



# Policies, Procedures and Guidelines

## UNDETECTED WATER LEAK AND FAULTY WATER METER POLICY FIN001

### BACKGROUND

Lachlan Shire Council receives requests from time to time for water accounts to be waived or rebated due to undetected water leakages on the customer's side of the meter or because it has been determined that the water meter is faulty.

### OBJECTIVE

The purpose of the Policy is to ensure that:

- all written applications for allowances for water lost through undetected water leaks are processed in a consistent manner.
- all water accounts affected by inaccurate water meters, stopped (non-registering) water meters or damaged or unreadable water meters are processed in accordance with Local Government (General) Regulation 2005 under the Local Government Act 1993

### SCOPE

The property owner is responsible for all water that passes through their water meter. The property owner is responsible for the maintenance and repair of their water service (from the customer side of the water meter).

Undetected water leaks (i.e. a water leak under a slab or underground or in a position that is not immediately or plainly noticeable) can result in significant unexpected costs to property owners. Where undetected water leaks have been revealed, property owners may request, in writing, that Council provide an allowance for lost water.

Testing of water meters may occur at the request of the owner or at the initiative of Council, generally as a suspicion that the meter is reading inaccurately.

Stopped (non-registering), damaged or unreadable meters are generally detected during the water meter reading and billing process.

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The Chief Financial Officer is responsible for ensuring compliance with this policy and will determine and approve all rebates relating to adjustments under \$3,000. Any adjustments over this amount will be directed to Council for approval.

Where the application for relief is unsuccessful the account may be paid under an arrangement in line with Council's debt recovery policy.

## DEFINITION

'One-off' is defined as one per property ownership.

The property owner/customer is the owner of the subject property and does not include tenants.

## POLICY

### Undetected water leaks:

1. Where the water customer is seeking financial assistance (in the form of a rebate) for an undetected leak on their property, the following conditions will apply:-
  - all requests must be in writing on the application form provided by Council
  - the leak must not have occurred from appliances or fixtures or fittings including air-conditioners, dishwashers, swimming pools, hot water systems, taps, showers, irrigation systems or toilet systems
  - the customer must provide a statement signed by a licenced plumber who repaired the leak clearly explaining why the leak was undetected by the customer and certifying that the repairs comply with AS/NZS 3500
  - a request for a rebate must be received within a reasonable timeframe from the date that the leak was discovered or within 30 days of receipt of the consumption account
  - all leaks must be repaired by a licenced plumber in accordance with AS/NZS 3500 at the property owner's cost
  - repaired pipelines must not be low grade PE pipe; must be Blue Line 8B grade or equivalent
  - the leak must be repaired within a reasonable timeframe from the date that the leak was discovered
  - should the customer fail to repair and or renew faulty pipelines no rebate will be granted.
2. Rebates for water consumption charges are granted on a 'one off' basis. However, the rebate can be applied over two consecutive billing periods where there is evidence that the leak may

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affect the consumption charges over more than one reading cycle. Generally requests for relief from subsequent water leaks will not be considered.

3. Where the rebate is granted, the following will apply:-

- customers will be charged based on their average consumption for the period that the leak occurred, subject to the following guidelines:
  - a) reductions of up to \$5,000 at the full value of the rebate calculated
  - b) reductions in excess of \$5,000, and up to \$10,000: the reduction amount in excess of \$5,000 to be discounted by 50%
  - c) reductions in excess of \$10,000: the reduction amount in excess of \$10,000 to be discounted by 25%
- the average consumption is calculated by averaging the three (3) previous billing periods or three (3) previous equivalent seasonal billing periods depending on the usage pattern that is evident inclusive of the billing period under review. The most consistent record is used to calculate the average use
- rebates are applied to the billing period/s in which the leak occurred up to a maximum of two consecutive billing periods

## **Inaccurate Water Meters:**

1. Upon application and payment of a water meter test fee by the owner of the property (in line with Council's Fees and Charges for the appropriate year), the water meter is tested. The meter will be removed for testing and will be replaced by a new water meter.
2. In accordance with the Local Government (General) Regulation 2005 - Regulation 158:
  - if a tested water meter registers outside the allowable variance, Council will refund the water meter test fee and will adjust the relevant water account as per Local Government (General) Regulation 2005 - Regulation 158 (3 a). The applicant will be advised in writing of the adjustment.
  - if the water meter reading is within the allowable variance, then a letter is forwarded to applicant with a copy of the water meter test results. The applicant is advised that water meter is within the allowable variance under the Local Government (General) Regulation 2005 - Regulation 158, therefore considered to be reading correctly. No adjustments will be made to the water account and the test fee is not refunded to the applicant.
  - Adjustments to accounts will only be considered for the billing period under dispute.

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3. Council tests 20mm water meters. For all water meters greater than 20mm, meters are forwarded to a registered test laboratory for testing. All postage, freight and testing costs are to be borne by the applicant. Payment is to be made prior to forwarding of meters for testing.

## Stopped Meters:

- Upon identification of stopped (non-registering) water meters, Council will replace the stopped water meter and estimate the water usage for the relevant water billing period as per Local Government (General) Regulation 2005 - Regulation 158 (3a).

## Damaged or Unreadable Meters:

- Upon notification that a meter is damaged or unreadable, Council will replace the meter. These are usually identified during the meter reading process or from notification from the property owner. The usage may be estimated for the relevant water billing period as per Local Government (General) Regulation 2005 – Regulation 158 (3).  
Wilful damage or tampering with a meter is an offence under Local Government Act 1993, Section 635.

## Interest:

- If the application for a rebate is successful the interest raised on the rebated amount will be written off as part of the water account adjustment.
- Interest shall accrue on the overdue portion of the residual account remaining after the rebate has been applied.

## RELATED DOCUMENTS

This policy is made with reference to the Local Government Act 1993 & Local Government (General) Regulation 2005 Part 6 Water Services

Robert Hunt

GENERAL MANAGER

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