



**Aboriginal  
Housing  
Office**



# **Water Usage Charging: Ministerial Guidelines for Aboriginal Community Housing Providers**

**August 2022**



# Document approval

The Water Usage Charging Guidelines for Aboriginal Community Housing Providers has been endorsed and approved by:



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**The Hon. Anthony Roberts, MP**

Minister for Planning and Homes

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## 1. Introduction

These Ministerial Guidelines for Aboriginal Community Housing Providers Water Usage Charging are made pursuant to Section 139 of the *Residential Tenancies Act 2010*.

## 2. Legislation

The Residential Tenancies Act 2010 (s139) makes provision for water usage charges payable by tenancies covered under a social housing tenancy agreement in Part 7 of the Act.

Under this section, "A tenant under a social housing tenancy agreement must pay to the landlord any charges, determined in accordance with guidelines approved by the appropriate Minister, in respect of water usage by the tenant".

The standard form Residential Tenancy Agreement used by Aboriginal community housing providers (housing providers) is Schedule 1 of the *Residential Tenancies Regulation 2010*. The references to water usage charging in the standard form agreement are based on s39 and will not be consistent with s139 of the Act. S137 of the *Residential Tenancies Act 2010* states that Part 7 of the Act will prevail over any other provision of this Act or the regulations in the event of any inconsistency.

## 3. Purpose

The Aboriginal Housing Office is committed to working with the Aboriginal community housing sector to ensure it is strong and viable. This includes allowing housing providers the maximum flexibility to manage their businesses in ways that achieve long term sustainability.

The levying of water usage charges is not compulsory. Housing Providers<sup>1</sup> may choose to charge tenants for water usage in order to make better use of the money the housing provider would otherwise spend on water usage charges. Alternatively, housing providers may consider absorbing water usage costs for operational reasons.

## 4. Scope

These Guidelines apply to all AHO dwellings managed by Aboriginal Community Housing Providers (ACHPs). Mainstream Community Housing Providers (CHPs) managing AHO dwellings are to apply these Guidelines. ACHPs have the discretion to apply the Guidelines for non-AHO dwellings.

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<sup>1</sup> Though these Guidelines are specific to Aboriginal Community Housing Providers, references to Housing Providers are made to both Aboriginal Community Housing Providers and mainstream Community Housing Providers as they both manage AHO owned dwellings

The Guidelines will apply to all AHO tenancies managed under a social housing tenancy agreement, including affordable housing, unless the property is exempt from water usage charges. Information on tenancies that are exempt from water usage charges is detailed in Section 7 of these Guidelines.

Where a housing provider chooses to charge tenants for water usage, it will do so only in accordance with these guidelines.

Housing Providers may only levy charges to tenants where the account is generated from a recognised water authority and the housing provider is responsible for the payment of the water account.

## 5. General Requirements

### 5.1 Water usage charging separate from rent

Housing Providers **must itemise** the tenant water usage charges as a separate item in their accounts (differentiated from the rent and separate from other water charges).

### 5.2 ACHP's water usage charging policy

The ACHP shall develop and document a fair and transparent water usage charging policy. The Water Usage Charging Policy must be made available free of charge to any tenant. The Water Usage Charging Policy is to address:

- which tenants will be required to pay water usage charges
- what method was used for a particular tenancy and how frequently the tenant will be charged
- where more than one method to calculate water charges is being used by the housing provider, the policy should outline the methods and how it determines which method to apply to which tenancies
- the method of calculating water usage fees
- whether the method/s will be reviewed and the basis and frequency of any review
- where the water usage charges were based from (a copy of the water bill issued by the local water authority **must be attached**)
- how it will ensure it is not collecting more for water charges overall than it is paying
- how it will ensure the water charging process is fair to all tenants
- any allowances or exemptions provided or offered to a tenant where relevant
- arrangements for handling payment difficulties
- arrangements for handling complaints or disputes regarding water usage charges.

### 5.3 Calculating Water Usage Charges

Tenants should be advised of the method being used to calculate their water charges at the start of their tenancy, and provided with a copy of the housing provider's water usage charging policy at sign-up.

Housing Providers are to calculate the charges for water usage based on:

- the actual water usage for separately metered dwellings, or
- a method to be developed by the Housing Provider to apportion the costs in shared meter properties.

Water usage charges, whether for separately metered or shared meter dwellings, must:

- list the water usage charge as an item separate to rent on the tenant's account
- where charges are based on actual water usage, a copy of the water bill issued by the relevant water authority be supplied to the tenant when issuing water usage bill
- not include other costs associated with water provision, such as water connection charges, sewerage and other charges including common area water usage.

### **5.3.1 Dwellings with separate water meters**

Housing Providers are to calculate charges for tenants residing in dwellings with separate water meters<sup>2</sup> based on their actual water usage. Water usage charges must show the same amount as in the water bill issued by the relevant local water authority. A copy of this water bill from the relevant local water authority must be attached when issuing the water bill to the tenant.

In the case of new tenants, or those transferring tenants, the initial water usage charges will be based on a percentage of the water bill until the first water usage bill is received where the tenant was in occupation for the full billing period.

To estimate actual water usage from the start of the tenancy to the end date of the first full billing period, Housing Provider will use the water usage data from that first full billing period and assume the same level of water usage over the entire reconciliation period. After this initial adjustment, succeeding water usage bill will be based on actual water usage as per water bill issued by local water authority and to be attached to the water bill issued to the tenant.

On receipt of the water bill, the percentage of water usage paid by the tenant since the commencement of the tenancy will be compared with the tenant's estimated actual usage over that period.

The tenant's first actual water charge will be calculated by dividing the total amount of water usage charged in the latest bill by the number of weeks the tenant has taken up tenancy. The result is rounded to the next lowest five cents.

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<sup>2</sup> A separate meter must be readily accessible for reading by the water authority and generate an individual water account. Where individual meters are located inside the dwelling (e.g. in older units) the housing provider should manage the water usage as though it was a shared meter dwelling.

For example, if the water usage amount was \$125 and the billing period was for 90 days (12 weeks) and the tenant has just taken up residency for 60 days (8 weeks), then the first actual water charge payable by the tenant will be \$83.33 (\$83.30) rounded off to the next lowest cents.

Any credit or debit adjustment arising from that reconciliation will be included as an adjustment in the calculation of the first adjusted actual water charge for that tenancy. That charge will be made in accordance with the calculation of adjusted actual water charges described above.

The amount of water usage charges will be based on the water bill from the local water authority.

### **5.3.2 Dwellings with shared water meters**

Housing Providers should develop a fair and transparent method to calculate water usage charging in shared meter dwellings. The method for calculating the water usage charge can be made with reference to any of the following:

- estimated use (taking into account property configuration and household type)
- the income of the tenant
- rent payable by the tenant (with or without rent rebate).

Housing Providers need to ensure that no more is collected from a tenant in total than is needed to cover the tenant's water usage bills over time. A tenant needs to be informed how their water usage is calculated.

### **5.3.3 Dwellings supplied with bore water<sup>3</sup>**

In communities where the local water authority supplies bore water, whether raw or treated, Housing Providers have the discretion to charge the tenants for the usage of bore water.

Should Housing Providers bill tenants for bore water use, charges should be applied to separately metered dwellings.

For dwellings with shared water meters (master meters), charges for usage of bore water are at the discretion of the Housing Provider. Where tenants are charged, the amount payable by the tenant must be calculated taking into account:

- dwelling configuration and household type
- tenant's household income
- rent payable by the tenant (with or without rent rebate)

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<sup>3</sup> Bore water is groundwater that has been accessed by drilling a bore into underground water storages called aquifers. It is supplied either treated or raw.

#### **5.3.4 Dwellings fitted with hydropanel**

Water generated by AHO-installed hydropanels is not chargeable.

#### **5.3.5 Absences from dwelling**

There is no exemption from water usage charges for tenants temporarily away from their dwelling.

#### **5.4 Adjustments to tenants' water usage charging accounts**

Tenants who are leaving their current dwelling or are transferring to another social housing dwelling are required to pay any water usage charges outstanding at the end of the tenancy, adjusted for the actual use as at the termination date.

Housing Providers are required to adjust water usage charges on tenants' accounts in cases of under/over charging from the water authority arising from problems with faulty water meters or other billing problems (e.g. under reads, bill estimates and high bills).

### **6. Allowances**

In circumstances where households require considerably higher amounts of water than similar sized households (for example where a household member is on kidney dialysis or has health condition or disability which means they need to use significantly more water than normal) or to households with six or more members, the housing provider may choose to offer allowances for households to reduce their water usage charges. The condition of any water allowance should be clearly documented in the housing provider's water usage charging policy.

### **7. Exemptions**

Crisis accommodation properties managed by Housing Providers are exempt from water usage charging. Crisis accommodation is defined as short term accommodation (usually 3 months or less) for people experiencing homelessness or people at risk of homelessness. Usually, clients do not enter into a social housing tenancy agreement when in crisis accommodation. Tenants in transitional housing where individual residential tenancy agreements are not appropriate (e.g. congregate care) will also be exempt from water usage charges.

### **8. Appeals and Reviews**

Housing Providers must have an appropriate process in place to manage complaints and appeals from tenants in relation to water usage charging.

If a tenant has a concern over an aspect of their water usage charge, they should first speak to their housing provider. For example, tenants may want to:

- discuss how the charge is calculated
- report a leak or advise of a delay in the water leak being fixed
- query or dispute a water meter reading
- apply for an exemption (if relevant) or an allowance.

A tenant cannot appeal being charged for water or the amount they are charged. However, they can appeal if they think the provider's water charging policy has not been applied properly or they do not agree with the provider's decision about an application for a water allowance. As with other appeals, a



tenant should first appeal to their housing provider. If they are not satisfied with the outcome, they can then appeal to the Housing Appeals Committee.

A tenant may complain about the services provided by the local water authority. For example, a complaint could be:

- disputing the accuracy of the bill or meter readings provided by the local water authority
- about affordability issues, such as payment assistance or access to concealed leak rebates
- about the quality, reliability, or restriction of the water supply
- about health and safety issues relating to the water authorities' network assets.

The above complaints can be directed to the Energy and Water Ombudsman NSW (EWON) if the water authority involved is a member of EWON. Visit [www.ewon.com.au](http://www.ewon.com.au) for a complete list of water authority members. A housing provider may complain directly to EWON on behalf of the tenant with their consent.

Where the water authority is not a member of EWON, the tenant or the housing provider (if lodging a complaint on behalf of the tenant) should refer the matter to the NSW Ombudsman.

If the concern relates to the housing provider's water usage charging policy in compliance with the NRSCH requirement, the matter can be referred to the Registrar of Community Housing.

## **9. Further Information**

*Residential Tenancies Act 2010*

*Residential Tenancies Regulation 2010*