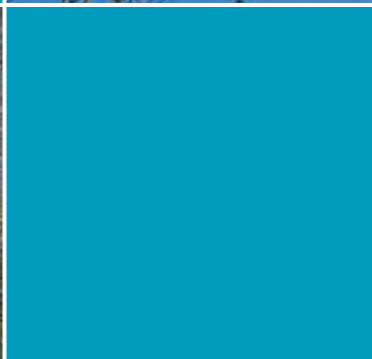


Utility Relief Grant Scheme Guidelines

Including: Utility Relief Grant Scheme (URGS) and
Non-mains Utility Relief Grant Scheme (NURGS)



Message from the Minister



Victoria has one of the most comprehensive concessions programs in Australia – however we are now facing new challenges resulting from climate change.

I am very pleased that we can assist low income households to meet these challenges through the Utility Relief Grant Scheme.

The Utility Relief Grant Scheme and Non-mains Utility Relief Grant Scheme assists low income Victorians in financial difficulty remain connected to the supply of electricity, gas and water.

The program enables eligible low-income households suffering a short-term financial crisis pay for a current utility account or LP gas account. Low income Victorians who are at risk of disconnection, restriction of supply or non-supply of gas bottles can apply for a grant every two years.

In addition, the Utility Relief Grant Scheme assists eligible Victorians who are finding it difficult to pay for other non-mains sources of water and energy, such as carted water and heating oil.

The Utility Relief Grant Scheme is an important part of a range of programs operated by the Victorian Government to assist low-income households experiencing financial hardship to meet the cost of energy bills.

Lisa Neville MP

Minister for Mental Health
Community Services
and Senior Victorians

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1. Purpose

The purpose of the Utility Relief Grant Scheme (URGS) and the Non-mains Utility Relief Grant Scheme (NURGS) is to provide assistance to low-income households in a financial crisis who are unable to pay for a utility account or an outstanding LP gas or carted water account.

2. Eligibility criteria and guidelines

2.1 General principles

Assistance is provided to low-income households suffering a short-term (within last 12 months), financial crisis who are unable to pay for a current utility account, LP gas or carted water account and who are at risk of disconnection, restriction of supply, or non-supply of gas bottles or carted water.

Applicants will be entitled to apply for this grant every 2 years.

Assistance would not normally be provided if the household income/savings are sufficient to pay the account, particularly by an installment plan. Please note the household income must also be below the income cap for non-concession cardholders.

2.2 Eligibility criteria

Assistance is available to low income households who either hold a current concession card or who are experiencing financial hardship and are registered with their utility company's hardship program. (See special conditions).

All applicants must be:

- Residing at their principal place of residence.
- Financially responsible for the payment of the bill.
- Unable to pay their debt and risk disconnection, or non-supply of gas bottles / carted water.

For non-concession cardholders the household income must be below the income cap as determined by the Department of Human Services.

And who meet one of the following criteria:

- A significant increase in bills, for example, if caused by a faulty appliance;
- A recent decrease in income, for example, if caused by unemployment, illness or breakdown of a household;
- High unexpected expenses on essential items, for example, funeral, repairs / replacement of essential items;
- The cost of shelter is more than 30% of the household income; or
- The cost of utility usage is more than 10% of the household income.

A URG for a final bill will not be considered if the customer has vacated the premises and is now being supplied by another retailer.

If the customer has moved to another address and is being supplied by the same retailer, the balance can be transferred to the new account and an application can be made.

If a customer owes \$100 or less on their account, they are still eligible to apply as long as they are aware that they can not apply again for another two years.

Special conditions for non-concession card households

The account holder must be:

- Registered with their utility company's hardship program (NURGS applicants need to contact DHS on 1800 658 521 to discuss their eligibility).
- Committed to a payment plan to manage future payment of utility usage.

Total household income must be under the income cap as determined by the Department of Human Services in accordance with the standard Centrelink payments.

Please refer to the Concessions website www.cyf.vic.gov.au/concessions for the income caps for non-concession card households.

3. Program overview

Assistance of a grant is given on the basis of an assessment of a written application. The Department of Human Services administers the scheme and allocates the grants.

Applications for the URGS are initiated either by a customer in financial difficulty, or by a welfare agency assisting a customer in difficulty, contacting the relevant energy or water utility. Collection action on accounts is suspended while an URGS application is being processed.

Applications for the Non-mains URGS are initiated either by a customer in financial difficulty, or by a welfare agency assisting a customer in difficulty, contacting the relevant LP gas or carted water supplier or the Department of Human Services direct.

The applicant completes the form with details of their income, savings, expenditure and reason for applying for assistance.

The assessment is carried out by the Department of Human Services and is based on the information provided by the applicant regarding the eligibility criteria. If the information provided in the application is insufficient for an adequate assessment of the situation, contact is made with the applicant for clarification of the circumstances. If the application is successful, a grant will be given to cover part or all of the current account. The grant will generally be capped at 6 months worth of usage up to a maximum of \$500.

4. Role of the utility company

4.1 Marketing the scheme

The Utility Company will provide customers with information on programs that are available to assist customers with payment difficulties.

This will include information on:

- Alternative payment arrangements.
- Concessions available.
- Utility Relief Grant Scheme.
- Referral to financial counsellors.

Prior to an URGS application the company will need to undertake the normal process of discussing payment problems with their customer and checking concerns about the bill the customer may have, for example:

- Accuracy of the meter reading;
- An appliance fault;
- An extension of time to pay to solve the problem; or
- ‘Easy-Way’ or an alternative payment arrangement to resolve the problem.

If it is apparent that none of the above is applicable and the customer states they meet one of the eligibility criteria, then the customer should be provided with an application for a relief grant.

The utility will endeavour to establish the reason for the application and ensure that the applicant or their representative understands the procedure for application and eligibility for assistance.

The customer or representative should be advised that applicants are encouraged to begin some form of 'Easy-Way' or payment arrangements in case the application is unsuccessful and to assist future account payment. This arrangement may or may not include the outstanding account balance and should be negotiated at an affordable payment. However, 'Easy-Way' should only be offered as an option and should not be viewed as a condition for receiving a grant.

The company should provide the customer or their representative information about the company's hardship program. Please note: Non-concession cardholders must be registered with the Utility company's hardship program and the household income must be under the income cap to be eligible to apply for a grant.

Payment options regarding outstanding LP gas or carted water accounts should be discussed directly with the LP gas or carted water suppliers as alternative payment options, such as 'Easy-Way' may not be available.

5. Guide for community agencies

5.1 Requesting an application form

Application forms for URGS are only available from the utilities. Customers may obtain application numbers over the phone from their utility company. They must have separate application numbers for each utility.

When requesting an application form, the agency responsible should briefly explain the reason for the request. Alternative payment arrangements including Easy-Way should be considered prior to requesting the application.

As part of the application process, the utility may wish to discuss a negotiable fortnightly payment arrangement to assist with payment of future accounts.

Application forms for NURGS can be obtained by contacting the Department of Human Services, Concessions Unit on 1800 658 521 or key LPGas suppliers such as Elgas, Kleenheat, Origin, etc.

5.2 Completing the application form

All sections must be completed. The details on the application must clearly demonstrate:

- The reason for this inability to pay which is consistent with the eligibility criteria.
- The concession card number is provided.
- The customers signature.

6. Assessing the applications

6.1 Basis of the assessment

The applications are assessed within 2 weeks from the receipt of the customer's application form. Applications are assessed from a financial hardship needs viewpoint. Financial hardship must be demonstrated where the applicant is unable to clear the utility, LP gas or carted water debt.

The assessment focuses on the following to ensure the eligibility of the applicant and to determine the extent of assistance required:

- Whether the reason for requiring assistance fits within the eligibility criteria.
- Supporting comments which substantiate the reason for the application.
- The applicant's income.
- The applicant's regular fortnightly committed expenditure and the reason that this would preclude them from being able to pay their account.

The application may be unsuccessful because:

- The total household income is above the income cap.
- The household has been assisted previously within the last two years
- The reason for the application does not fit the eligibility criteria for assistance.
- The applicant does not reside at the Utility service address.
- The energy/water usage has not been continuous.
- The customer has a billing issue – responsibility of the energy/water retailer.

The costs of the following will also not be considered:

- Veterinary bills.
- Giving money to relatives or friends.
- Usual household expenses, rates, insurance, telephone bills, car registration.
- Schooling expenses, religious festivals, weddings.
- Bankruptcy – all outstanding utility bills should be included in the bankruptcy.
- Where the applicant is not residing at the utility service address.

Utility companies offer a variety of methods for bill paying. Applicants are encouraged to utilise options, such as Easy-Way Installment Payment Plans, to assist them with planning for future utility bills. If none of these options are suitable, customers can request to be referred to the Utility company's hardship program.

6.1.1 Criteria for eligibility

Criterion 1: Utility consumption has increased substantially, resulting in significantly higher bills

Assistance under this criterion will usually be limited to cover that part of the bill, issued within the last 12 months, which is higher than normal up to a maximum of \$500.

- Assistance will be provided for the part of the bill that is over the usual account, preferably based on the same billing period in the previous year.
- Where it is a high first account, it is recommended that half the account be granted, though the assessor will consider the number of dependants in the household and the income of the household.

Criterion 2: The household income has decreased substantially

Assistance under this criterion will be limited to a maximum of six months worth of usage up to a maximum of \$500.

Assistance will be provided if the household has had a decrease in income due to loss of employment, family breakdown or the death of a family member. If regular maintenance payments have decreased substantially or ceased, a grant will also be considered.

The decrease in income must:

- Relate to the period in which the account paying difficulty has occurred.
- Be within 12 months of the application being made to the Department.

Criterion 3: High unexpected expenses on essential items

Assistance under this criterion will be limited to a maximum of six months worth of usage or matched to the value of the unexpected expense, up to a maximum of \$500.

Expenses to be included in this category are:

- Direct funeral expenses of an immediate family member. (associated costs will not be considered).
- Relocation expenses. Includes removal costs, i.e. hire of truck or trailer. (rent arrears or bond will not be considered).
- Car repairs – Standard regular car service/registration or insurance will not be considered. If the applicant needs to replace an essential vehicle, this may be considered.
- Purchase and repairs to a hot water service, refrigerator, heater, washing machine or any essential household items.
- A substantial amount of unexpected medical expenses not covered by Medicare. This may include costs associated with an illness. E.g. traveling to and from hospital and accommodation whilst attending treatment, as well as non PBS items such as wound dressings etc.
- Applicants or family members suffering from a serious chronic illness may be considered due to additional unexpected expenses and associated costs.

Criterion 4: Cost of shelter

Assistance under this criterion will be limited to a maximum of six months worth of usage up to a maximum of \$500.

Assistance will be provided if the cost of shelter (private rental or mortgage payments) is more than 30% of the household income.

Criterion 5: Cost of utility usage

Assistance under this criterion will be limited to a maximum of six months worth of usage up to a maximum of \$500.

Assistance will be provided if the cost of utility usage represents more than 10% of the household income, (i.e. the customer's average fortnightly usage is divided by their fortnightly income).

6.2 Special cases (including large grants)

In special cases (i.e. where the amount of outstanding debt is over \$500) or where the reason for the application is one which sets a precedent (i.e. no income while on strike), the Supervisor should be consulted in the decision making process. The Supervisor approves amounts of over \$500.

7. Customer action – following notification of outcome

Once the customer has received notification from the Department of Human Services of the outcome of their application, they must contact the relevant utility, LP gas or carted water supplier to:

- Arrange the payment of the full account where the application was unsuccessful.
- Arrange payment of the remainder of the account where the application was successful for part of the account.
- Ensure that the amount is credited to their account where the application was successful for the whole of the account.

The customer is expected to be responsible for the future payment of utility, LP gas or carted water accounts without requiring further assistance from URGS or NURGS. These customers will generally be encouraged to establish and maintain an 'Easy-Way' Installment Payment Plan or Cash on Delivery for LP gas or carted water users.

8. Review

Should an applicant be dissatisfied with the decision made, they are able to apply to the Department of Human Services to have the decision reviewed. The period in which an applicant may lodge a request for review of an URGS or NURGS decision is limited to four weeks from the date of notification of that decision.

The applicant should contact the original assessor by telephone and provide any additional information which supports their case to have the decision reviewed. If not satisfied with the outcome, the applicant can be referred to the Supervisor of the program for further review. If the applicant is still not satisfied with the outcome, they will be advised to present in writing any additional information which supports their case for a review to the Manager, Concessions Unit.

If you would like to receive this publication in an accessible format, please phone 1800 658 521 using the National Relay Service 13 36 77 if required, or email **concessions@dhs.vic.gov.au**

This document is also available in PDF format on the Internet at **www.cyf.vic.gov.au/concessions**