

	COUNCIL POLICY	
	Concessions for Concealed Leaks	
	POLICY NO	048
	DEPARTMENT	ENGINEERING & COMMERCIAL INFRASTRUCTURE
	PROGRAM	BUSINESS SERVICES
ENDORSED BY COUNCIL 24 JUNE 2020 (ORD-2020-142)		

1.0 Scope

This policy applies to all requests for a reduction in water charges from customers in the Local Government area of Mackay who receive a metered supply of water to a residential or commercial property.

This policy applies to Mackay Regional Council (MRC) staff delegated to consider applications for a concession off the water notice due to a concealed leak.

2.0 Purpose

To guide MRC's practice and decision-making on the extent of, and the conditions under which, financial concessions will be offered to property owners who have received an unusually high water notice, resulting from a concealed leak.

3.0 Reference

- MRC Revenue Statement (Current)

4.0 Definitions

To assist in interpretation the following definitions shall apply:

AMR shall mean Automatic Meter Reading device(s).

Average Consumption shall mean where possible and/or relevant, the average of the past three years' actual water consumption during the equivalent billing period, adjusted at the discretion of MRC, for any relevant changes in circumstances that would impact consumption.

Billing Period shall mean the time between meter readings and does not refer to the issue date or the payment due date on the water notice.

Concealed Leak shall mean a leak that has occurred within the property owner's property in the main water supply pipe from the water meter to the primary constructed structure, either underground, under or within concrete or paving or underneath a structure where the leak was not apparent and the occupant was not aware of its existence and could not reasonably be expected to be aware of its existence.

Concession Rate shall mean as defined in section 6.3 – Extent of Concessions of this policy.

Council shall mean the Mayor and Councillors of MRC.

Excess Consumption due to Concealed Leak shall mean as defined in Section 6.3 – “Extent of Concessions” of this Policy.

MRC shall mean Mackay Regional Council.

myh2o shall mean the MRC website www.myh2o.qld.gov.au where property owners can register to monitor consumption and receive high consumption and potential leak alerts.

Policy shall mean *this* “Concession for Concealed Leaks” Policy.

Property shall mean the property within the MRC area to which water is being supplied by MRC for which Water Notices are issued.

Property owner shall mean the owner or owners of the property.

Tier 1 Consumption Charge Rate shall mean the Tier 1 Consumption Charge identified within the Revenue Statement as adopted by Council each financial year.

Tier 1 Threshold Limit shall mean the maximum volume on which the Tier 1 Consumption Charge rate will be applicable as identified within the Revenue Statement as adopted by Council each financial year.

Tier 2 Consumption Charge Rate shall mean the Tier 2 Consumption Charge identified within the Revenue Statement as adopted by Council each financial year.

Water Notice shall mean the notice issued by MRC to the Property Owner which contains the water consumption charges.

5.0 Background

Concessions provided for concealed leaks has been previously governed by Local Law No. 69. This policy will replace the sections in the said Local Law No. 69 that deal with the provision of concessions for concealed leaks.

6.0 Policy Statement

6.1 Principles

- The property owner is responsible for managing their water consumption. This includes registering on “myh2o” to monitor the daily water consumption and/or manually reading the water meter and carrying out overnight consumption tests on a regular basis to monitor water usage and consumption patterns.
- The property owner is responsible for repairing water leaks in the pipes carrying water from the water meter into the premises, in any internal pipes or plumbing fixtures within the premises, or in any irrigation piping or garden watering systems.
- Subject to any concession under this policy, the property owner is responsible for the payment of the full water notice, including consumption related to leaks.

- Where MRC becomes aware of a potential water leak at a property, MRC will make best efforts to notify the property owner. Such notification is provided as an added service and such notification or the lack thereof does not alter the availability or non-availability of concessions under this policy.

6.2 Eligibility

MRC will only consider a request for concession on a water notice due to a water leak where:

- the leak was a concealed leak; and
- when an AMR is installed on the water meter at the property, the property owner has registered on myh2o, and has active leak alerts in place, and
- the property owner took all reasonable steps to ensure that the concealed leak was repaired within a reasonable period of time; and
- the concealed leak was repaired by a licensed plumber.

6.3 Extent of Concessions

A reduction in water consumption charges will be granted only once per property per property owner for each two year period. The reduction of water consumption charges may be applied over two billing periods, as a single concealed leak can affect the consumption over two billing periods.

A concession will be available only if the consumption for applicable billing period is above the Tier 1 threshold limit.

Hourly Data Available through AMR

(where detailed hourly consumption data is available through an installed AMR)

For the lower of the number of days the concealed leak existed or 30 days.

$$\text{Concession Rate} = \sum_n^1 \left[\begin{array}{l} \text{minimum consumption rate} \\ \text{(given day)} \end{array} \times \text{number of leak hours} \right]$$

where 1 = first day of Concealed Leak, and
 n = day client was notified of the Concealed Leak, became aware of the Concealed Leak or the day on which the Concealed Leak ceased, whichever is earlier.

No Hourly Data Available

(where no AMR is installed or no detailed hourly consumption information is available)

If the application for a concession in water consumption charges is granted, the concession extended to the client shall be:

$$\text{Excess consumption due to Concealed Leak} \times \text{Concession Rate}$$

Where,

$$\text{Excess consumption due to Concealed Leak} = \left[\begin{array}{l} \text{Consumption for applicable} \\ \text{billing period} \end{array} - \begin{array}{l} \text{non concession} \\ \text{consumption} \end{array} \right]$$

and,

$$\text{Concession Rate} = \left[\begin{array}{l} \text{Tier 2 Consumption Charge} \\ \text{rate} \end{array} - \begin{array}{l} \text{Tier 1 Consumption} \\ \text{Charge rate} \end{array} \right]$$

and where:

Non concession consumption = The greater of:

- Average consumption for property, and
- Tier 1 threshold limit

If use of either of the above methods is deemed inappropriate under a given circumstance by MRC then an alternate methodology may be adopted.

The decision whether to use an alternative methodology and the alternative methodology to be used will be at the sole discretion of the Director of Engineering & Commercial Infrastructure or an officer delegated to consider applications for concealed leaks under this policy, on a case by case basis.

6.4 Applying for a Concession

The property owner must apply in writing for a reduction of water consumption charges due to a concealed leak using the *Application for a Concession on Water Account due to a Concealed Leak Form*. The application must outline the location and circumstances of the concealed leak, including the conditions to be met under *Section 6.2 – “Applicability”* of this policy and complete all sections of the form.

The application must be made to MRC, no later than the date on which payment for the consumption charge on which the concession is being sought, falls due for payment. Application made after this date but before the next water notice, may be considered at the discretion of the delegated decision-maker. Where such an application is considered, the concession granted will be 50% of the concession as identified in *Section 6.3 – Extent of Concessions* of this policy. An application received by MRC after the issuance of the next water notice will not be considered for relief.

The application must be accompanied by a detailed plumber's report, using the *Plumber's Report on Repair of Concealed Leak Form* as specified by MRC, from the licensed plumber who carried out the repair work, certifying:

- the property on which the concealed leak was discovered
- the concealed leak was repaired by the licensed plumber; and
- the date the concealed leak was repaired; and
- the details of the plumbing repairs undertaken; including:
 - that the concealed leak was in the main water supply pipe from the water meter to the *primary constructed structure on the property*; and
 - that the concealed leak was in a location and/or of a nature which contributed to it not being evident.

6.5 Specific Exclusions

MRC will not provide concessions for leaks that occur in:

- internal pipework (under floor or within walls) water fittings and appliances including taps, toilets, showers, sinks, hot water systems and appliances with water connections such as dishwashers, washing machines and fridges
- water tanks that are plumbed to the potable water supply, including solar water heaters and pipework related to such tanks
- external water taps, hoses, sprinklers and irrigation systems

- swimming pools, spas and other water features including fittings and the pipework that supply such fixtures
- firefighting equipment and systems

Concessions will also not be available for water loss:

- during construction, renovation, excavation or similar activity
- due to theft, vandalism, and inadvertent use (e.g. tap/hose left running due to an oversight)

7.0 Review of Policy

This Policy will be reviewed when any of the following occur:

1. The related documents are amended or replaced
2. Other circumstances as determined from time to time by a resolution of Council

Notwithstanding the above, this Policy is to be reviewed at intervals of no more than two years.

Version Control:

Version	Reason / Trigger	Change	Endorsed	Date	DWS	Folio
	Scheduled review		By Council	15.06.11	3086143	15995
	Scheduled review	No changes	By Council	08.04.13	4218563	NA
	Scheduled review		By Council	24.06.15	5904512	38395
	Scheduled review		By Council	22.06.16	5594091	38078
	Scheduled review		By Council	28.06.17	6261892	44779
	Scheduled review		By Council	18.07.18	7026721	57796
	Scheduled review		By Council	26.06.19		63051
	Scheduled review		By Council	24.06.20		ORD-2020-142

SECTION 5 – INFORMATION FOR APPLICANTS

MRC will accept this application once all sections have been completed and submitted to MRC.
(See checklist below):

I HAVE COMPLETED:

Section 1	Property owner details	<input type="checkbox"/>
Section 2	Property details for which concealed leak has occurred	<input type="checkbox"/>
Section 3	Ground for request	<input type="checkbox"/>
Section 4	Customer consent	<input type="checkbox"/>
Other	Sign up to the myh2o website (www.myh2o.qld.gov.au) (as per clause 6.2 in policy)	<input type="checkbox"/>
Attachments	Plumber's report on concealed leak	<input type="checkbox"/>
	Copy of plumber's invoice	<input type="checkbox"/>
	Statutory Declaration (if applicable)	<input type="checkbox"/>

Office Use Only

Date Received:	/	/	Application No:
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PLUMBER'S REPORT ON REPAIR OF CONCEALED LEAK

FRM-
38.313

PRIVACY DISCLAIMER Mackay Regional Council is collecting your personal information in order to process your application. This information will not be disclosed to any other third party with your written authorisation or as we are required to by law

PROPERTY DETAILS FOR WHICH CONCEALED LEAK HAS OCCURRED

Assessment No.

Property Address

LOCATION OF CONCEALED LEAK AND DESCRIPTION OF WORK (attach page if necessary)

LICENSED PLUMBER'S DETAILS

Company Name

Plumber's Name

License Number

Telephone

Mobile

Business Address

PLUMBER'S CONSENT

I confirm that the leak was:

- in the main water supply pipe, from the meter to the primary constructed structure
- in a location and/or of a nature which contributed to it not being evident
- repaired by me on / /
- repaired in conformity with the Plumbing and Drainage Act 2002 and the Standard Plumbing and Drainage Regulation 2003

I also confirm that the information in this form is a true and accurate record of the work carried out.

Signature



Date: / /

Interpretation Guide

Examples of Calculations

Hourly Data Available through AMR

Property A has had a concealed leak. The total consumption for billing period in which the concealed leak occurred was 230 kilolitres (kL). As hourly meter reading data is available for Property A, the meter data management system will calculate the exact quantum of the leak on a weekly basis as in Table 1:

Table 1

Week	Leak Quantum (kl)
1	20.0
2	40.7
3	30.2
Total	90.9

Table 2

Tier	Rate (\$)
2	2.62
1	1.75
Difference	0.87

The rate per kilolitre applicable in calculating the concession is the difference between the Tier 2 Consumption Charge Rate and Tier 1 Consumption Charge Rate as depicted in Table 2.

Even though the quantum of the leak is calculated as 90.9 kilolitres, only the quantum used above 150 KL (Tier 1 Threshold Limit) for the billing period will be eligible for concession. Therefore the maximum quantum eligible for concession is the lower of 90.9 KL or 80 KL (the consumption for the billing period of 230 KL less the Tier 1 threshold of 150 KL).

The concession for Property A therefore would be 80 KL multiplied by the difference between the rates applicable to the two tiers (\$0.87 as shown in Table 2), which amounts to \$69.60.

No Hourly Data Available

Property B has had a concealed leak. Property B does not as yet have an AMR device installed on its water meter and as such no hourly consumption data is available. The total consumption for Property B for the billing period of the concealed leak was 250 KL.

In this instance, the non-concession consumption for the Property B will be calculated as the average consumption of the three previous corresponding billing periods. A corresponding period for the billing period April - September 2021 will be April to September 2020.

Table 1

Corresponding Period	Total Consumption (kl)
1	160
2	140
3	180
Average	160

Table 2

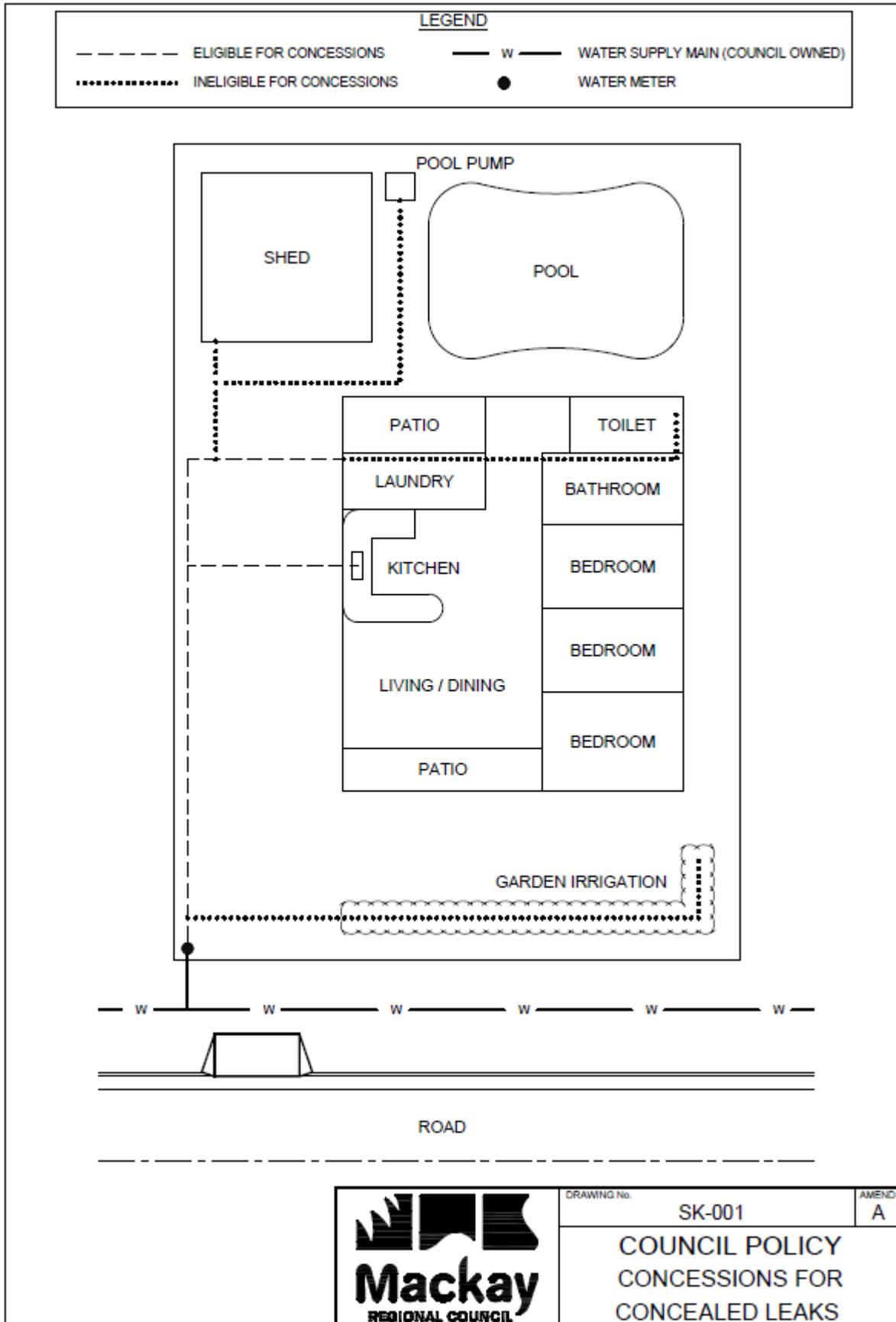
Tier	Rate (\$)
2	2.62
1	1.75
Difference	0.87

For the purposes of calculating relief under this policy, the non-concession consumption for Property B will be 160 KL. Therefore the excess consumption due to concealed leak will be 250 less 160, 90 KL.

The maximum quantum eligible for relief would be the lower of excess consumption due to concealed leak (90 KL) and the difference between the consumption during the billing period (in this instance 245 KL) less the Tier 1 threshold of 150 KL which is 95 KL. Therefore Property B would be eligible for relief on a total of 90 KL.

The concession for Property B therefore would be 90 KL multiplied by the difference between the rates applicable to the two tiers, (\$0.87 as shown in Table 2), which amounts to \$78.30.

Inclusions and Exclusions



DRAWING No.	SK-001	AMEND.	A
<p>COUNCIL POLICY CONCESSIONS FOR CONCEALED LEAKS</p>			