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UNDETECTED LEAKS

Strategic Outcome:	Good government
Policy type	Strategic
Date of Adoption:	15 June 2022 Minute Number: 156
Date for Review:	17 June 2026
Responsible Officer:	Deputy Chief Executive Office
Document Control:	Replaces and revokes the Undetected Leaks Policy adopted 16 September 2020
Delivery Program Link:	3.1.4.2.1 Generate sufficient income from fees and charges to provide for the renewal of sewer, water supply and distribution assets

1. POLICY STATEMENT

Water leaks can be undetected and cause higher than normal water consumption.

While Council is not legally required to notify ratepayers of suspected water leaks, where possible Council will notify of suspected leaks to assist ratepayers in managing water consumption and loss

Receipt of a water notice following an undetected leak can cause some ratepayers financial and emotional distress as they are often not aware there is an issue until notified by Council. Managing complaints and requests relating to water notices and undetected leaks adds to the workload of the revenue team. This policy provides a simple and easy-to-understand framework for managing water notices with undetected leaks.

2. PURPOSE

To provide a framework for processing and assessing requests for a reduction in significantly higher water charges resulting from undetected water leaks.

The objectives of this policy are to:

1. provide some financial relief to property owners when water is lost due to an undetected leak, whilst demonstrating to property owners that they have a responsibility for maintaining their private water infrastructure and services; and



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2. provide a consistent and fair approach in dealing with requests for financial relief when water is lost due to an undetected leak.

3. SCOPE

Council provides potable water to the boundary of a property; water that has subsequently passed through a metered service connection becomes the responsibility of that property owner.

This policy is not intended to provide compensation to customers for water consumption charges that occur due to an undetected water leak on their property.

However, as an act of good faith and in the interest of good public relations, Council provides a means by which some assistance for higher consumption and treatment charges may be obtained, subject to the provisions of this policy being met.

4. OBJECTIVE

This policy is developed to assist the Council with the Delivery Program Objective:

3.1.4.2.1 Generate sufficient income from fees and charges to provide for the renewal of sewer, water supply and distribution assets

5. DEFINITIONS

Significant leak: The water consumption on the water notice issued immediately prior to or immediately after the repair being completed is 1.5 times greater than the previous three equivalent billing periods average consumption

Undetected leak: occurring within pipeline breaks or connections in the ground, under slabs or within walls, etc. and are clearly not visible to the owner

6. POLICY IMPLEMENTATION

6.1 Application

Claims for assistance under this policy must be made by application. Applications must include:

- A statutory declaration indicating:
 - the abnormally high water consumption was attributable to an undetected water leak;
 - repairs have been made in accordance with Australian Standard AS/NZS 3500;
 - a full check of internal plumbing has been made to ensure no other leaks exist; and
 - no internal plumbing is defective and requiring replacement.



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- supporting documentation indicating the water leak was repaired immediately (within 30 days of a notice being issued, or after the customer learnt of its existence). Evidence may include a statement or invoice from a licensed plumber indicating the cause and location of the water leak; and
- acknowledge subsequent claims within five years under this policy will not be accepted

6.2 Eligibility

6.2.1 Eligible claims

A complying claim must meet the following criteria:

- The claimant must be the owner/s of the property for which the claim applies.
- Council must receive the claim within 30 days of the issue of the water notice being issued.
- The claim must involve a **significant leak** at the property.
- The application must involve an **undetected leak** in a pipeline.

6.2.2 Ineligible claims

The following claims will not be eligible for assistance

- Claims that are the result of a second occurrence at the same property and by the same owner regardless of whether it is a related event or separate undetected leak within five years of the first leak occurrence being determined by Council.
- Claims that are the result of a leak from an appliance, pump, hot water system, pressure release or float valves, solar panels or pool heaters, pool or pond lines or liners, taps, cisterns and other water fittings, etc. where the leak would have been reasonably detectable.
- Claims that involve a leak caused directly by way of accidental or wilful damage.
- Claims that are due to a change in consumption pattern by the occupier of the property.
- Claims that do not contain the documentation or meet the terms of a complying claim.

6.3 Assessment

6.3.1 Authority to assess and approve claims

The Revenue Coordinator will initially assess eligibility claims received under this Policy. The Revenue Coordinator will then make a recommendation to the Chief Executive Officer, who will approve the claim or otherwise.

Council will advise applicant/s in writing of the decision within 30 days of receipt of the application.

6.3.2 Eligible periods



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Council will only consider adjustment to water notices issued for the billing periods immediately before and/or immediately after the leak has been detected and repaired.

It is at the discretion of the Revenue Coordinator to determine if an account warrants adjustment to more than one billing period where the applicant is unable to demonstrate definitively that a leak has occurred over more than one billing period.

6.4 Assistance

The limit of Council assistance under this policy is a 50% reduction of the volume of the estimated leak.

Assistance is calculated as the difference between the mean water consumption for the previous three equivalent billing periods and the consumption recorded on the water notice issued immediately after the repairs being completed for complying claims.

The maximum reduction offered for water consumption charges is \$2,000 in aggregate.

Council will not waive interest charges accrued on unpaid water accounts that are subject to a claim under this policy.

6.5 Reporting

Approved claims are processed as credit supplementary levies rather than write-offs in the Council's rating and charging system. That is - they are deemed to be incorrectly charged rather than waived.

Notwithstanding this, the Revenue Coordinator will report to the Council all revenue foregone as a result of this policy no less than annually.

7. RELATED LEGISLATION, POLICIES AND STRATEGIES

7.1 Legislation

- [Local Government Act 1993](#)
- [Australian Standard AS/NZS 3500: 2003 Plumbing and Drainage](#)

7.2 Council policies and guidelines

- Governance Policy
- Code of Conduct
- Operational Plan and associated Schedule of Fees and Charges
- Statement of Revenue Policy
- Debt Management and Hardship Policy
- Permanent Water Saving Policy
- User Fees and Charges Policy
- Water and Sewer Supply Policy



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8. RECORDS MANAGEMENT

Recording of all information relating to this policy.

All Records must be kept in accordance with Council's Records Management Policy (currently under development) and destroyed as per the General Retention and Disposal Authority: Local Government Records (GA39).

9. REVIEW AND EVALUATION

This policy (procedure) will be evaluated and reviewed at least once every four (4) years as per Council's Governance Policy (currently under development) or as required.

10. DOCUMENT AVAILABILITY

A number of legislative instruments require Councils to have the policy available for inspection at Council's principal office (i.e. Policies made under Part 3, of the Local Government Act 1993). Each document should therefore state the ways in which the policy is available including any relevant fees and charges for access to such policy. An example of the required statement is provided below:

This policy will be available for inspection at Council's principal office during ordinary business hours as per the requirements of section 18 (c) of the *Government Information (Public Access) Act 2009* and section 167 of the *Local Government Act 1993*.

Access to the policy in digital format is free and is available on Council's website <https://www.berriganshire.nsw.gov.au/>

Printed copies of the document are available at Council's principal office (address noted below) and are subject to Council's Fees and Charges.

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11. VERSION CONTROL

Version Number	Date	Summary	Responsible Officer
1.1	15.06.2022	Minor review (detail)	Director Corporate Services

APPENDICES

Nil
