

EWOV has handled water cases since April 2001.

At 1 July 2007, there were 20 water corporations participating in the EWOV scheme.

The water businesses operate in five sectors — 3 metropolitan retailers, 1 metropolitan wholesaler, 11 regional urban water corporations, 3 rural water corporations and 2 rural urban water corporations.

With the exception of the metropolitan wholesaler, each water business has both retail/billing and distribution/supply functions.



2006/07 WATER CASES

- ➔ **1,484 water cases overall**, up 14%
33% enquiries and 67% complaints
Most commonly — fees & charges
- ➔ **791 metropolitan retail water cases**, up 17%
30% enquiries and 70% complaints
Most commonly — high bills
- ➔ **20 metropolitan wholesale water cases**,
down 4 cases
30% enquiries and 70% complaints
Most commonly — fees & charges
- ➔ **415 regional urban water cases**, down 9%
31% enquiries and 69% complaints
Most commonly — fees & charges
- ➔ **110 rural water cases**, up 62%
18% enquiries and 82% complaints
Most commonly — licensing
- ➔ **57 rural urban water cases**, up 17%
23% enquiries and 77% complaints
Most commonly — fees & charges

WATER CONTINUED

Figure 30: How many water cases did EWOV receive and finalise in 2006/07?

	sector share	Overall cases		Enquiries	Total Com complaints	Complaints				
		2006/07	2005/06			full investigations finalised	complaints received for full investigation	complaints referred to higher-level contact	complaints referred to provider	referred ° elsewhere and other complaints
METROPOLITAN RETAIL										
City West Water	(20%)	374	228	108	266	76	78	106	77	5
South East Water	(39%)	209	229	63	146	44	46	43	48	9
Yarra Valley Water	(41%)	208	218	64	144	49	48	44	45	7
Total metropolitan retail water		791	675	235	556	169	172	193	170	21
METROPOLITAN WHOLESALE										
Melbourne Water		20	24	6	14	6	5	3	5	1
REGIONAL URBAN										
Barwon Water	(21%)	89	48	25	64	20	22	27	14	1
Central Highlands Water	(10%)	23	47	6	17	4	4	7	5	1
Coliban Water	(11%)	41	35	11	30	13	14	10	4	2
East Gippsland Water	(3%)	24	20	7	17	4	4	7	6	0
Gippsland Water	(10%)	33	89	14	19	7	7	8	4	0
Goulburn Valley Water	(9%)	22	22	6	16	2	1	6	9	0
Grampians Wimmera Mallee Water	(5%)	33	45	7	26	12	9	8	8	1
Lower Murray Water	(5%)	6	11	3	3	1	1	1	1	0
North East Water	(7%)	21	18	8	13	2	5	2	6	0
South Gippsland Water	(3%)	24	10	7	17	5	5	6	4	2
Wannon Water	(6%)	26	42	7	19	6	6	7	5	1
Western Water	(8%)	45	41	18	27	7	5	10	11	1
Westernport Water	(2%)	28	27	8	20	4	6	8	5	1
Total regional urban water		415	455	127	288	87	89	107	82	10
RURAL										
First Mildura Irrigation Trust	(5%)	1	3	0	1	0	0	1	0	0
Goulburn-Murray Water	(55%)	59	33	12	47	15	17	18	11	1
Grampians Wimmera Mallee Water	(13%)	13	10	1	12	6	5	2	4	1
Lower Murray Water	(7%)	5	3	2	3	2	2	0	1	0
Southern Rural Water	(21%)	32	19	5	27	8	11	8	7	1
Total rural water		110	68	20	90	31	35	29	23	3
Non provider specific		148	81	109	39	-	-	-	1	38
TOTALS		1,484	1,303	497	987	293	301	332	281	73

NOTES:

° 61 complaints were referred elsewhere. 12 other complaint issues did not require referral or investigation.

Reflects data run at 24 July 2007. Some of the complaints which were fully investigated and finalised were received prior to July 2006. Percentages are rounded to the nearest whole number.

Water providers' sector shares are based on customer numbers provided to EWOV by the Victorian Water Industry Association.

Figure 31: How are water cases trending? What issues arise most commonly?**Case trends**

	2003 - 2004	2004 - 2005	2005 - 2006	2006 - 2007
Water overall	1,136	1,256	1,303	1,484
Metropolitan retail	599	678	675	791
Metropolitan wholesale	73	20	24	20
Regional urban	327	357	455	415
Rural	72	101	68	110
Rural urban *		54	69	57

* There are two rural urban water providers - Grampians Wimmera Mallee Water and Lower Murray Water. They were formed in July 2004.

Most common issues

Water overall (total of 1,607 issues)		%
Billing > Fees & Charges	187	12
Billing > High	139	9
Land > Pipes/Channels/Drains/Dams	104	6
Supply > Conservation/Restriction	85	5
Credit > Arrears	80	5
Metropolitan retail (total of 862 issues)		%
Billing > High	88	10
Billing > Fees & Charges	76	9
Land > Pipes/Channels/Drains/Dams	61	7
Supply > Sewerage/Drains/Catchment	46	5
Credit > Arrears	45	5
Metropolitan wholesale (total of 23 issues)		%
Billing > Fees & Charges	4	17
Land > Pipes/Channels/Drains/Dams	4	17
Customer Service > Poor	2	9
Land	2	9
Supply > Licensing	2	9
Supply > Quality	2	9
Regional urban (total of 447 issues)		%
Billing > Fees & Charges	92	21
Billing > High	42	9
Credit > Arrears	31	7
Provision > New	26	6
Land > Pipes/Channels/Drains/Dams	23	5
Rural (total of 119 issues)		%
Supply > Licensing	39	33
Land > Pipes/Channels/Drains/Dams	11	9
Billing > Fees & Charges	9	8
Provision > New	7	6
Supply > Conservation/Restriction	7	6
Customer Service > Poor	5	4
Rural urban (total of 65 issues)		%
Billing > Fees & Charges	17	26
Billing > High	6	9
Land > Pipes/Channels/Drains/Dams	6	9
Provision > New	5	8
Credit > Refund	4	6
Supply > Quality	4	6

NOTE: Some cases raised more than one issue.

Figure 32: On average, how much time did EWOV spend on each type of water case?

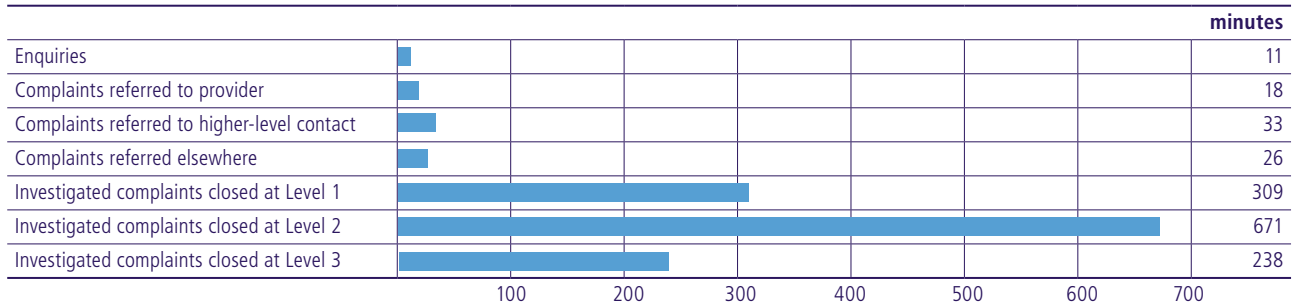


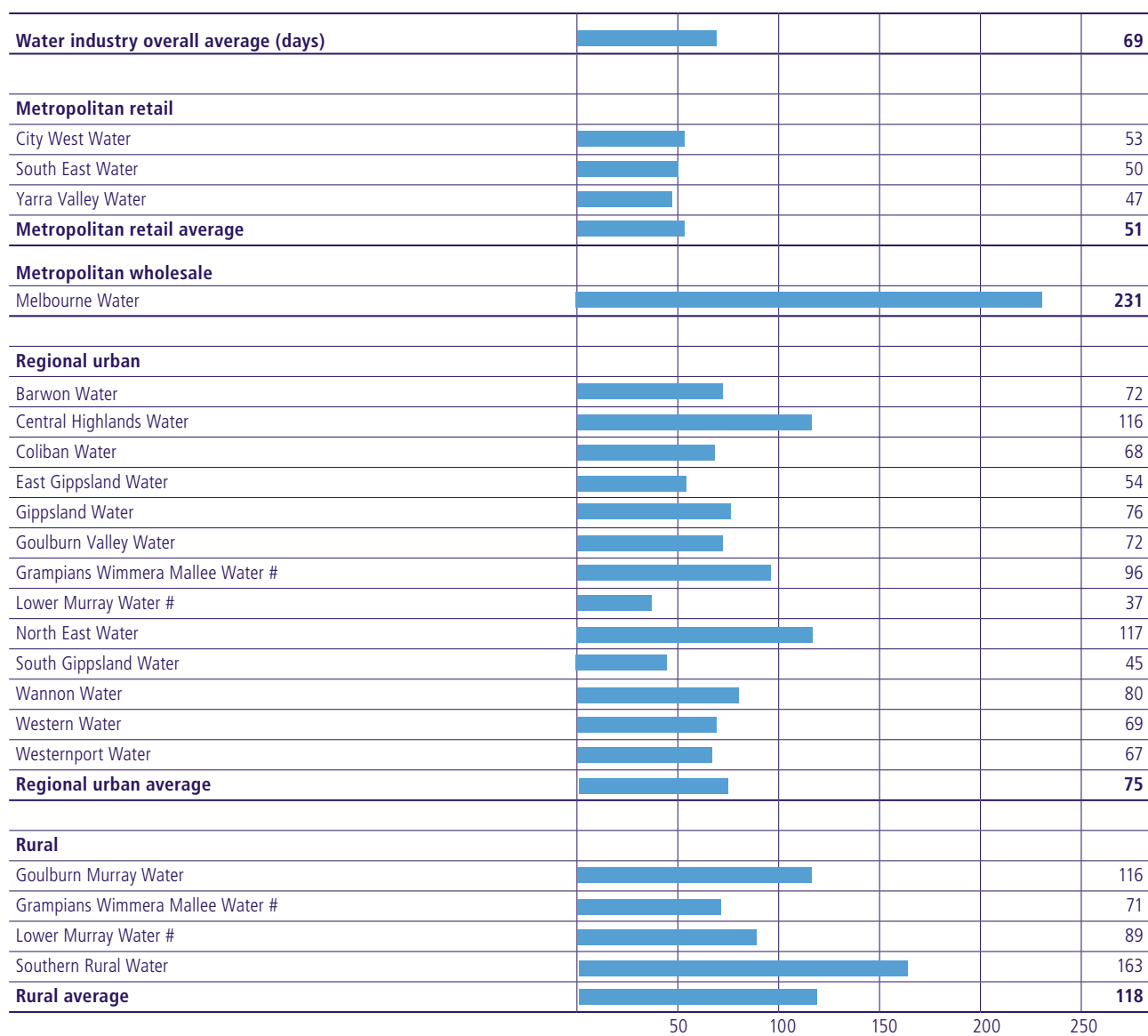
Figure 33: How did EWOV finalise water enquiries?

Finalisation Method	Count	%
Provided general information and referred to provider	283	57
Provided general information	124	25
Referred to a Regulator	16	3
Referred to another Ombudsman	1	<1
Referred to Government/MP	42	8
Referred elsewhere	31	6
Total	497	100

Figure 34: How many water complaints were fully investigated and closed within 28, 60 and 90 days?

Timeframe	Total	%
Within 28 days	93	32
Within 60 days	188	64
Within 90 days	227	77
Above 90 days	66	23
Total	293	100

Figure 35: On average, how many days did it take to close the water complaints EWOV fully investigated?



NOTES:

Grampians Wimmera Mallee Water and Lower Murray Water are rural urban water corporations. Their urban and rural cases have been separated in this figure for sector share purposes.

30 water investigations were upgraded to level 2 this period and 5 investigations were upgraded to level 3.

List excludes scheme participants for whom no full investigations were finalised by EWOV in 2006-07.

Some of the complaints which were fully investigated and finalised were received prior to July 2006.

Case complexity contributes to the time taken to close a case. EWOV's seeking of technical or legal advice and delays in customer action/replies may also have an effect.

Case closure times may also be affected by factors internal to the provider, such as the time required for field testing and site inspections, and its resourcing for complaint handling.

W/2007/146

Confusion over planning permits and licence requirements

Mr K wanted to turn a former deep horse swim on his property into wetlands for wildlife. He was seeking clarification of his water provider's role in this — in particular, why he had to apply for a licence from the water provider when he'd been dealing with two other bodies.

Mr K said one body advised him in writing that it was responsible for issuing planning permits. In November 2006, that body said it had no objection to issuing him with a permit, subject to his compliance with a number of conditions. Confident of meeting those conditions, Mr K engaged consultants to prepare and submit plans to the local water provider.

In early January 2007, however, he was told the water provider required him to have a licence to construct a dam. He was also told there wasn't any need for a planning permit, if a licence was obtained. Having gone to significant expense to meet the conditions imposed by the other body, Mr K was now thinking this hadn't been necessary. He also didn't know how the licence conditions compared with those already imposed.

Contacted by EWOV, the water provider advised that Mr K's works constituted a dam and that, under section 67 of the *Water Act 1989*, he'd need a works licence before he could commence the works or obtain a planning permit from the council. It said that, on 24 November 2006, it had received a planning permit application referral from the other body Mr K was dealing with. It said it had subsequently inspected the site on 6 December 2006 and had concluded that, because the works were located on a waterway, a licence to construct and operate works was required. It said Mr K had been told this during the site inspection.

In relation to responsibilities, the water provider said that, under a Ministerial delegation, it was responsible for assessing, approving and issuing licences to construct and operate works on a waterway. For the purpose of the delegation, works were limited to the construction of dams, or any structure with the capability of harvesting and storing water. It said the Act provided a clear definition of a dam, and although Mr K sought to develop wetlands, the works clearly fell within the definition of a dam.

The water provider said the other body's responsibility covered a different area, that being to ensure any proposed works were carried out in a way which would protect and or enhance the environmental values of the waterway. It also advised it had no information to suggest the other body had claimed responsibility for the authorisation of Mr K's works.

We provided Mr K with the water provider's detailed response. He understood, but was concerned about a drawn-out application process. Responding to his concerns, the water provider gave assurances that the matter would be dealt with promptly once an application was received. Mr K submitted his application along with the fee, satisfied with the water provider's assurances.

Clear communication invariably assists resolution. This customer was concerned about the different information he was getting from different sources. For its part, the water provider assisted resolution and demonstrated good customer service by dealing with the complaint efficiently and agreeing to address his application promptly.

NOTE:

Case studies are provided to demonstrate the range of complaints received, and the outcomes achieved through EWOV investigation. Initials used have no relevance to the name of the actual customer who lodged the complaint.

W/2007/424

Unexpected property charges

Ms J said she'd been living at her property since May 2006. When she moved in, she'd asked the local water provider to set up an account for the property in her name. She said she was told she could have the existing account transferred across to her, but a new account couldn't be opened in her name, because she already had another account. Ms J said that, since then, she'd been paying \$20 a fortnight via Centrepay and all her water bills.

In early March 2007, she received a bill with a carried forward balance of \$1,007.76. She said the water provider told her she was responsible for certain charges on the account — which she understood to be arrears carried forward from her father's account. Her father had since left the property. Ms J said that, when he left, his account was closed and a new account set up in her name.

The water provider advised us that Ms J became the registered joint owner of the property on 27 November 2006. An account was issued on 20 February 2007. This included an outstanding amount of \$707.20 transferred from the previous owners of the property to Ms J because it remained outstanding at the time of settlement. The water provider said it was acting in accordance with section 275 of the *Water Act 1989* (the Act) in doing this.

An amount of \$417.70 for usage for the period the account was in Ms J's name was also transferred to her current account. This gave a total of \$1,124.90. Offset by her Centrepay payments, the actual balance was \$1,007.76.

In our investigation, we reviewed the relevant sections of the Act and confirmed they applied. Section 275 states that amounts outstanding at settlement are a 'charge on the property' and therefore transfer with ownership. As the water provider didn't receive payment of the charges at settlement, they transferred to the new owner of the property, being Ms J.

We also noted that the water provider was able to confirm that the solicitors involved in the settlement were made aware of the outstanding amounts on 15 November 2006 and would have had an obligation to inform Ms J.

We therefore concluded that the outstanding charges were appropriately transferred to Ms J's account.

We confirmed to Ms J the basis on which the charges were transferred to her account and advised that the water provider had acted in accordance with the relevant provisions of the Act. We also advised her that the solicitors involved in the settlement were made aware of the arrears and should have told her about them.

The water provider agreed that Ms J could continue with her payment arrangement of \$20 a fortnight. At EWOV's suggestion, it also agreed to review the payment plan in the future.

EWOV's role is to make an independent assessment of a situation, having regard to relevant laws and codes. This case also reflects the importance of good communication when conveying information and the role that plays in reaching an understanding and in resolving issues.

W/2006/369

Disputed responsibility for damaged fence

Mr B said that his local water provider had 'demolished' his brick fence when repairing a blocked sewer in the rear lane. The water provider had referred the matter to its insurers who inspected the property, prepared a report and sent a letter to Mr B denying responsibility.

The water provider didn't believe it was responsible for the fence's total collapse. It said the fence appeared to be in disrepair prior to its works and, further, the part closest to the sewer connection branch was still in relatively good condition.

It also pointed to its insurer's report, which found no movement in the lower brick courses to indicate ground subsidence as a result of the collapsed sewer, and which noted the possible contribution of trees inside the fence. In addition, it advised that approval for building a fence on a sewer easement came with conditions — and it couldn't be held responsible for damage as a result of an asset failure.

As part of our investigation, we sought advice about what would constitute 'good industry practice' in this situation. We also sought independent legal advice. We formed the view that, given the state of the fence prior to the works and because they were deemed to be emergency works, the water provider had acted appropriately under the circumstances.

We were satisfied that Mr B wasn't entitled to any compensation for the cost of repairing or replacing the fence. While Mr B wasn't satisfied with this outcome, he was satisfied his concerns had been thoroughly investigated.

However, the water provider acknowledged there were customer service issues which may have contributed to the delays in resolving the complaint, and offered Mr B an account credit of \$100. It also provided him with a formal apology.

This case highlights that, although a customer may not be satisfied with a provider's response to their complaint, they may be satisfied with the same outcome once an independent body has investigated the matter. This demonstrates the value of using a range of tools to work out what is a fair and reasonable outcome, such as obtaining advice about good industry practice.
