶ Ibid p. 7

⁷ Ibid p.7.

⁸ Ibid pp. 53-55.

SA Water Corporation

According to representatives from SA Water, and in line with the Code, SA Water only restricts residential customers from water and sewerage supply as a final effort to recoup outstanding bills. That is, restriction is viewed as a last resort. The organisation's restriction policies are designed to ensure that multiple attempts are made to engage with customers experiencing hardship before a restriction occurs.

Steps SA Water takes before a restriction

The key steps SA Water takes to engage customers before a restriction are outlined in Figure 2 below.

Figure 2 – Key steps SA Water takes to engage customers



Bill reminders

Bill reminders are sent to customers in the post in a SA Water branded envelope. These reminders alert customers to their overdue bills. Customers are invited to contact SA Water's Customer Care team if they would like to discuss their account or a payment plan.



Demand letter

A demand letter / final bill reminder is sent in the post in a SA Water branded envelope. The letter alerts customers to the possible course of action if their bill is not paid. This includes overdue payment fees, a site visit by a debt collector, or referral to a collection agency. Customers are also invited to contact SA Water if they are having difficulty making payments.



House visit

Customers receive a house visit from an external debt collector who is contracted by SA Water. The aim of the site visit is to engage the customer, explain the available payment options and, where appropriate, assess and

assist the customer to access SA Water's hardship program. Site visits are conducted throughout business hours.

The debt collector is required to leave an information pack that includes details on SA Water's hardship program, as well as state government concessions. The pack also includes a letter outlining why the site visit has occurred and warns customers restriction will occur if they do not contact SA Water within two weeks. Customers are invited to call SA Water if they are having difficulties making payments.

In the lead-up to a house visit, debt collectors also send up to two letters informing customers of the collectors' role in working with SA Water.

Restriction



If a customer has not contacted SA Water within two weeks of the house visit, the debt collector is re-engaged to restrict the customers' water supply. The debt collector will leave a letter informing the customer to contact SA water on a phone line that is designated to dealing with water and sewerage restrictions.

Where a customer is identified to be experiencing hardship, they will be connected to SA Water's Customer Care Team. Stakeholders noted that individuals working in the Customer Care Team are empowered to work with the customer to arrange an appropriate payment plan that the customer will be able to meet. Some members of the team are trained financial counsellors.



Restoration of water

Once a customer has contacted SA Water to make a payment arrangement, their water is restored within 24 hrs. If a customer has not contacted SA Water within two weeks, SA Water will arrange for their water to be restored. Restorations are undertaken by SA Water's alliance partner, who also undertakes their maintenance work.



Note: Where possible, SA Water also will also try and call customers prior to a restriction. However, the effectiveness of this proactive outreach depends on whether SA Water already has the customers' contact details.

Of critical importance, SA Water “largely relies on customers identifying themselves as experiencing financial hardship,”⁹ and contacting the organisation to arrange support. While SA Water obtains the names and postal addresses of new residents through the Land Titles Office, they only have access to other contact details – such as phone numbers and emails - if the customer has contacted the organisation and provided these in the past.

Stakeholders identified this as a key challenge, as it limits the potential avenues through which SA Water can engage customers who are at risk of restriction. The success of new communication techniques, such as SMS reminders for example, often relies on customers having already provided SA Water with their contact details. This limitation assumes added significance in light of the common pathways to restriction outlined below; namely, customers often avoided their mail during periods of hardship, and were not home when site visits occurred. Given many customers noted they hadn't experienced a restriction, or this level of financial hardship in the past, it is likely many may not have had a reason to call SA Water before.

Customer Assist Program

SA Water provides support to customers experiencing financial hardship through their Customer Assist Program (CAP). The program includes a range of support activities, including payment plans, assistance applying for concessions, free home water efficiency checks and free infrastructure repairs for those who cannot afford a plumber.¹⁰

SA Water's Hardship Policy for Residential Customers, which aligns with the policy developed by the Minister, provides further details on the supports available to customers experiencing financial hardship. This includes a positive commitment on the part of SA Water to arrange a “flexible” and “realistic” payment option that considers “a customer's usage, capacity to pay and current financial situation.”¹¹

Indicators used to assess whether a residential customer is eligible for hardship assistance include, but are not limited to:

- the customer is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
- the customer is eligible for a South Australian Government concession
- the customer has been referred by an accredited financial counsellor or welfare agency
- the customer has previously applied for emergency relief (irrespective of whether or not their application was successful)
- the customer's payment history indicates that they have had difficulty meeting their retail services bills in the past
- the customer, through self assessment, has identified their position regarding their ability to pay¹²

SA Water's most recent Annual Report reveals that “during 2015-16, SA Water helped over 5,000 residential customers through the CAP with 1,504 customers successfully completing the program.”¹³ In this same period, 241 customers also received “free water audits or emergency plumbing help.”¹⁴ For the period customers are a part of the CAP, they are exempt from any site visits and restrictions.

⁹ Essential Services Commission of South Australia. (January 2017) SA Water Regulatory Performance Report 2015-16. ESCOSA, South Australia. p.12

¹⁰ South Australian Water Corporation. SA Water Customer Assist Program. SA Water, South Australia. Retrieved from https://www.sawater.com.au/__data/assets/pdf_file/0009/17388/SA-Water-Customer-Assist-Brochure.pdf.

¹¹ South Australian Water Corporation & the Government of South Australia. SA Water Hardship Policy for Residential Customers. SA Water, South Australia. p.4. Retrieved from: https://www.sawater.com.au/__data/assets/file/0015/9141/hardshippolicyrescustomers.pdf.

¹² Ibid.

¹³ South Australian Water Corporation. South Australia Water Corporation Annual Report: for the year ending 30 June 2016. (2016). SA Water, South Australia. p.16.

¹⁴ Ibid.

Early-intervention Program

In addition to these communication efforts with individuals, SA Water also runs an Early-intervention Program that targets households in low socio-economic council regions. SA Water proactively send brochures and information on their hardship supports to customers in these areas. Importantly, the materials are sent in a blank envelope, which stakeholders described as “non-threatening” and visually distinct from the bill reminders and other notices sent out by SA Water, which customers may choose to avoid.

Interviews revealed the Early-intervention Program, which targets around 5,000 households each year, has been very effective, with around three quarters (75 per cent) of the customers targeted contacting SA Water after receiving the postal materials. This high response rate provides SA Water with a good opportunity to capture customer contact details. Some customers may also subsequently enter the CAP.

Notably, stakeholders indicated around 60 per cent of the customers involved in SA Water’s CAP reside in three of the council regions targeted by the Early-Intervention Program: Salisbury, Onkaparinga and Playford (including Elizabeth and Munno Para).

Other jurisdictions

Responding to planned price increases, in 2013, the Essential Services Commission (ESC) in Victoria allowed metropolitan water retailers to collect additional revenue totalling \$5.25 million on the provision that the funds be put towards activities that increased customers’ awareness of available hardship supports.¹⁵ The decision was a response to consultations which highlighted that price increase would most likely impact vulnerable, low income households, many of whom have not experienced difficulties paying their water bills before and may be unaware of the available supports.¹⁶

The initiative has been subject to a three-year review, with this third and final annual report (2015-16) indicating overall improvements in customers’ awareness and use of a number of support services.¹⁷ For example, across the three-year period there was increased usage of payment extensions (22 per cent) and instalment plans (20 per cent), as well as an increase in the

number of applications for Utility Relief Grants (URG) (82 per cent).¹⁸ URGs are government grants for residential customers experiencing difficulties paying their utility bills due to temporary financial stress. Under the scheme, “customers receive a maximum of \$500 within a two-year period.”¹⁹

Activities that retailers identified as contributing to these changes ranged from proactive mailouts in vulnerable areas, to internal system and process changes to identify customers who are behind on their bills early. Other examples of activities undertaken by retailers under the initiative included:

- community outreach activities e.g. attending conferences for financial counsellors, running programs within schools and establishing information stands at community events and within support organisations such as Centrelink
- internal training to build capacity and assist customer-facing staff to effectively identify and provide support to customers who may be experiencing periods of significant financial stress
- outreach and support targeted at vulnerable cohorts e.g. delivering presentations at organisations that support people from culturally and linguistically diverse (CALD) backgrounds and programs that recognise the impact that domestic and family violence has on people’s ability to pay their water bills.²⁰

While it is beyond the scope of this review to identify the impacts of programs occurring in other jurisdictions, there is value in further research to identify effective programs and learnings that may be applied in South Australia to strengthen supports to vulnerable households.

¹⁵ Essential Services Commission. Review of Hardship Measures Taken by Metropolitan Water Businesses 2015-16 Report. (December 2016). ESC, Victoria. p.iv.

¹⁶ Ibid p.1.

¹⁷ Ibid.

¹⁸ Ibid p.iv.

¹⁹ Ibid p.5

²⁰ Ibid.

3. RESEARCH SAMPLE

Figures 3 and 4 provide an overview of the customers interviewed as part of this research study.

Figure 3 – Snapshot of customers interviewed

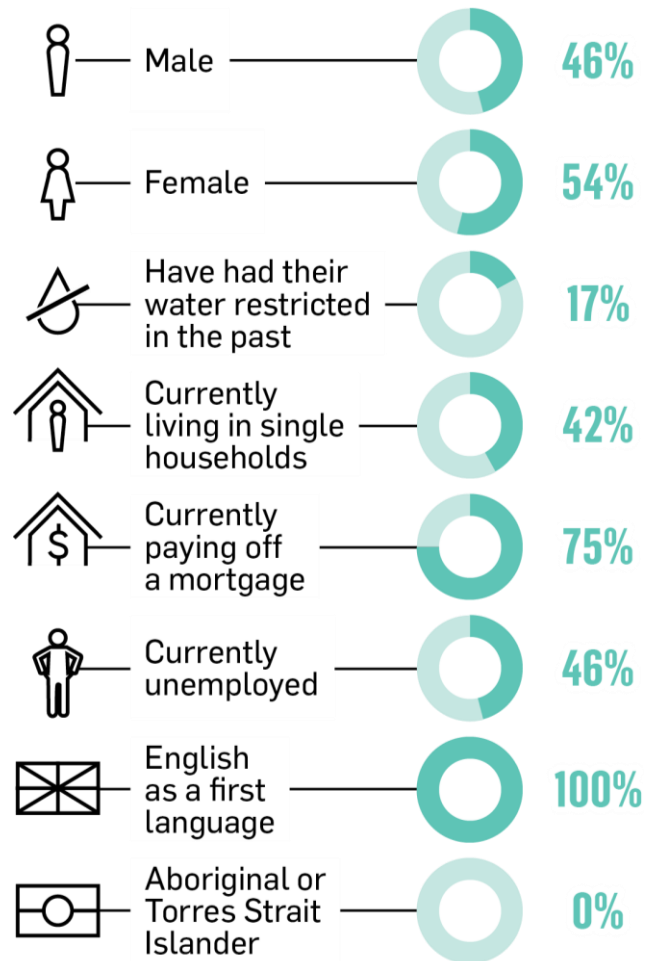
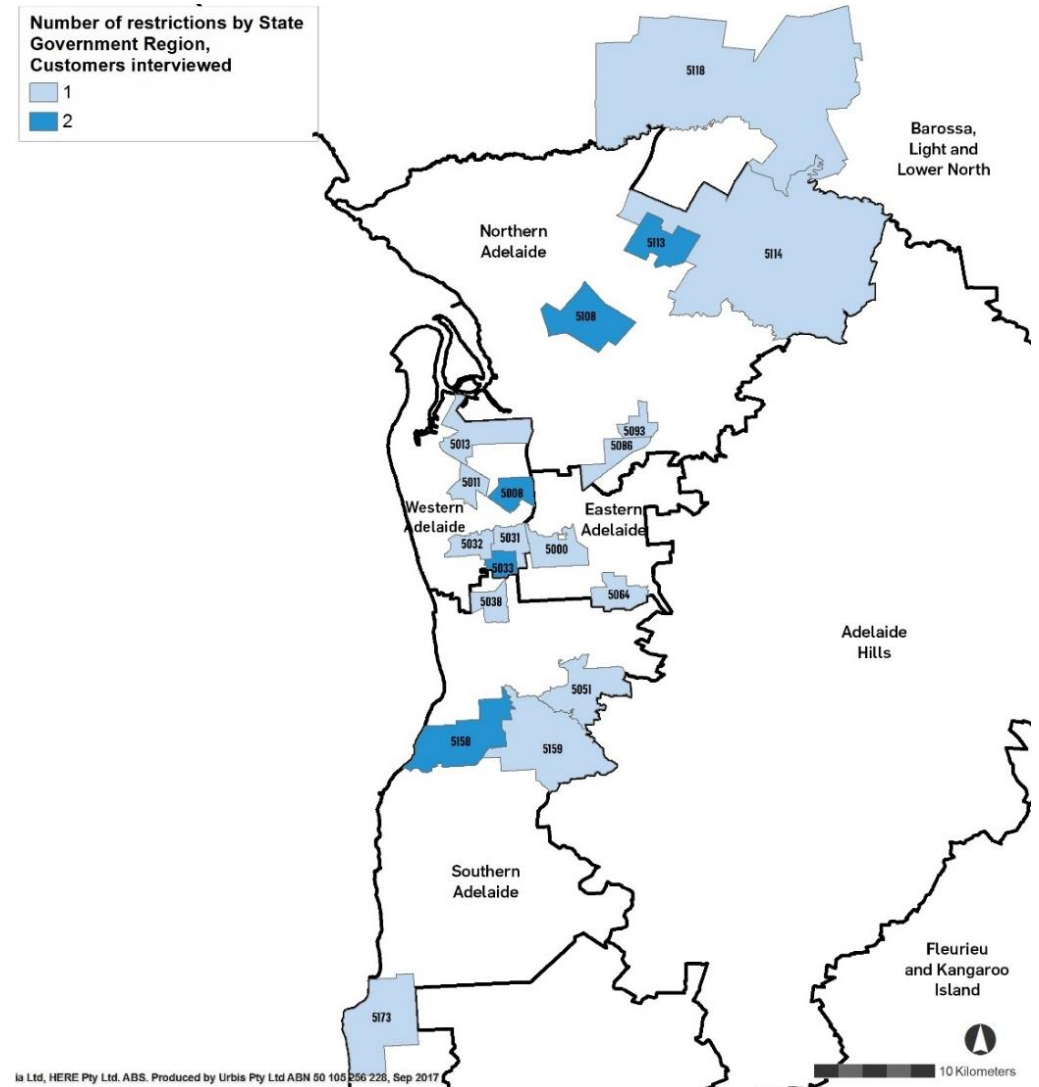


Figure 4 – Number of restrictions by postcode, among customers interviewed



State government regions with the highest number of residential restrictions

The research sample broadly aligns with data available on the state government regions with the highest number of water restrictions across 2015-17. In both samples, the top three regions where restriction occurred were: Northern Adelaide, Southern Adelaide and Western Adelaide. Almost all of the restrictions occurred in these three State Government Regions across 2015-17 (84 per cent) and in the research sample (88 per cent).

Table 1 – Total number of households restricted from water and sewerage supply, South Australia 2015-17²¹ (see Figure 6)

State Government Region	Total number of households restricted	% of total number of households restricted
Northern Adelaide	228	42.0%
Southern Adelaide	142	26.2%
Western Adelaide	85	15.7%
Eastern Adelaide	52	9.6%
Barossa, Light and Lower North	26	4.8%
Adelaide Hills	7	1.3%
Fleurieu and Kangaroo Island	2	0.4%
Far North	1	0.2%
Grand Total	543	100%

Table 2 – Total number of households restricted from water and sewerage supply, among customers interviewed (see Figure 7)

State Government Region	Total number of households restricted	% of total number of households restricted
Western Adelaide	8	33.3%
Northern Adelaide	7	29.2%
Southern Adelaide	6	25.0%
Eastern Adelaide	2	8.3%
Barossa, Light and Lower North	1	4.2%
Fleurieu and Kangaroo Island	0	0%
Adelaide Hills	0	0%
Far North	0	0%
Total	24	100%

²¹ Data provided by SA Water (2017)

Figure 5 – Number of restrictions by State Government Region, South Australia
2015-17

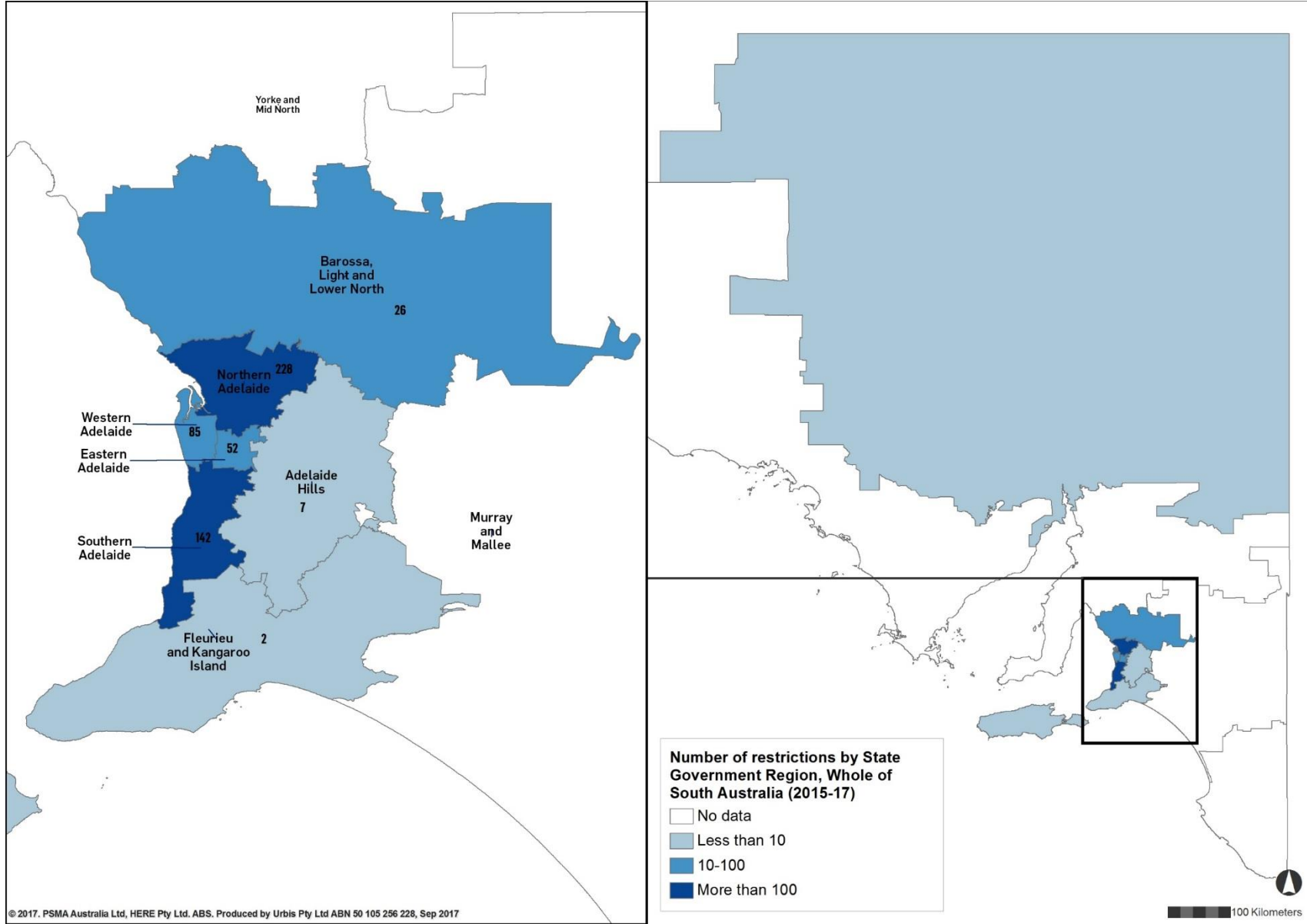
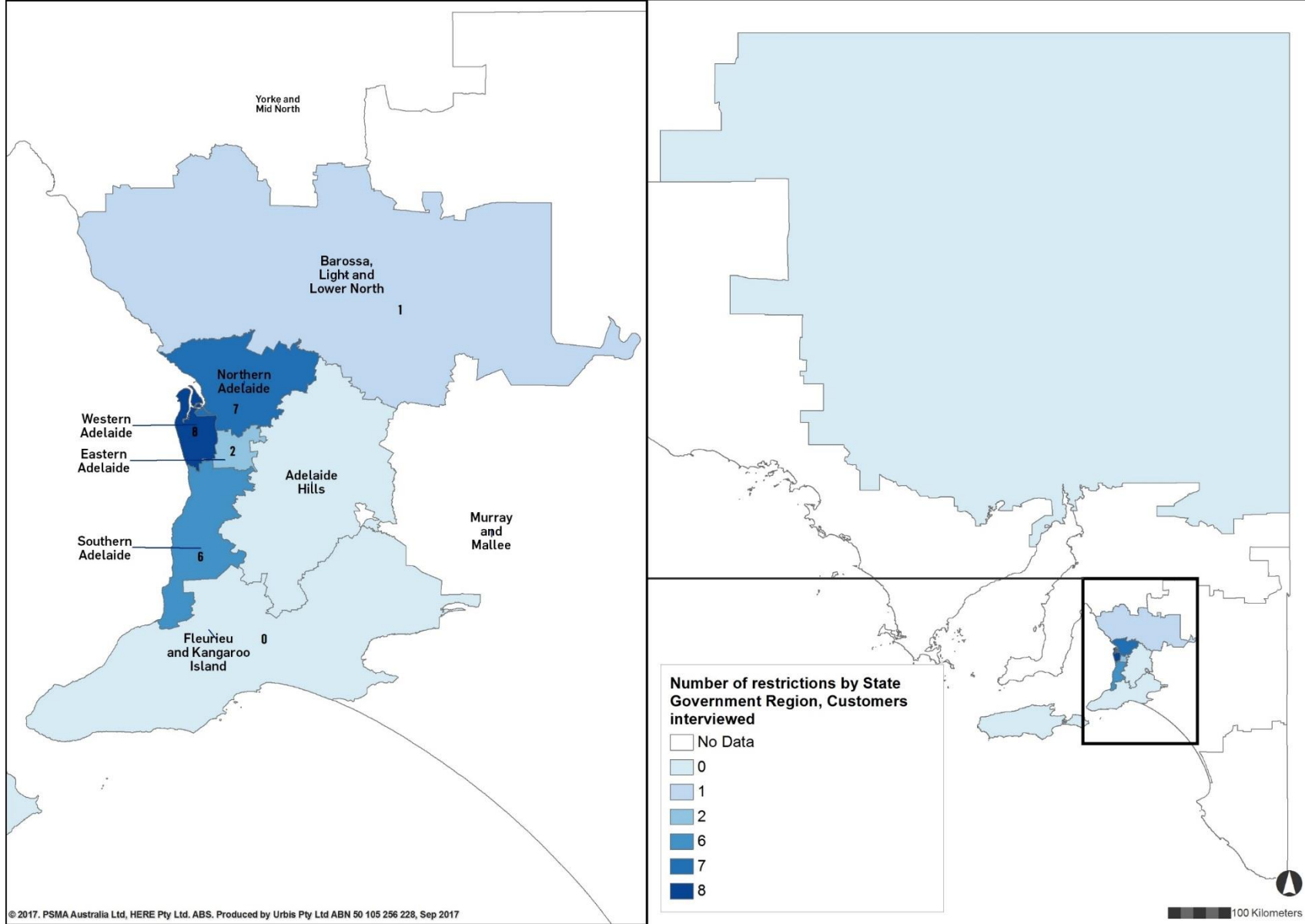


Figure 6 – Number of restrictions by State Government Region, among customers interviewed



4. PATHWAYS TO RESTRICTION

Customers often displayed low levels of financial resilience in the face of unforeseen life events and financial shocks.

A recent report revealed “more than one in ten Australians aged 18 and over experience severe or high financial stress/vulnerability.”²² The report sought to conceptualise and understand the experience of financial resilience in Australia, which was defined as “the ability to access and draw on internal capabilities and appropriate, acceptable and accessible external resources and supports in times of financial adversity.”²³

Financial resilience was seen to encapsulate an individual’s access to economic resources, including having adequate savings and/or the ability to raise funds in response to an emergency.²⁴ These resources act as a buffer and support people to ‘bounce back’ from financial shocks.

Financial resilience is particularly an issue for South Australians. Recently released House Expenditure Survey data by the Australian Bureau of Statistics (ABS) revealed 15.6 per cent of South Australians were unable to raise \$2,000 in a week for something important, compared to 13.3 per cent nationally, giving South Australia the second highest proportion on this financial stress indicator among all States and Territories.²⁵

Many of the SA Water customers who took part in this research experienced low levels of financial resilience. They appeared to be vulnerable to financial shocks that made it difficult for them to pay their bills and meet their basic living expenses. While some customers indicated they had been “*trucking along nicely*” and had never experienced this level of hardship before, others spoke about previous experiences of hardship, as well as ongoing financial stress.

Based on this, two key cohorts emerged from the interviews - those who had a history of hardship (around half of the customers indicated they had

previously been restricted from either water and/or electricity and gas) and those for whom hardship was a new experience.

Prior to a restriction, customers interviewed commonly experienced an unforeseen life event that led a reduction in their income and/or an increase in their expenses. They often had limited savings and lacked the adaptive capacity to respond to the financial pressures caused by these events. As a result, they found it increasingly difficult to meet their financial commitments, including basic living expenses such as their water and electricity bills.

While there was no uniform experience or groups of experiences, common life events identified in the interviews are outlined in Table 3 below. In many instances, these life events were intertwined. Ill-health for example, triggered significant medical expenses, as well as a reduction in work hours.

Table 3 – Life events found to trigger financial stress

Life event	Overview
Experience of physical ill-health and injury	<p>Several customers noted they became unwell or were injured in the lead up to a restriction. Unforeseen medical expenses, as well as time away from work, resulted in financial pressures.</p> <p>While some customers experienced short-term illness and injury, others suffered from chronic diseases that are a source of ongoing financial strain.</p> <p>In some instances, customers’ ill-health also created challenges managing bills. At least two customers noted they had been going in and out of hospital at the time, which made it difficult to keep up with their bills and arrange payments.</p>

²² NAB and the Centre for Social Impact. (August 2016). Financial Resilience in Australia 2015. NAB and the Centre for Social Impact, Sydney. p.24.

²³ Ibid p.5.

²⁴ Ibid.

²⁵ Australia Bureau of Statistics. (September 2017). Household Expenditure Survey, Australia: Summary of Results, 2015–16, Table 11.3, Financial Stress Indicators, States and Territories. ABS. Canberra,

Life event	Overview
Experience of mental ill-health	<p>The experience of mental ill-health was also found to contribute to financial stress, with several customers describing the difficulties they experienced managing their bills and finances during periods on reduced mental health.</p> <p>As one customers living with a range of mental health issues observed, <i>"...all we had to do was ring up the company and just say what our situation was. And I couldn't even do that. I couldn't make a phone call, because I was just so low mentally, emotionally."</i></p>
Reduced work hours and unemployment	<p>A reduction in work hours, as well as short and long-term unemployment were also cited as events that contributed to financial stress in the lead up to a restriction.</p> <p>One customer who had taken time out from work to study, found it difficult re-enter the workforce. <i>"My finances started to dwindle and I became just in a mess financially... to a point where I was forced to sell my home."</i></p>
Receipt of multiple, often unforeseen, bills and expenses	<p>Customers identified receiving multiple bills and expenses as a source of financial pressure, particularly when they were unexpected and/or occurred at the same time. Other outstanding bills commonly cited included utilities, mortgage repayments and council rates.</p> <p>A single mother who was forced to take time off work to care for her unwell child explained that having her car registration and council rates <i>"due at the same time"</i> caused financial strain. Similarly, another customer observed that having multiple bills due was a source of <i>"anxiety in the back of my mind, not just SA Water, also parking fines not paid, car registration reminder letters."</i></p>
Shift from a dual to a single income	<p>Shifting from a dual to a single income household proved to be a cause of financial hardship for several customers. Reasons cited for this shift included</p>

Life event	Overview
	<p>divorce, separation, loss of a partner, and unemployment.</p> <p>One customer had to wait a <i>"long time"</i> to receive any benefits from Centrelink after she became a single parent to three children. Her funds began to quickly decline and she <i>"fell behind"</i> on several payments. Similarly, things became <i>"really tight"</i> for another customer when his wife finished a contract and was unable to gain a new job immediately. The couple, who also have three children, found it difficult to meet all their expenses.</p>

It was common for customers to respond to periods of financial hardship by 'burying their head in the sand' and ignoring bill reminders and notices.

In the face of mounting financial pressure and stress, many customers started to ignore their bill reminders or stop opening their mail altogether. This was often because they were dealing with other significant life events at the time and/or believed they lacked the funds to deal with the situation.

"Because of the situation I was in and the emotional place I was in, I just couldn't deal with that sort of thing at that time... so [I] ignored them... I had a sense I'm struggling and I'm starting to drown in all the things I need to do."

Bills and reminders were frequently cited as a source of added stress. Many customers were already acutely aware of the fact they had fallen behind, but simply lacked the ability to make any payments. As one customers noted,

"Letters are good, but when you're in a bad financial situation it's kind of easy just to either throw them in the bin and not open them, or shove them in a draw, because it just adds to the pressure that you're under. You already know that you're behind and know that you have to pay this bill"

Several customers also noted they either didn't know where to turn, or had been too embarrassed to seek support. While a few customers identified that charities and community service supports may have been a helpful resource, they didn't always feel like they were at a point where they needed this assistance and noted stigma around utilising these supports.

As a result of inaction, customers' overdue bills continued to accrue. Based on those customers who could recall the amount or approximate amount outstanding on their bill at the time of restriction, the average overdue payment was approximately \$1,650.

A lack of available funds meant that many customers were forced to prioritise their bills and work out which liabilities they would pay off first. In some instances, customers believed that SA Water was unable to cut off their water and consequently deprioritised this bill.

In the lead-up to a restriction, customers typically had a number of outstanding bills they were struggling to meet. While they would have preferred to pay these all at once, limited funds meant that they were instead forced to continually prioritise their bills and make difficult decisions about which bills they would pay and when. Several customers explained it felt as though they were constantly *"robbing Peter to pay Paul"* in an attempt to manage their bills as best as possible.

"Sometimes, you know, it's a bit of a juggle... [you have to] pay the one that you think is going to be the highest priority"

"I've had to choose which bills to pay"

Unlike electricity disconnection, some customers believed that water retailers were unable to cut off the supply of water to their homes. Reasons for this belief included advice given from friends, experiences *"growing up poor,"* and a shared sentiment that retailers recognised water was an essential resource and the impact of a restriction on households would be too big. *"[Y]ou generally don't get your water turned off."*

Several customers contacted SA Water either in the lead up to restriction or during an earlier period of financial hardship. Despite this, most of these customers were not placed on payment plans at that time.

Several of the customers interviewed had contacted SA Water either prior to the restriction or during a previous experience of financial hardship. While some of these customers had been pointed in the direction of government concessions and/or water efficiency checks, they typically were not placed on a payment plan at this time.

A few of these customers had found it difficult to arrange a payment plan they felt comfortable with, particularly in terms of feeling confident they had the capacity to meet the regular repayments. In at least one instance, a customer signed up to a payment plan knowing they would be unable to make the first instalment.

Reflecting on these experiences, a small number of these customers noted their engagement with SA Water had not always been helpful. As will be explored below, this is at odds with the experiences that most customers had after a restriction. While an initial experience contacting SA Water *"left a bad taste"* in one customer's mouth, by the time they called SA Water after a restriction they felt the organisation had definitely been through an *"overhaul and improved their processes."*



Sam lives with his girlfriend in his house in the city. He had been working as a carpenter, but recently lost his job. Sam is currently unemployed and in the process of applying for support from Centrelink as he continues to search for new employment.

Recently, Sam began to receive letters from SA Water informing him that he had fallen behind on his water bill and that he was at risk of restriction. Sam's water bill was not the only debt that he was facing at the time. With limited funds available, Sam was forced to prioritise his bills.

Unlike some of his other utilities, Sam was under the impression that water does not get cut off. This stemmed from his understanding that providers recognise that water is essential, as well as his experience growing up in disadvantage.

The letters that Sam received included suggestions to contact SA Water, however he didn't see any benefit in calling them - he knew he could not commit to any payment at the time. He put the bill to the bottom of the pile until he had additional funds.

While at times Sam has ignored his water bills, this is not something that he has wanted to do. He is careful with his spending and although he has been forced to de-prioritise his water bill, he explains that it is still way above any social activities such as going to the movies with friends.

Sam returned home one day to find a letter informing him that his water had been restricted. Despite this, he didn't observe any change to either the pressure or availability of water in his home. Sam's water meter is difficult to reach and he's unsure how anyone would have been able to reach it. At the time of the interview, Sam still had not noticed any effects from the restriction, and was yet to contact SA Water or pay off his bill.

The process of constantly needing to prioritise bills can be overwhelming and stressful. At times, Sam can feel quite helpless. While this is the first time that he has experienced this level of financial hardship in his adult life, he reflects that it was a common experience during his childhood, in which his family often experienced difficulties meeting their bills.

Sam believes that employment is on the horizon. As soon as he has money to spare it will go straight to paying off his remaining bills.



A few years ago, Kate (61 years) developed chronic lung disease. Kate was living with her eldest son at the time, and the diagnosis meant that it was increasingly *“hard”* for her *“to work and maintain everything.”* At the time, her son was also unemployed.

It was during this time that Kate began to fall behind on her water bills. She had been going in and out of hospital and wasn't receiving any payments from her employer. As Kate recalls, *“it was just very tough times. I had been in and out of hospital and there just wasn't any money coming in and I just couldn't afford to pay the water bill. I just couldn't do it.”*

Kate's outstanding water bill reached around \$1,250. At the same time, she fell behind with several other bills including her council rates, electricity and gas. Relying on her savings, a small mobility allowance (~\$100 p/fortnight) and her son's Newstart allowance, Kate recalls it felt like they were constantly *“robbing Peter to pay Paul”* in a bid to keep up with their bills.

Kate began to receive restriction warnings from SA Water. She worried and recalls trying to call SA Water to explain her circumstances. Kate didn't find them *“very receptive,”* but recalls that she *“was just too sick”* and not *“in the right frame of mind to even really think about it that they would do it.”* She doesn't remember being informed about the opportunity to go on a payment plan.

Sometime after, Kate returned home one day to find there was no water to fill the kettle. She found a card out the front of her house and noticed that a lock had been placed on her water meter. Kate initially couldn't work out why there was no water and called her neighbour over to help her decipher what had happened. Her neighbour explained that it looked like her water had been cut off by SA Water. *“I guess I was just shocked that they just came and turned it off completely. Yeah, I struggled a bit with that.”*

Kate's neighbour stayed with her as she called SA Water. She reached a *“very helpful”* and *“really nice”* lady, who worked with Kate to determine a payment plan (\$100 p/fortnight). Her neighbour also contributed the first instalment. The SA Water employee explained that someone would be out that day to reinstate her water. She also provided Kate with her direct number and explained that if ever she experienced difficulties again she

could call her straight back. Kate remembers that having this case manager type relationship, *“was important to me”*

Reflecting on the experience, Kate recalls that she was *“distraught”* and found water restriction to be *“quite a scary thing.”* She had never experienced a restriction before. *“Water is a valuable thing that we need every day and not to be connected to water just scared the daylights out of me.”*

Kate was particularly concerned as she needs water for her two lung support machines. While her electricity company has processes for obtaining this information, Kate doesn't believe that SA Water was aware of her condition and support needs.

Kate has recently remarried and has had her mortgage paid off by a relative. Her son has also obtained full time employment. While Kate doesn't *“know what's around the corner,”* these events have relieved some financial pressure and she now knows that SA Water can offer help. Kate thinks it's important *“for people to know that there is help out there even when you're in dire straits... there is someone out there who can help you”*

5. THE EXPERIENCE OF RESTRICTION

Most customers were not at home when their water restriction commenced.

Most customers were not at home at the time of the restriction. Instead, customers typically either returned home to find a notice from SA Water or tried to use their water before finding a notice. Some customers also proceeded to check their water meter, noting that a small disk had been added to presumably restrict the flow of water.

Although many customers knew they had fallen behind on their bills and, in some instances, were avoiding their mail, the experience of restriction still came as a shock.

In the lead up to a restriction, many customers were aware they were falling behind on their water bills and/or had been ignoring their mail for some time. Despite this, the experience of water restriction came as somewhat of a shock. Some customers believed retailers were unable to cut off their water or assumed this to be the case given the impact on households was so great.

Distracted by significant life events, others either hadn't fully turned their mind to the consequence of their outstanding bills or had been hoping the issue would somehow resolve itself. *"I knew that it could happen, but did not expect that they would really do it."*

This feeling of surprise often intensified the experience of water restriction, as customers were not prepared for the event – particularly, emotionally. A few customers explained that they were confused by the situation and were not sure how to respond. *"I just wasn't quite sure where to go and what to do."* Some customers indicated they were not sure what to expect from the restriction process – such as the amount of water that would be available and the length of the restriction – which was a source of further stress.

The experience of restriction often heightened the stress that many customers were already feeling, as well as triggered a range of negative emotions, such as feelings of shame, helplessness and embarrassment.

For many customers, the experience of restriction heightened the stress they were already feeling. Life in the lead up to a restriction was often chaotic, with customers trying to cope with a range of issues that seemed to keep snowballing. Several customers described restriction as one event in a string of bad luck. *"[It] felt like the odds were against me."*

Many customers found restriction to be an emotional experience, with commonly cited feelings including shame, embarrassment and a sense of helplessness. These feelings reportedly stemmed from the fact that customers wanted to pay their bills, but simply lacked the resources to do so. In some instances, they also were linked to customers' failure to contact SA Water prior and avoid the experience of restriction.

"...I think [I] was more upset for me for not actually ringing the water company in the first place and making arrangements."

"The main thing was the psychological embarrassment really of it all... and then a bit of pressure on me and my husband about how were we going to pay this and get on top of it.... It was emotional more so than practical, we got around a few things"

Customers were often particularly embarrassed by the need to tell people they had their water restricted, including calling SA Water to work out how they could have their water restored. A few customers were worried about having people over. This contributed to feelings of social isolation, which can often be linked to the experience of financial hardship.

"I do understand why they had to do it, because you have to pay your bills. But I was just in, I was pretty much in an embarrassing situation generally at the time. So we didn't have people come to the house, because you don't want to sort of admit that well I've got no water."

Feelings of shame were often intensified when customers had children living with them or scheduled to stay. Some customers who were parents shared feelings of being a 'failure' when it came to fulfilling their role as a provider.

"And you know, it's obviously also distressing. You've got a child at home... it is distressing"

"Obviously, it was very upsetting. Upsetting that we couldn't pay the bills to meet that need... I felt like a failure... We didn't want them [their kids] to know too much about it and yeah, then wondered how long it would be off for, and how we were going to pay it basically, because we were in debt for other things. All the bills had crept up."

There was significant variation in customers' reported access to water after restriction. While most customers indicated they experienced a reduced flow, others didn't notice any change, while others reported their water had been completely cut off.

Overall, there was significant variation in the level of water that customers reported they had access to. Most customers experienced a reduction in the supply of water to their house, which limited their ability to perform a range of daily activities such as taking a shower, flushing the toilet and washing their clothes. Several customers reported their water had been completely cut off.

A smaller number of customers either noticed a very limited change or no change to their water supply. One of the customers who didn't notice any change, explained that their water meter is behind a large gate. In this instance, it may have been that SA Water was unable to reach the meter and execute a restriction.

"The water pressure was just a little bit lower".

"To be honest I saw the letter in the mail other than that... I experienced no effects from the restriction"

The level of water access strongly influenced customers' experience of restriction. While life remained the same for a small number of customers who noticed no change to their water supply, most people were forced to adapt to deal with the effects of restriction.

When asked to describe the impact of a restriction on their access to water, most customers recalled they had access to some water, but not enough to carry out a range of daily activities such as showering and washing. In response to either a restricted supply or no water at all, customers found ways to adapt, including:

- washing clothes less frequently,
- limiting the number of times they flushed the toilet each day,
- limiting showers or showering in other locations such as workplaces, public pools and friends' houses,
- purchasing emergency water from the shops, and
- boiling water from rainwater tanks.

One customer recalled they were forced to use their neighbour's toilet and shower, as well as collect buckets of water from a tap across the road. Reflecting on the experience, the customer observed, *"It was embarrassing. It was really embarrassing."*

Some customers found the experience of restriction to be 'empowering.' This was because it triggered them to take action and contact SA Water.

The experience of restriction triggered the majority of people to contact SA Water immediately. Because of this, some customers found the experience to be somewhat 'empowering' as they had taken steps to rectify the situation and deal with their outstanding bills. As one customer observed, speaking to SA water was good because *"I felt I was taking action... ok I'm facing this now."* Similarly, another customer explained, *"I remember feeling relieved after having spoken to them.... it was because I felt like I could get back on track."* Customer pathways out of restriction will be explored further below.

Jen and her husband are parents of three children. While both working full time, Jen and her husband experienced an increase to their daily cost of living over the past few years. Paying for bills – such as electricity and council rates - had become harder and, at one point, the family had their electricity disconnected.

In 2016, Jen got sick preventing her from working full time for a few months. During this period, she received a lower income, putting more financial pressure on the family. Around this time, Jen and her husband accrued an outstanding water bill of approximately \$1,000.

Jen remembers receiving one or two restriction warnings, informing her of an outstanding payment and warning that restriction would occur if that payment wasn't made. In response, Jen's husband had called SA Water to resolve the outstanding bill. SA Water did offer a payment arrangement, but Jen and her husband felt that the arrangement was too high for their family to commit to.

Jen and her husband were both at work when their water was eventually restricted, however, their children were home. She recalls feeling very anxious and upset about the event. Jen found the experience of not knowing what to expect from the restriction particularly stressful, including how much water they were able to use and how long the restriction would last.

Jen and her husband did not contact SA Water when the restriction commenced as they were not aware of any available support and had no funds to contribute to their bill. The family's water was restricted for one month.

During this time, Jen and her husband did not want to upset their children, and only shared with them that they had to be more careful with water usage. Their family lowered their water usage by various means, such as reducing the number and length of their showers, not always flushing the toilet and doing the dishes less frequently.

The family also tried new approaches to save money and minimise their spending. They tried not to use their second family car, skipped the usual family take-away dinner night, and stopped going to the movies as a regular family outing.

While the restriction impacted their water usage, Jen felt that the emotional toll of the restriction was greater. Although they didn't tell their children about what was going on, Jen recalls that their children did feel stressed and worried about lowering their water usage.

After around one month, Jen and her husband were able to make a small payment on their outstanding water bill. Shortly after this, they found a note in their letter box confirming that their water was no longer restricted.

Pete (54 years) had been working as an engineer for many years. About five years ago, Pete's role ended and he has been unemployed since this time.

Pete had been living with his partner and three children up until 2016. At times, the family faced financial pressure and they had been disconnected from their electricity and gas on several occasions. Following these disconnections, Pete arranged a payment plan with his electricity company, in which his bills were automatically paid out of his Centrelink allowance. He had never arranged an automatic payment for his water bills.

When Pete and his partner separated in December 2015, he was left with a large water bill (\$3,000). He contacted SA Water and his parents supported him to pay off his debt.

Around this time, Pete was dealing with back pain, as well as complications following surgery. He also suffered from anxiety and depression, which contributed to a tendency to *"procrastinate"* and avoid dealing with his bills. In 2017, Pete fell behind on his payments for his water. As his financial situation worsened, he found it difficult to keep up with his mail. *"I was aware that I was probably slipping behind as far as dollars and cents, but I was hoping that it would all go away."*

Pete returned home one day to find that he had no water. Pete checked his letter box, and found a notice informing him that his water had been restricted. Although Pete was aware that he was probably behind on his bills, the restriction caught him off guard and *"was a fairly big surprise!"*

Pete wanted to deal with the situation himself. He decided *"tough it out"* and choose not to contact either his parents, friends or SA Water for help. Pete drew on his engineering background to cope with the restriction. *"I'm an engineer by trade and I think outside the box."* He connected a pump to his rainwater tank to shower, used a bucket for the toilet, and boiled water for his dishes.

On the first day of the water restriction, Pete's friend was supposed to visit him at home. Pete was embarrassed by the situation and so cancelled the appointment. *"For myself, it was ok. I could deal with it. It was just when someone would visit or, you know, come in that they'd realise that I didn't*

have any water. That would be embarrassing in that respect." Pete was also worried about the upcoming weekend when his son was scheduled to stay. *"I didn't want to be putting my son through that or someone else."*

After around three or four days, these events prompted Pete to *"bite the bullet"* and call SA Water. Previously he had been reluctant to contact them as he was unaware of whether they could provide payment support, and based on his previous experience with other utilities, was unsure whether he would be required to pay off his outstanding bill in full.

When talking to SA Water, Pete felt *"pleasantly surprised"* by the support they provided. He arranged a payment plan (\$70 per fortnight), which Pete felt was *"pretty good"*. Soon after this telephone call, SA Water returned to restore his water. Pete's water was back on by the time his son came to stay.

Pete is currently engaged in a work for the dole program with the Salvation Army. He is confident that he won't be restricted again, but would feel comfortable calling SA Water if ever he needed too. *"I now understand how SA Water approach is towards debt... so I wouldn't hesitate to call them... A couple of times that I've talked to people at SA Water they've been very sympathetic and non-judgemental and so I'm quite comfortable with that."*

6. PATHWAYS OUT OF RESTRICTION

After experiencing a restriction, many customers called SA Water either straight away or within a week of the restriction commencement to arrange a payment plan.

As mentioned above, the experience of restriction prompted most customers to contact SA Water either immediately or within a week of having their water restricted. These customers often quickly realised that living with restricted water was going to be difficult and that they needed to take steps to resolve the issue as soon as possible.

While some customers felt that they could personally deal with the effects of a restriction, it was the potential impact of restriction on others that was a greater cause of concern and the ultimate driver for taking prompt action.

Customers who called SA Water following a restriction typically found them to be understanding, sympathetic and very helpful when it came to arranging an appropriate payment plan.

Overall, customers spoke very highly of their experiences contacting SA Water after a restriction. The representatives in SA Water's Customer Care team were commonly described as understanding, empathetic, helpful and supportive. Customers were almost always placed on payment plans that they felt comfortable with, with some customers' emphasising the efforts SA Water made to ensure that their payment plan was achievable.

"... they were empathetic, happy to make an arrangement, and wanted me to make an arrangement that wasn't going to be regularly broken".

"... they have been consistently helpful, and supportive, and even understanding in regards to the fact that people can get under stress or pressure."

"...she made me feel like she wasn't even concerned about the bill and that the most important thing was me. She showed me genuine empathy, didn't pass any judgement and was very encouraging, just made me feel that I'd achieved something by just making the phone call to try and fix the matter. To anyone else that can function properly, it's really not hard to make the

phone call, but to me, it's huge. And that day I did it and she made me feel so good about doing it.' Once customers had spoken to SA Water and arranged a plan, they typically had their water restored within 24 hours.

Several customers delayed contacting SA water, living with a restricted water supply for long periods of time. This was primarily because customers did not feel they had any funds available to contribute to a payment (even on a payment plan), and/or were not aware of available bill payment supports.

In some instances, customers delayed contacting SA Water and lived with a restricted water supply for two weeks or more. Among those participants who could recall the duration in which their water was restricted, one participant reported they waited up to seven weeks before calling SA Water. This was often because customers had limited funds available and were under the impression that SA Water would demand either full or partial payment. As one customer observed, *"I didn't call them as I didn't have any money to be honest."*

In at least one instance, this view was derived from the customer's past experiences dealing with disconnection from other utilities. At the time, several of the customers were not aware of any payment supports, so also didn't believe that there was anything SA Water could do to help.

The primary support provided to customers was bill payment support. In a limited number of cases, customers had also either received or been made aware of other available supports, including free water efficiency checks and referrals to financial counsellors.

Nearly all the customers had arranged a payment plan with SA Water. Bill payment support was generally seen to be a helpful service, and customers were generally comfortable with the plans they had been placed on following a restriction.

In a small number of instances, customers had also received or been made aware of other available supports. A water efficiency test had been undertaken at one customer's house, while another customer was referred to a financial counsellor. Unfortunately, the customer found it difficult to contact the financial counsellor during work hours. The customer also noted there was a long wait list for the service, limiting its effectiveness. *"... They did try, the SA Water people were helpful, it's just unfortunate that the counselling people were over worked."*

Beyond bill payment supports, which most people only became aware of following a restriction, customers were not often aware of the different supports that are available to them.

Customers were asked to identify whether they were aware of a range of available supports, and to rate the helpfulness of these services on a scale from 1 (not very helpful) to 10 (very helpful).

Nearly all customers were aware of bill payment supports (83 per cent), however there were lower levels of awareness of other support services. Importantly, this level of awareness was not always reflective of customers knowledge of available supports *prior* to a restriction, with many identifying early in interviews that they had not been aware of SA Water's hardship policies and other supports.

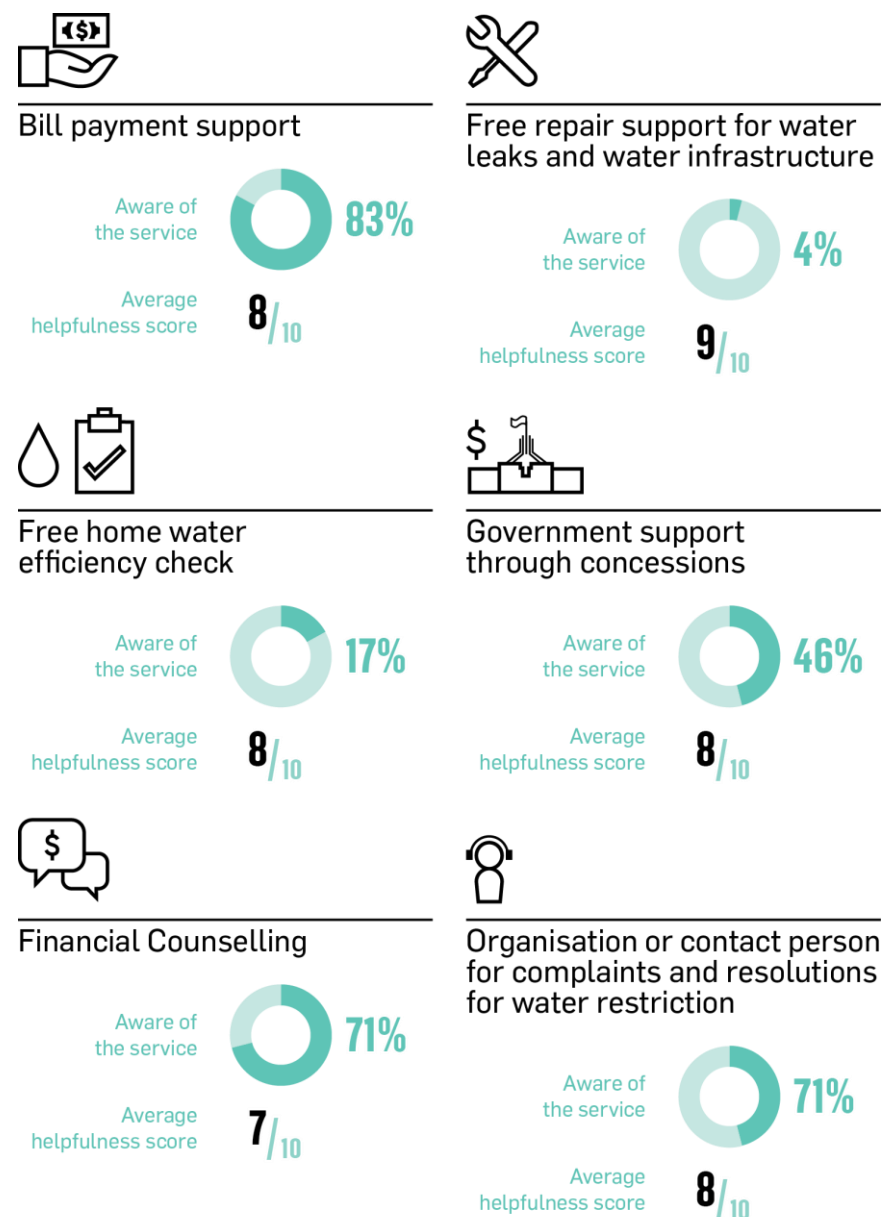
"We didn't look for help. We didn't know there was help. We didn't even know where to start. We just sort of accepted it, we didn't think that we could have done anything."

Not all customers were able to identify and rate the helpfulness of each support service. The average helpfulness score in Figure 7 is based only on those customers who responded to this question.

A number of customers observed that they wished they had known about the available supports prior to a restriction taking place.

When reflecting on whether SA Water could have provided them with any other supports at the time, or in the lead up to a restriction, several customers explained that they wished they had known about the supports available to them prior to a restriction. Knowing that SA Water can provide assistance during times of hardship proved to be a source of confidence for people moving forward, with many noting that they would call SA Water earlier in the future.

Figure 7 – Level of awareness of available supports and perceived helpfulness of supports, among customers interviewed



JOHN*

John (60 years) had been working as a carpenter when he became unwell and was required to have several skin cancers removed. His ill health led to a reduction in his work hours and, in what seemed like a *“progression of bad luck,”* John was ultimately made redundant from his role.

While John was able to access unemployment benefits, he didn't have enough money to pay off all of his bills and mortgage. As John recalls, there was *“too many bills, not enough money coming in to the house.”*

It was during this time that John began to receive outstanding bill reminders from SA Water. Feeling there wasn't *“any hope”* that his income would increase, he *“tended to ignore them or hope they'd go away.”* His outstanding water bill had reached around \$2,500. This was largely due to a leaking pipe that his neighbour first noticed down the side of his house.

John was reluctant to call SA Water. He felt embarrassed and knew he lacked the funds to do anything. John also recalls that he was experiencing depression at the time. *“I have a bad habit of not talking to people I owe money too.... I just get embarrassed about it, and not knowing if there's any hope I'll get money in to pay it... it gets a bit hard to talk about it sometimes.”*

After receiving a series of reminders and restriction warnings, John came home one day to find a note next to his water meter and a letter in his post box informing him that his water had been restricted. John went inside and observed that the water pressure had reduced to a *“drizzle.”* It took him about an hour and a half to fill up a bucket, there wasn't enough water to shower and the toilet system took half a day to fill up - *“you could only flush it twice a day if you were lucky”*

Although John had received notifications in the lead up to the day, he was still somewhat surprised to learn that SA Water had proceeded with the restriction. *“I was surprised that they did it to people – you can't really live very well without water. It makes things quite difficult for people.”*

John remained hesitant to call SA Water. Without any funds to contribute to the outstanding bill, he believed there was nothing they could do to support him. As he recalls, there was *“no point in calling SA Water because I had no thought of getting any income quickly enough to do anything about it.”* John

instead tried to *“take the restriction in his stride”* and *“adapt”* to meet the changes caused by the restriction.

John initially didn't seek any other assistance or support. He did however speak with some close friends, and arranged to shower at one of their houses twice a week. He also began to save a small amount of money each fortnight to put towards his outstanding water bill. In addition to these impacts, John explained that his solar heating was damaged as a result of the limited supply of water to his house.

After about five to six weeks, someone recommended that John should contact Anglicare. He also reached out to SA Water. John felt that the SA Water representative was *“quite good”* and *“friendly”* when it came to helping him work out a solution. John contributed the amount he had been saving and, with the help of Anglicare, was placed on a payment plan of \$55 per fortnight. John didn't have any issues with this amount and understood that SA Water needed to ensure that customers paid for their water usage.

John is hopeful that he will get work soon. Until then, things remain *“touch and go.”*

“I suppose I don't have a very secure future at all at the moment, I'm struggling from one thing to the other, and it just depends on which bills I decide not to pay.”

7. RECOMMENDATIONS

Recommendations to strengthen support to customers at risk of water restriction

1. Build on the success of SA Water's Early-intervention Program	<p>With a 75 per cent response rate, SA Water's Early-intervention Program has been incredibly effective in reaching an otherwise hard to reach cohort.²⁶ The organisation could build on this success, by:</p> <ul style="list-style-type: none"> a) expanding the Early-intervention Program to other council regions with customers that are likely to have low levels of financial resilience and be at risk of restriction, b) regularly reviewing the council regions targeted by the Early-intervention Program to ensure it is reaching those customers who are most likely to experience hardship, and/or c) replicating the use of plain envelopes when sending support materials to customers who are already in arrears. Similar to the Early-intervention Program, support materials could be sent to customers in a separate envelope to a customer's bill reminders and/or notices. Separating the two may help to minimise the sense of hesitancy that some customers displayed around reaching out to SA Water, particularly given many of these customers believed the only path out of restriction was to make a full payment.
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2. Review materials to ensure messaging promotes customer understanding and engagement with the available supports

Despite receiving letters and notices, many customers were not aware of the supports available to customers experiencing financial hardship and, as a result, often delayed contacting SA Water. When customers eventually spoke to a representative, they were often surprised by how understanding and helpful they were.

Materials should be reviewed to ensure that the language is clear and clearly communicates a supportive tone, particularly when it comes to prompting customers to contact SA Water to discuss available supports. This could also include the use of infographics to visually demonstrate the available supports.

Recommendations to strengthen support to customers experiencing water restriction

3. Provide additional information at the time of restriction to ensure customers understand what to expect from a restriction

The research revealed that customers do not always have a clear sense of what to expect from the restriction process, including how much water will be available for use. This was a source of additional stress at a time when customers were often already vulnerable and experiencing periods of significant financial hardship.

Moving forward, additional information could be provided to customers at the time of a restriction that clearly outlines the restriction process and the impact it will have on a household's water use.

It will be particularly important to inform customers that their water flow should only be restricted, and to

²⁶ Under the Early-intervention Program, SA Water proactively sends information on their Customer Assist Program to customer living in low socio-economic council regions.

	provide contact details for customers to use if their water supply has been completely cut off.
4. Increase customer access to wrap-around supports, particularly financial counselling	<p>Many customers reported they still had low levels of confidence when it came to their ability to manage their water bills moving forward.</p> <p>While several customers noted they would now feel comfortable calling SA Water if ever they were falling behind on their bills, there is an opportunity for SA Water to play a proactive role and increase customers' awareness and access to the available wrap-around support services. Access to financial counselling for example, can help to ensure that customers continue to meet their commitments under their payment plans and avoid repeat experiences of restriction.</p>
5. Review the process for identifying customers who have had their water restricted for two weeks or more	<p>Several customers waited two or more weeks before contacting SA Water after a restriction and arranging for their water to be restored. During this time, they were often forced to make significant sacrifices in their daily routines, such as avoiding having friends and family visit due to feelings of shame and embarrassment.</p> <p>To limit these impacts and safeguard customers from long periods of restriction, SA Water could consider reviewing their processes to ensure their policy of customers automatically having their water restored is adhered to.</p>

Recommendations for advocacy and policy improvement

6. Increase awareness of the available supports, including by partnering with key organisations that come into contact with customers at risk of restriction	<p>The research suggests that customers who are at risk of, or currently experiencing, restriction are not always aware of the wide-ranging supports that are available to them. An opportunity exists to increase awareness of the available supports.</p> <p>At a broader level, this could be achieved by working with key organisations who come into contact with those at risk of restriction to develop proactive promotion strategies and build clear referral pathways to available supports. Potential organisations to strengthen engagement with include government support agencies (e.g. Centrelink), charities and community service providers.</p> <p>Introducing multiple referral pathways into the CAP and other supports, will help to ensure that customers at risk, or currently experiencing, restriction do not fall through the cracks.</p>
7. Undertake further research to identify effective program learnings from other jurisdictions and utility providers	<p>Early research undertaken as part of this project identified effective hardship programs and community outreach initiatives being undertaken to support customers in Victoria, including initiatives by government, water retailers and other organisations.</p> <p>There is the potential for significant value to be gained from further research into the policies and practices currently being applied in other jurisdictions, with the view to identify initiatives that can be used to enhance support for vulnerable customers in South Australia. These include limiting individual debt through early engagement with customers who are experiencing periods of financial hardship.</p>

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APPENDIX A DISCUSSION GUIDE

Customer discussion guide

Hi, my name is XXXX and I am from Urbis, a social research company.

We are helping the South Australian Council of Social Service (SACOSS) to better understand how to support people who have been restricted from water.

As part of this project, we are speaking with people like you, who have experienced water restriction in the past.

You received a flyer about this research, and you gave us permission to contact you for a telephone interview. Are you still happy to take part in a phone interview?

[If yes] Great – thanks for that. Our interview will go for about 30-45 minutes, and I will ask you a few questions about when you were restricted from water, about the sort of support you received, and what other support you might have found helpful.

There are no wrong answers. This is just about your views and experiences. Your feedback is completely anonymous. We will not identify you or your family in our report without your permission.

At the end of the interview, I will ask you for your postal address, so we can send you \$80 cash as a thank you for your time.

With your permission, I would like to record our conversation. This is just for analysis purposes. Would it be ok to record the conversation?

Do you have any questions before we start?

CONTEXT OF RESTRICTION

1. Can you tell me first a little bit more about you? For example, do you live by yourself, or with any other household members? And do you currently have a job? If so, what do you do?
2. Can you please tell me when was the last time you were restricted from water?
 - How long were you restricted for?
 - Had you been restricted from water before? How many times in total? When did these restrictions occur? And for how long?

- Have you in the past been disconnected from electricity and/or gas? How often? And did that happen at the same time, or around the same time as your water restriction(s)?

CAUSES OF RESTRICTION

3. Thinking about the last time you were restricted from water, what was happening in your life that made it hard for you to pay for water bills? Explore:
 - Financial difficulties
 - Outstanding bills/debt --> **probe for \$\$ outstanding water bill debt**
 - Unexpected life events / unexpected expenses
 - Specific events impacting residential water usage, incl. home water leaks
 - Anything else that made it hard for you to pay your water bills?
4. Did you receive any letters from SA Water before you got restricted? What sort of letter(s) did you receive? **Probe for payment reminders vs restriction warnings.** Explore:
 - **[If received]** Do you recall how many **xxx** you received before the water restriction?
 - Do you recall the sort of information that was mentioned in the **xxx**?
 - How clear and helpful was that information?
 - What did you do when you received a **xxx**? Did you contact SA Water for help, or anyone else? If not, why not?
 - What was it like to talk to SA Water, or **xxx**?
 - Did they offer any support? If so, what sort of support did you receive? How helpful was this support? Why is that?
 - **[If received support]** After receiving support, what happened that led to the water restriction?
5. Did you receive a house visit from SA Water before you got restricted?
 - **[If received]** How was this house visit arranged? Did SA Water contact you, or did you contact SA Water for a house visit?
 - What was the reason for SA Water to visit your house?
 - What did SA Water do when visiting your house?
 - How helpful was this house visit to you? Why is that?
 - And what happened afterwards that led to the water restriction?

[If not received restriction warnings]

6. How aware were you of your unpaid water bills? Did you contact SA Water for help, or anyone else? If not, why not?
 - **[If contacted SA Water]** What was it like to talk to SA Water, or xxx?
 - Did they offer any support? If so, what sort of support did you receive? How helpful was this support? Why is that?
 - **[If received support]** After receiving support, what happened that led to the water restriction?

EXPERIENCE OF RESTRICTION

7. Thinking about the last time you got restricted from water, how did you find out your water was restricted? Explore:
 - To what extent was it clear to you that your water was not cut off, but that your water flow was restricted or limited?
 - Was the restriction a surprise to you? Why is that?
 - What was the first thing you did when you found out about the water restriction? Can you describe how you felt? What were you most concerned about?
 - Did you seek help at that time? Who did you talk to? What sort of help did you receive?
8. How long were you restricted from water? And during that time, to what extent did this impact your ability to:
 - look after your personal health and hygiene, and your children's health and hygiene (eg. taking showers, going to the toilet)
 - do any household activities, such as cooking, cleaning, and washing clothes
 - eat healthy and drink water
 - go to work (or school), and your children's ability to go to school/work
 - stay in touch with friends, and family
 - care for pets
9. How easy or difficult was it for you to cope with the restriction? How did the restriction make you feel? And how did the restriction make your children/partner/other household members feel?
10. In what other ways did the water restriction impacted you, and any other household members?

11. At the time of the restriction, did anything else happen to you (or to someone else in your household) that made it hard to cope with the restriction? If so, what happened?

PATHWAY OUT OF RESTRICTION

12. When the restriction happened, how soon did you start looking for help? What did you do to resolve the restriction? Explore:
 - How easy or difficult was it to know where to go for help?
 - Who did you talk to? Did you talk to SA Water to resolve the restriction? If not, why not?
 - What was it like to talk to SA Water (or to xxx) to resolve the restriction?
 - Did they offer any support? If so, what sort of support did you receive? How helpful was this support? Why is that? Was there any other help you needed from SA Water, but didn't get? What was this?
 - What else might have helped?

AWARENESS OF SUPPORT

I am now going to ask you a few questions about types of support available.

[DO NOT PROMPT FOR THOSE ALREADY MENTIONED]

13. Are you aware of any support that SA Water offers to customers who need help paying water bills? Explore:
 - Are you aware of SA Water's Customer Assist Program? If so, what do you know about the program?
 - Are you aware of any payment plans that SA Water offers to customers? If so, what sort of plans are you aware of?
 - Have you been enrolled in the Customer Assist Program, or a payment plan with SA Water?
 - **[If enrolled]** How helpful was this type of support to manage your water bills? Why is that?

14. Are you aware of government support for people to pay water bills, such as water concessions?²⁷
- Are you aware of any water concessions? If so, what do you know about water concessions?
 - Have you received any water concessions in the past, or are you currently receiving water concessions?
 - [For those with concessions]** How helpful are concessions to avoid water restriction? Why is that?
15. Are you aware of any other type of support that could help you to manage your water bills?
- If so, what sort of support are you aware of?
 - Have you accessed this type of support?
 - How helpful was this support to avoid water restriction? Why is that?
16. Are you aware of any payment plans or concessions to help you pay for electricity bills, or any other household bills? If so, what sort of payment plans or concessions are you aware of?
17. How confident do you feel right now that you won't get restricted from water again? Why is that?
- Is there anything that SA Water could do to help you avoid water restriction?
 - Is there anything that you will do differently to avoid water restriction? What is that?
18. And how confident do you feel right now that you can pay for any other household bills and expenses, such as electricity bills, health bills, and any other household expenses? Why is that?
- [If not confident]** To what extent do you need help with paying for these expenses in the? Will you look for help? If so, where will you go to look for help?

19. I am now going to read you a few types of support that could help customers with paying for water bills. For each type of support, could you please tell me:
- whether you are aware of the type of support; and
 - how helpful each type of support could be for you to manage your water bills? This will be on scale from 1 to 10, where 1 means **not helpful at all**, and 10 means **very helpful**. I will read out the answer categories to help you.

	Awareness		Extent of helpfulness <i>Enter value (based on 10-point scale)</i>
	Yes	No	
1. Bill payment support from SA Water, such as a weekly or monthly payment schedule			
2. Free support to repair at your home any water leaks and damaged water infrastructure if you cannot afford a plumber			
3. A free home water efficiency check to improve your home water usage, such as free support in fixing leaking taps, the installation of water efficient shower heads, and advise on how to change your water usage to lower water bills			
4. Government support through concessions (receiving financial government support)			
5. Financial counselling to support you in managing your bills and finances			
6. An organisation or contact person you could speak to for complaints and for resolving issues when dealing with water restriction (eg. the Energy and Water Ombudsman SA)			

²⁷ **Concessions:** The SA Government offers water concessions, and sewerage concessions. The water concession will be calculated as up to 30% of the total annual water bill, subject to the minimum and maximum amounts. The maximum sewerage rate remission is \$110 per annu.V

20. Thinking of finding out about support, what channels / methods / organisations would be most helpful? Exhaust, then probe:
- By telephone when contacting SA Water
 - By telephone when contacting Centrelink or other government services
 - Social media (eg. Facebook, Twitter)
 - Via email from SA Water
 - Public spaces, eg. bus stops, libraries, shops
 - SA Water website or Government website (eg. Centrelink website)
 - By post from SA Water or Centrelink, such as letters or brochures
 - By enclosed information when receiving your water bill
 - Through government service points, such as Centrelink offices
 - By brochures in community centres in your area
 - By staff working for community centres
21. Do you have anything else relevant to the experience of water restriction you would like to share?

DEMOGRAPHIC QUESTIONS

I just have a few more questions about your background, and then I will check with you your postal address, so we could send you \$80 as a thank you for your time.

[Do not prompt for those already mentioned]

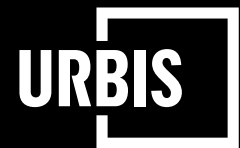
22. **[DO NOT PROMPT]** Gender: Female / Male
23. What is your age?
24. What is your marital status?
25. With how many people do you currently live at home?
26. How old is each household member?
27. Are you currently employed?
28. **[If employed]** How many days a week do you work?
29. What is your main source of income? **[Probe if needed]**
- Salary/wage

- Age pension
- Disability or carer allowance
- Parenting payment
- Newstart allowance
- Other payment administered through Centrelink
- Other source of income:

30. Approximately, how much income do you receive monthly, or every fortnight?
31. Do you currently care for someone in your household with medical condition?
32. Could you please let me know whether you currently:
- are paying off a mortgage
 - have fully paid off a mortgage
33. Is English the main language spoken in your household? If not, what is the main language spoken in your household?
34. Do you identify as Aboriginal and/or Torres Strait Islander?
35. Do other members in your household identify as Aboriginal and/or Torres Strait Islander?
36. What is your postcode?

POSTAL ADDRESS

And what is the best address to send the \$80 as a thank you for your time? The postman will ask you to sign upon receipt. If you are not at home at the time when the mail arrives, the envelope will be sent to your local postal office where you can pick it up at a later time. You will receive a note in your mailbox with the address of your local post office.



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