

AGENDA & MINUTE – COUNCIL MEETING OF 31 OCTOBER 2016

ITEM CORP – 31/10/16 - REQUEST FOR RELIEF FROM EXCESS WATER USAGE CHARGES

REPORT BY: M JOHNSON – ACTING GROUP MANAGER CORPORATE & COMMUNITY

SUMMARY

This report discusses a request from a ratepayer for a reduction in water usage charges and recommends that Council approve a partial reduction.

COMMENTARY

Council has received correspondence from a ratepayer seeking relief from excess water usage charges due to a water leakage on a recently purchased residential property. The property was purchased on 5 May 2016 and the 3rd quarter meter reading was made approximately two weeks later on 18 May 2016 with the ratepayer subsequently receiving a 3rd quarter water account of \$1,117.53.

Upon investigation by the property owner's plumber, a water leak was found between the water meter and house. Council staff have calculated that the new property owner would have been entitled to approximately \$462.33 in property settlement funds from the previous owner for 3rd quarter water usage charges based on the daily average consumption of the 2nd quarter account. The new owner elected to use the 2nd quarter daily usage rate of the previous property owner for the purposes of calculating water charges at settlement rather than requesting that Council undertake a special meter read on settlement day at a cost of \$60. It appears however that the water leak occurred after the 2nd quarter meter reading and was therefore unknown and not factored into the property settlement.

In accordance with Council Policy 8.1, *Excessive Water Usage Allowance For Breakages*, Council is able to offer a maximum \$200 one-off concession for excessive water usage on the first occurrence that a breakage occurs beyond their control. This concession has been offered to the ratepayer and would reduce the amount payable to Council to \$917.53, less the estimated \$462.33 he would have received from the previous owner at property settlement for 3rd quarter water charges. This will still leave the ratepayer liable for approximately \$455 for a two week usage period. Nonetheless the water leakage was on private property and is the responsibility of the property owner, not Council.

Further, however, the high 3rd quarter water usage resulted in the property owner being charged a T2 tariff of \$4.67 per kilolitre for all water consumed in the 4th quarter rather than the T1 tariff of \$3.11 per kilolitre. The T2 tariff takes effect once water usage exceeds 250 kilolitres in any billing year and resets after the 4th quarter to T1. This has resulted in 4th quarter charges of \$429.64 rather than \$286.12, a difference of \$143.52.

It is recommended that in view of the unforeseen nature of the water leakage, that Council apply the T1 tariff to the 4th quarter account, resulting in a reduction of \$143.52.

POLICY IMPLICATIONS

Council Policy 8.1, *Excessive Water Usage Allowance For Breakage*.

FINANCIAL IMPLICATIONS

A \$200 one-off concession has already been provided to the ratepayer for excessive water usage in accordance with Council Policy 8.1, *Excessive Water Usage Allowance For Breakage*.

It is further recommended that the T1 tariff be applied to the 4th quarter account, resulting in a further reduction of \$143.52.

LEGAL IMPLICATIONS

Nil

ATTACHMENTS

1. Correspondence from property owner

RECOMMENDATION

THAT Council amend the water usage tariff applied in the 4th quarter 2015/16 to residential property 95000 from T2 to T1 reducing the amount payable by \$143.52.

MINUTE

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16 – 298 RESOLVED

THAT Council amend the water usage tariff applied in the 3rd and 4th quarter 2015/16 to residential property 95000 from T2 to T1 reducing the amount payable by \$468.00.

MOVED: Councillor W McAndrew **SECONDED:** Councillor C Coleman.

CARRIED