URBIS STAFF RESPONSIBLE FOR THIS REPORT WERE:

Director          Alison Wallace
Associate Director Lee Holloway
Senior Consultants Diane Fase, Sara Hudson
Job Code           SPP27013
Report Number      Final Report

© Urbis Pty Ltd
ABN 50 105 256 228

All Rights Reserved. No material may be reproduced without prior permission.

You must read the important disclaimer appearing within the body of this report.

URBIS
Australia  Asia  Middle East
urbis.com.au
# Table of Contents

Acknowledgements ...................................................................................................................................... i

Acronyms ..................................................................................................................................................... ii

Executive Summary ................................................................................................................................... iii

1 Introduction ...................................................................................................................................... 1
   1.1 Overview ............................................................................................................................................ 1
   1.2 Methodology ...................................................................................................................................... 1
   1.3 Structure of this report ....................................................................................................................... 2

2 Context ............................................................................................................................................. 3
   2.1 Disconnection rates in South Australia.............................................................................................. 3
   2.2 Policy context ..................................................................................................................................... 4

3 Support provided to consumers .................................................................................................... 7
   3.1 Key support provided by the community sector ................................................................................ 7
   3.2 Support provided by government ...................................................................................................... 9
   3.3 Support provided by retailers ........................................................................................................... 12
   3.4 Support provided by the energy and water ombudsman ................................................................ 12

4 Consumers at risk of disconnection ........................................................................................... 14
   4.1 Consumers participating in this study .............................................................................................. 14
   4.2 Financial hardship ............................................................................................................................ 14
   4.3 A complexity of multiple issues ........................................................................................................ 15

5 Consumers' pathways in seeking support ................................................................................. 16
   5.1 When do consumers seek help? ..................................................................................................... 16
   5.2 Seeking help from community organisations ................................................................................... 16

6 The needs of consumers .............................................................................................................. 19
   6.1 The needs of consumers at risk of disconnection ........................................................................... 19

7 The value and impact of support provided by the community sector ..................................... 30
   7.1 Financial assistance ........................................................................................................................ 30
   7.2 Impacts of financial counselling ....................................................................................................... 30
   7.3 Financial counselling expectations .................................................................................................. 33
   7.4 Challenges in providing support ...................................................................................................... 34

8 Enhancing and strengthening support to consumers............................................................... 37
   8.1 Key stakeholder groups involved in disconnection ........................................................................ 37
   8.2 Shared responsibility ....................................................................................................................... 38

9 References ..................................................................................................................................... 41

Appendix A Methodology ..................................................................................................................... 45

Appendix B Government-funded programs for consumers related to the energy market ....... 50

Appendix C Discussion Guides ........................................................................................................... 53

Disclaimer .................................................................................................................................................. 64
FIGURES:
Figure 1 – Key supports to consumers......................................................................................................... iv
Figure 2 – Overview of research methodology.............................................................................................. 1
Figure 3 – Disconnection rates by jurisdiction (per 100 consumers) ............................................................... 3
Figure 4 – Number of residential gas and electricity disconnections in South Australia.............................. 4
Figure 5 – Annual average electricity and gas bills by jurisdictions based on comparable consumption (6500 kWh and 24 000 MJ pa), June 2013................................................................. 5

TABLES:
Table 1 – Key needs of consumers............................................................................................................... v
Table 2 – Government concessions and emergency relief payments to assist consumers in paying their electricity, gas and water bills .............................................................. 11
Table 3 – Key areas for improvement and options for consideration........................................................... 40
Table 4 – Community organisations interviewed........................................................................................ 47
Table 5 – Community organisations and consumers interviewed............................................................. 48
Table 6 – Government-funded programs for consumers related to the energy market ......................... 51
Acknowledgements

Urbis would like to take this opportunity to express our gratitude and thanks to everyone who took part in the study.

It was a privilege to have consumers tell their stories to members of the research team and we acknowledge that it was often painful for them to talk about very difficult times in their lives.

We are also grateful to all stakeholders who gave us their time to share their views and ideas, which greatly informed the analysis of this research.

We would also like to thank all staff from the community organisations who assisted us in organising the in-depth interviews with consumers.
## Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABS</td>
<td>Australian Bureau of Statistics</td>
</tr>
<tr>
<td>AER</td>
<td>Australian Energy Regulator</td>
</tr>
<tr>
<td>AEMC</td>
<td>Australian Energy Market Commission</td>
</tr>
<tr>
<td>DMITRE</td>
<td>Department for Manufacturing, Innovation, Trade, Resources and Energy</td>
</tr>
<tr>
<td>DSS</td>
<td>Department of Social Services</td>
</tr>
<tr>
<td>EEPS</td>
<td>Emergency Electricity Payment Scheme</td>
</tr>
<tr>
<td>ESCOSA</td>
<td>Essential Services Commission South Australia</td>
</tr>
<tr>
<td>HESS</td>
<td>Home Energy Saver Scheme</td>
</tr>
<tr>
<td>NECF</td>
<td>National Energy Customer Framework</td>
</tr>
<tr>
<td>NILS</td>
<td>No Interest Loan Scheme</td>
</tr>
<tr>
<td>REES</td>
<td>Residential Energy Efficiency Scheme</td>
</tr>
<tr>
<td>SACOSS</td>
<td>South Australian Council of Social Service</td>
</tr>
</tbody>
</table>
Executive Summary

In March 2014, the South Australian Council of Social Service (SACOSS) commissioned Urbis to undertake research into the support the community sector provides to consumers who are at risk of or experience disconnection/restriction from electricity, gas and/or water.

The main purpose of the research is to provide the South Australian community sector with insights into how it can strengthen and enhance the support to consumers.

METHODOLOGY

The research methodology was designed to answer three research questions:

- What support does the community sector in South Australia provide to consumers who have been disconnected or who are at risk of disconnection from electricity, gas and/or water?
- How useful is this support for consumers?
- What, if any, other support could the community sector provide to consumers and what does the community sector need in order to do this?

The research involved in-depth interviews with:

- Eight key informants representing different sectors and industries, including the government, the community sector and the retail industry
- 23 staff members from 13 community organisations located in South Australia
- 40 consumers living in South Australia who had been disconnected or at risk of disconnection from electricity, gas and/or water.

A workshop was also conducted with members of the South Australian community sector and representatives from government.

DISCONNECTION IN SOUTH AUSTRALIA

South Australia has the highest rate of disconnection from electricity in Australia. The disconnection rate is increasing, and the number of residential electricity disconnections in South Australia has more than doubled in the last four years.

Disconnections from gas, meanwhile, have fluctuated over the last four years.

Consumers in South Australia face higher annual average electricity and gas bills compared to other jurisdictions. At the same time South Australia has a higher proportion of low income households than other States and Territories. This combination of factors puts South Australian residents at particular risk of disconnection.

SUPPORT PROVIDED TO CONSUMERS

Consumers who are at risk of or experiencing disconnection from utilities can access support from a range of places. The figure overleaf summarises the key supports available to consumers.
Consumers interviewed for this study had either been disconnected or were at imminent risk of disconnection. All consumers were experiencing financial stress. They stressed they wanted to pay their outstanding bills, but were financially unable to do so.

For many consumers, disconnection was one of a number of problems they were facing. Their lives often involved a complexity of issues, including for example, family breakdown, carer responsibilities, unemployment and unstable housing. The complexity of their lives often triggered or exacerbated already existing mental health issues. Many consumers said that their mental health negatively impacted upon their coping strategies and resilience. This created a negative spiral which worsened the situation and made it even harder for them to seek help.

SEEKING HELP FROM THE COMMUNITY SECTOR

Most consumers started to look for help when they were facing imminent disconnection or had already been disconnected from electricity or gas. Many stated, however, that they should have sought help sooner and should not have allowed their situation to deteriorate. The main reasons they gave for not seeking help sooner were feelings of extreme embarrassment and not knowing what help was available.

When they did decide to seek help from the community sector, most found a pathway to support through family or friends, or through their own research and inquiries. Others were referred by community organisations or by retailers.

CONSUMER NEEDS

The needs of consumers can change over time, depending on the stage of the disconnection process. Consumers disconnected from electricity are often in a crisis situation, and need immediate support, including financial assistance to pay outstanding debt and the reconnection fee to the retailer. In light of this, consumers reported needing urgent financial assistance or an advocate to negotiate with the retailers on their behalf. Consumers who were at risk of disconnection were more likely to identify needing assistance in developing budgeting skills or gaining information on how to lower their energy use.

The needs of consumers threatened with disconnection include practical needs, emotional needs, skills development, knowledge and awareness.
TABLE 1 – KEY NEEDS OF CONSUMERS

<table>
<thead>
<tr>
<th>PRACTICAL NEEDS</th>
<th>EMOTIONAL NEEDS</th>
<th>KNOWLEDGE AND AWARENESS NEEDS</th>
<th>SKILLS DEVELOPMENT NEEDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial needs</td>
<td>Someone to trust</td>
<td>Knowledge and awareness of energy use and energy billing</td>
<td>Financial management skills</td>
</tr>
<tr>
<td>Advocacy needs</td>
<td>Someone who is willing to listen without making judgements</td>
<td>Knowledge and awareness of available support and assistance</td>
<td>Communication, negotiation and budgeting skills</td>
</tr>
<tr>
<td>Easy access to support</td>
<td>Someone who understands the consumer’s situation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flexible rental housing conditions</td>
<td>Confidence to seek help</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Consumers often have other needs, based on the complexity of different issues they face, for example, relating to health, housing, family relationships/responsibilities, employment or education.

THE VALUE AND IMPACT OF SUPPORT

Consumers are generally very satisfied with the support they receive from the community sector. They are satisfied with the financial assistance they receive, such as one-off payments or donations which help lower outstanding bills and debts and decrease the risk of disconnection.

Consumers are also very satisfied with financial counselling services. They highly value the financial support and advocacy services. They also value learning how to manage their bills and expenses and how to be more energy efficient.

The impacts of financial counselling services can go beyond practical and financial, and result in improvements in the consumer’s emotional wellbeing. As a result of the support received, many consumers reported feeling less anxious, distressed and depressed about their situation. They also said that the support had helped them to be more resilient, confident and positive about their future.

Some consumers expressed less satisfaction with financial counselling services, mostly because they had different expectations of financial counselling services. They expected to receive more payment assistance than they were given. These consumers tended to be less open to advice or information about preventative strategies, such as information on how to lower daily expenses or how to improve their budgeting skills. Some felt that they were skilled enough to manage their own bills and expenses, saying their main reason for seeking support from the community sector was to receive financial assistance because they couldn’t afford to pay their bills.

ENHANCING AND STRENGTHENING SUPPORT

Financial counsellors described a range of challenges in providing support to consumers, which include:

- only reaching a small proportion of consumers who need help
- receiving limited funding from the government
- communication with retailers
- dealing with inefficient or inflexible government and retailer processes or systems.

Consultations with stakeholders identified a number of ways to enhance and strengthen support to consumers. The concept of shared responsibility across sectors was widely supported by key stakeholders.

It is anticipated that shared responsibility would lead to:

- more streamlined processes
- better access points for consumers to receive support
• standardised jargon and a common language
• opportunities to increase awareness of available support
• enhancement of early intervention strategies.

Based on consultations, this report identifies thirteen options to enhance and strengthen the support to consumers. Some of these options would require partnerships between the community sector, government and/or retailers.

Key areas for strengthening the support to consumers identified relate to:

• promoting and contributing to implementation of the ‘shared responsibility’ concept
• increasing awareness of available services among consumers and retailers
• continuing to implement preventative and capacity-building programs to empower consumers
• enhancing current support within the sector, including improving current processes and strategies
• engaging more with consumers in financial hardship to enhance early intervention.

A number of options that the government, retailers, landlords and network distributors might consider to strengthen support to consumers are also included in this report.
1 Introduction

1.1 OVERVIEW

The South Australian Council of Social Service (SACOSS) is the peak body for health and community services in South Australia. SACOSS undertakes policy and advocacy work in areas that specifically affect vulnerable and low income consumers in South Australia. This includes research to inform community service practice, advocacy and campaigns.

In March 2014, Urbis was commissioned by SACOSS to undertake research into the support the community sector provides to consumers who have been disconnected/restricted or have been at risk of disconnection/restriction from electricity, gas and/or water. The main purpose of the research is to begin to develop an evidence-base on the support the community sector provides to such consumers, and the usefulness of this support. The research findings will inform the South Australian community sector’s approach and future policies in assisting consumers.

The research involved in-depth interviews with over 30 key stakeholders, including representatives from government and community organisations, and 40 consumers who had experienced or were at risk of disconnection/restriction from utilities.

This research sought to answer three research questions:

- What support does the community sector in South Australia provide to consumers who have been disconnected/restricted or who are at risk of disconnection/restriction from electricity, gas and/or water?
- How useful is this support for consumers?
- What, if any, other support could the community sector provide to consumers and what does the community sector need in order to do this?

1.2 METHODOLOGY

The methodology for this project involved six key phases which are outlined in Figure 2 below.

FIGURE 2 – OVERVIEW OF RESEARCH METHODOLOGY

Each of these stages is discussed in more detail in Appendix A.
1.3 STRUCTURE OF THIS REPORT

This report comprises the following sections:

- Chapter 2: Context
- Chapter 3: Support provided to consumers
- Chapter 4: Consumers at risk of disconnection
- Chapter 5: Consumers’ pathways in seeking support
- Chapter 6: The needs of consumers
- Chapter 7: The value and impact of support provided by the community sector
- Chapter 8: Enhancing and strengthening support to consumers.
2 Context

In order to better understand the support the community sector provides to consumers who are disconnected/restricted or are at risk of disconnection/restriction, it is useful to briefly describe the context of disconnection/restriction. This Section provides an overview of disconnection rates in South Australia, key policy developments over the past ten years that have impacted on the utility sector and the identification of key stakeholder groups in relation to disconnection/restriction.

A note on terminology – consumers are disconnected from electricity and gas, but are restricted from water. For ease of reading, the term ‘disconnection’ will be used for the remainder of this report to refer to consumers disconnected from electricity or gas, or restricted from water.

2.1 DISCONNECTION RATES IN SOUTH AUSTRALIA

Disconnecting consumers from utility services is the ultimate mechanism available to retailers for non-payment of bills. The impact of disconnection on individuals and family households is significant and entails more than financial stress. A recent study identified the negative impacts of disconnection on consumers, in particular their emotional wellbeing, health, safety and financial circumstances (Urbis, 2013).

South Australia has the highest electricity disconnection rate in the country. The Essential Services Commission estimates that in 2012-13, the rate of residential electricity disconnection in South Australia was 1.50 per 100 consumers which is significantly higher than in other states or territories. Moreover, South Australia is one of three states where the disconnection rate increased over the last two years (see Figure 3 below).

FIGURE 3 – DISCONNECTION RATES BY JURISDICTION (PER 100 CONSUMERS)

The increase in the number of electricity disconnections in South Australia has doubled in the last four years. Meanwhile, residential gas disconnections has fluctuated in the last four years, with slightly fewer in 2012/13 than in 2009/10 (see Figure 4).

1 Available data by the Essential Services Commission did not include information on disconnection rates in the Northern Territory.
There does not appear to be any reliable, published data on water restriction in South Australia.

Disconnection is a concern in South Australia where consumers face higher energy prices compared to other states or territories, and where the representation of households on low incomes is the highest (Frontier Economics, 2012; CME, 2012; Australian Bureau of Statistics, 2012). This will be explored in more detail Section 2.2.

2.2 POLICY CONTEXT

A number of significant changes have occurred in the energy market in recent years. These changes have included increased energy prices, the introduction of full retail competition and deregulation of the energy market and the establishment of the National Energy Customer Framework (NECF).

2.2.1 HIGHER ENERGY PRICES

In the last few years, energy prices in Australia have increased significantly. It is estimated that between 2007 and 2012, energy prices rose between 45% and 85%, at a time when the Consumer Price Index (CPI) increased by less than 3% annually (AECOM, 2014: 2).

Consumers in South Australia face high annual electricity and gas bills compared to other jurisdictions (Australian Energy Regulator (AER), 2014). In 2013, the annual average electricity bill was highest in South Australia (average annual bill of $2,335), and lowest in the ACT ($1,511) (see Figure 5). Gas charges were on average also highest in South Australia and Queensland (annual average bills of $962 and $980 respectively).
The increase in energy prices is in sharp contrast to lower energy consumption that occurred nationally over the last few years. Various factors have contributed to reduced energy consumption, including the introduction of more energy efficiency programs, increased use of energy efficient equipment and appliances, and solar panels (AECOM, 2014).

Notwithstanding this recent positive trend in energy consumption over the last few years, there has been an increase in peak demand on energy networks. This is partly attributed to an increase in domestic air conditioners and a higher number of days with very high temperatures. The increased peak demand has resulted in greater network investments by network distributors and, consequently, higher residential energy prices. Forecasts predict further significant increases in localised peak demands over the next few years, which will likely impact on future energy prices (AECOM, 2014; AEMC 2012).

South Australia has a higher proportion of low income households ($600 per week or lower) compared to Australia as a whole. In 2011, 25% of South Australian households were on low incomes and 12% were on high incomes, compared to 17% and 21% of all Australian households respectively (see website of Profile.id.com). The average annual electricity bill for low income South Australian households was estimated to be $1,816 in 2012/13, and the annual gas bill during the same period was estimated to be $827.

Energy costs have a disproportionate impact on low income households. According to the Australian Bureau of Statistics (ABS), low income households spent an average of 9.6% of gross household weekly income on household energy costs in 2012, which was more than three times higher than the proportion spent by high income households (2.9%). ABS data also suggests that low income households more often experience financial stress due to energy bills. For example, in 2012, 18% of low income households could not pay their electricity, gas or telephone bills on time and 13% had been disconnected from electricity or gas in the previous 12 months. By comparison, 5% of high income households (households in the highest income quintile) could not pay their bills on time and only 2% had been disconnected in the previous 12 months.
Within the context of disconnection, energy ‘bill debt’ can be used as an indicator of how well consumers are managing their energy costs. Bill debt refers to “the amount owed to a retailer that has been outstanding for 90 days or more” (AER, 2014: 21). During 2012/13, the AER estimated that the average electricity bill debt for South Australians was between $700-$800, and the average gas bill debt was $265.

In summary, compared to other jurisdictions, consumers in South Australia are facing high energy costs. South Australia also has a higher proportion of low income households experiencing impacts of increased energy costs despite decreased consumption nationally. It is this combination of factors that may be contributing to the relatively high rates of disconnection in South Australia when compared to other states and territories.

2.2.2 FULL RETAIL COMPETITION AND DEREGULATION OF THE ENERGY MARKET

In 2003, full retail competition in electricity was introduced in South Australia, enabling consumers to choose their own electricity retailer. While full retail competition was introduced, the Essential Services Commission of South Australia (ESCOSA) was overseeing regulation of residential electricity prices, and the contractual terms and conditions of supply (AEMC 2013a).

However, ESCOSA’s role changed significantly in February 2013 with the introduction of price deregulation, enabling retailers to fully compete on price. Since this time, ESCOSA has held a price monitoring role (AEMC, 2013b).

To date, full retail competition in the residential electricity market has been introduced in South Australia, Victoria, NSW, ACT and Queensland. Economic theory suggests that effective competition can have a positive impact on pricing, and can encourage new retailers into the market, further enhancing retail competition (Deloitte 2013). However, at the time of writing, deregulation of the energy market is still in its infancy and an evidence base on impacts on residential energy pricing is yet to be identified.

2.2.3 NATIONAL ENERGY CUSTOMER FRAMEWORK (NECF)

Another important change in the energy market was the establishment of the National Energy Customer Framework (NECF). The NECF was introduced in South Australia on 1 February 2013, followed by most other states and territories. As described on the AER’s website, the NECF comprises the National Energy Retail Law, National Energy Retail Rules and National Energy Retail Regulations. A key objective of the NECF is to strengthen protection for consumers.

The NECF requires retailers to offer a financial hardship program to consumers. Specifically, in developing hardship programs for consumers, it requires retailers to include a referral process to Concession Schemes, Financial Counselling Services and Energy Efficiency Schemes (SACOSS, 2014).

Under the NECF, the Australian Energy Regulator (AER) is responsible for regulating the energy market to ensure protection of consumers. The AER is required to monitor and approve the hardship programs of energy retailers. Importantly, under the NECF, retailers must obtain AER approval before they can implement their hardship programs.
3 Support provided to consumers

This Section provides an overview of the types of support the community sector provides to consumers who have been disconnected or are at risk of disconnection from utilities. It also explores the various types of support provided to consumers by government and retailers.

The various key forms of support available to consumers are summarised in Figure 6 and explained in more detail below.

**FIGURE 6 – KEY SUPPORT AVAILABLE FOR CONSUMERS DISCONNECTED OR AT RISK OF DISCONNECTION**

<table>
<thead>
<tr>
<th>Community sector</th>
<th>Government</th>
<th>Retailers</th>
<th>Energy and Water Ombudsman</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Financial counselling</td>
<td>• Concessions and hardship payments</td>
<td>• Hardship policies</td>
<td>• Mediation services</td>
</tr>
<tr>
<td>• Payment assistance</td>
<td>• Educational and information resources</td>
<td>• Payment plans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Emergency Electricity Payment Scheme (EEPS)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.1 KEY SUPPORT PROVIDED BY THE COMMUNITY SECTOR

Financial counselling is the main source of support provided by the community sector to consumers at risk of disconnection. The community sector also provides other forms of assistance, such as access to financial payments (eg. donations or concessions) and utility and financial literacy training programs.

3.1.1 FINANCIAL COUNSELLING

Financial counselling services have been available since the 1970s and delivered by Australian welfare agencies. Initially these services focused on emergency relief, but over time these have evolved into a specific financial counselling service (Livingstone, Bruce, Kotnik & King, 2009).

Financial counselling stems from a social justice philosophy which entails ideas of empowerment, advocacy, and the development and enrichment of principles of consumer rights for low income earners and other vulnerable consumers (Livingstone, Bruce, Kotnik & King, 2009).

Nowadays, financial counselling aims to provide crisis management and prevention strategies to people who are experiencing financial stress, who are often on low incomes and have difficulty in coping with their situation (SACOSS, 2011; Brackertz, 2012). As stated on the website of Financial Counselling Australia, financial counselling services are free, independent and confidential.

Financial counsellors provide information, support and advocacy services to help clients obtain a clear picture of their overall financial situation and the options available to them. Their services involve more than money management, and include:

- assessing which debts are priorities, including assessing debts that are legally owed and the correctness of the amount owed
- understanding other factors affecting the client’s situation, such as the client’s health, housing situation and stability of employment
- developing or defining a money plan to look into ways to increase the client’s income
- explaining what options clients may have in relation to their debt, including weighing up the pros and cons of each option
advocating and negotiating on behalf of the client with creditors (eg. energy retailers) and other services (eg. government services to apply for concessions)

providing information, such as information on client entitlements for hardship programs and how the credit reporting system works

referring clients to other services where appropriate, such as community legal aid, personal counselling or gambling support.

(Financial Counselling Australia, 2014; Brackertz, 2012)

Given the broad spectrum of services financial counsellors may need to link in with, financial counsellors need to have an extensive knowledge of law and policy, including consumer credit law, debt enforcement practices, the bankruptcy regime, industry hardship policies and government concession frameworks.

Financial counsellors can work in three different areas of financial counselling including:

- generalist financial counselling – for the general public on any financial matter
- problem gambling financial counselling – for families and individuals experiencing financial stress due to gambling-related problems
- rural financial counselling – for primary producers, fishers and small rural businesses that are suffering financial hardship and have no alternative sources of impartial support.

(SACOSS 2011; Gambling Help Online, 2014; Commonwealth Department of Agriculture, 2014)

All financial counsellors interviewed for this research project provided generalist financial counselling.

Throughout Australia, financial counselling is delivered as part of the Commonwealth Financial Counselling (CFC) Service Strategy and is funded by the Commonwealth Government and by States and Territories. It is estimated that in 2011-12, some 100 community and local government organisations received around $15.3 million in funding for financial counselling (Brackertz, 2012).

Financial counsellors are primarily based in community organisations, and their services mostly entail face-to-face consultations with clients. A national financial counselling helpline complements the face-to-face service, and enables consumers to receive financial counselling by telephone, or to call and arrange referrals and appointments.

Financial Counselling Australia advises there was a total of 872 financial counsellors working across Australia in 2010. Of this total, 303 were located in New South Wales, followed by 226 in Victoria and 110 in South Australia (Financial Counselling Australia, 2011).

3.1.2 PAYMENT ASSISTANCE

In addition to financial counselling, community organisations provide financial assistance to consumers who have been disconnected or are at risk of disconnection. The most common form of financial assistance is the No Interest Loans Scheme. To a lesser degree, some community organisations provide one-off payments and/or low interest loans.

No Interest Loans Scheme
The No Interest Loans Scheme (NILS) is a community-based initiative established in 1980 by Good Shepherd Youth & Family Services. As the name suggests, NILS provides no interest loans to individuals and families on low incomes to purchase essential goods and services. As described on the website of Good Shepherd Microfinance, loans can vary from $300 to $1,200. Essential goods and services may include:

- household items like fridges, freezers, washing machines and some furniture
- medical and dental services
- educational essentials such as computers and text books.
To be eligible for NILS, individuals or households need to meet the following criteria:

- have a Health Care Card/Pension Card or be on a low income
- be residing in the same premises for more than 3 months
- demonstrate a willingness and capacity to repay.

NILS is being delivered by Good Shepherd in conjunction with the National Australia Bank (NAB), the Australian Government Department of Social Services (DSS), and more than 250 accredited community organisations.

**Donations and low interest loan schemes**
The community sector also provides financial assistance to consumers through donations or one-off payments and through low interest loan schemes. However, these forms of support are less commonly provided than NILS. Staff interviewed knew these forms of support existed across the sector but were less familiar with the specifics or processes involved in obtaining such forms of support.

### 3.1.3 UTILITY AND FINANCIAL LITERACY PROGRAMS

The community sector also provides support to consumers through the delivery of information and educational programs. Broadly speaking, these programs aim to educate and inform consumers about energy use, energy efficiency, and managing utility bills and expenses.

Staff from community organisations interviewed often referred to the Home Energy Saver Scheme (HESS) as an example of a utility and financial literacy program. HESS was a government-funded program delivered by the community sector which ceased on 31 July 2014. The overarching objective of HESS was to improve households’ consumption and energy management practices and increase engagement with the energy market. Consumers participating in HESS received free home visits to assess their personal housing and living circumstances and to receive advice on how to lower their energy use. Staff from the community sector said home visits facilitated the provision of tailored advice and was perceived as a great benefit to consumers. Community organisations see the cessation of the program as disappointing.

Utility expos are another form of support the community sector provides to consumers. Utility expos are government-funded but delivered by the community sector in collaboration with key stakeholders, such as energy retailers, water suppliers and the Energy and Water Ombudsman South Australia. They have been described as information markets or a one-stop-shop for consumers to learn about utility services, financial payments and support and assistance available to them. Consumers can obtain direct assistance at expos and are encouraged to bring their bills with them. Utility expos are relatively new, and to date, only a few have been held in South Australia.

### 3.2 SUPPORT PROVIDED BY GOVERNMENT

In addition to support provided by the community sector, consumers who have been disconnected or are at risk of disconnection are also eligible for support from the Australian and South Australian governments. This support includes concessions and hardship payments, and information resources.

#### 3.2.1 CONCESSIONS AND EMERGENCY RELIEF

The Commonwealth Government and state and territory governments offer consumers who are at risk of disconnection energy bill concessions, rebates and hardship payments. Examples of concessions available in South Australia include the Energy Concession and the Medical Heating and Cooling Concession.

Broadly speaking, government concessions and payments target consumers on low incomes in need of support to pay their utility bills. Government concessions and payments can be categorised as either ‘general payments’ for individuals on income support and Centrelink payments, or payments that address an individual’s specific circumstances (eg concessions for consumers with medical conditions that require the use of medical appliances at home).
The South Australian Government also provides emergency assistance to households in financial crisis through the Emergency Electricity Payment Scheme (EEPS). EEPS entails a lump sum of up to $400 to low-income households that are at risk of disconnection or that have been disconnected. Eligible participants can apply for EEPS once every three years (after the date of the last EEPS payment).

There is evidence that the distribution of concessions and emergency relief payments varies considerably across jurisdictions. For example, EEPS entails a considerably lower emergency payment for South Australian households compared to the Home Energy Emergency Assistance Scheme in Queensland which pays up to $720 in any 12 month period for a maximum of two consecutive years.

Table 2 overleaf provides a more detailed summary of the concessions and emergency relief payment provided by the Commonwealth Government and the South Australian state government.
## Table 2 – Government Concessions and Emergency Relief Payments to Assist Consumers in Paying Their Electricity, Gas, and Water Bills

<table>
<thead>
<tr>
<th><strong>Commonwealth Government</strong></th>
<th><strong>South Australian Government</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Basic Concessions</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Utilities Allowance:</strong></td>
<td></td>
</tr>
<tr>
<td>- Provides financial assistance to pay utility bills</td>
<td></td>
</tr>
<tr>
<td>- For those who receive a Disability Support Pension (and are aged 21 years or younger), a Partner Allowance or a Widow Allowance</td>
<td></td>
</tr>
<tr>
<td>- Rates (since March 2014):</td>
<td></td>
</tr>
<tr>
<td>- <strong>Single customers:</strong> $588 per annum, paid at the rate of $147 per quarter</td>
<td></td>
</tr>
<tr>
<td>- <strong>Couple combined:</strong> $588 per annum, paid at the rate of $73 per quarter for each eligible member of a couple.</td>
<td></td>
</tr>
<tr>
<td><strong>Clean Energy Supplement:</strong></td>
<td></td>
</tr>
<tr>
<td>- Falls under the Household Assistance Package</td>
<td></td>
</tr>
<tr>
<td>- Involves an ongoing payment to those receiving an income support payment, pension or Family Tax Benefit</td>
<td></td>
</tr>
<tr>
<td>- Rates vary according to consumers’ circumstances.</td>
<td></td>
</tr>
<tr>
<td><strong>Clean Energy Advance:</strong></td>
<td></td>
</tr>
<tr>
<td>- Falls under the Household Assistance Package</td>
<td></td>
</tr>
<tr>
<td>- Offers a lump sum to those receiving income support, pension or Family Tax Benefit; also includes students and youth</td>
<td></td>
</tr>
<tr>
<td>- Rates vary according to consumers’ circumstances.</td>
<td></td>
</tr>
<tr>
<td><strong>Medical Concessions</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Essential Medical Equipment Assistance Payment:</strong></td>
<td></td>
</tr>
<tr>
<td>- Falls under the Household Assistance Package</td>
<td></td>
</tr>
<tr>
<td>- Involves an annual payment of $143 to people experiencing additional increases in home energy costs from the use of essential medical equipment to manage their disability or medical condition.</td>
<td></td>
</tr>
<tr>
<td><strong>Rehabilitation Appliance Program:</strong></td>
<td></td>
</tr>
<tr>
<td>- Administered by the Department of Veterans’ Affairs</td>
<td></td>
</tr>
<tr>
<td>- Provides aids and appliances to eligible members of the veteran community to help them maintain functional independence in their homes.</td>
<td></td>
</tr>
<tr>
<td><strong>Medical Heating and Cooling Concession:</strong></td>
<td></td>
</tr>
<tr>
<td>- Assists South Australians on income support or Centrelink payments whose medical condition requires frequent use of heating or cooling at home to prevent the severe worsening of their condition</td>
<td></td>
</tr>
<tr>
<td>- Involves an annual payment of $215 in addition to the current energy concession.</td>
<td></td>
</tr>
<tr>
<td><strong>Home Dialysis Electricity Concession:</strong></td>
<td></td>
</tr>
<tr>
<td>- Assists individuals with kidney disease that receive dialysis treatment at home to contribute to the running cost of dialysis equipment</td>
<td></td>
</tr>
<tr>
<td>- Complements existing concessions for the use of medical equipment at home.</td>
<td></td>
</tr>
<tr>
<td>- Involves an annual payment of $165.</td>
<td></td>
</tr>
<tr>
<td><strong>Emergency Relief</strong></td>
<td></td>
</tr>
<tr>
<td>**Emergency Electricity Payment Scheme (EEPS) **</td>
<td></td>
</tr>
<tr>
<td>- Provides emergency assistance to households that are unable to pay for an energy account</td>
<td></td>
</tr>
<tr>
<td>- Involves a maximum payment of $400 once every three years, depending on the individual’s circumstances.</td>
<td></td>
</tr>
</tbody>
</table>

3.2.2 EDUCATIONAL AND INFORMATION RESOURCES

Other forms of support provided by government include funding and/or the provision of education and information programs and resources for consumers on utility use and financial literacy. Some examples of these resources include:

- the Energy Advisory Service (offers free help and advice on a range of energy issues to consumers and includes a 1800 telephone line)
- the Energy Partners Program
- the Residential Energy Efficiency Scheme (REES)
- the Home Energy Saving Scheme (HESS) (ceased on 31 July 2014)
- financial counselling services.

Table 6 in Appendix B provides a summary of the key features of these programs and resources.

The above mentioned programs and resources are delivered either through the South Australian Government, or through retailers and community organisations. Although the programs and resources differ in aims, objectives and target audiences, they all seek to encourage consumers to engage more with the energy market and increase awareness of energy use and energy efficient behaviour.

3.3 SUPPORT PROVIDED BY RETAILERS

Consumers at risk of disconnection can also receive support and assistance from their retailers in the form of hardship policies and payment plans.

**Hardship policies**

As described in Section 2.2.3, since 2013 retailers in South Australia have been required to develop hardship policies to support consumers in financial stress. Before implementing hardship policies, as a minimum retailers must identify:

- processes for customers experiencing payment difficulties due to hardship
- flexible options for the payment of energy bills for those identified as being in hardship
- processes to identify and notify hardship customers of appropriate government concessions, programs and financial counselling
- hardship programs to assist eligible customers
- strategies to assist customers to improve their energy efficiency.

(Chester, 2013: 118)

**Payment plans**

An important component of retailers’ hardship policies is the provision of payment plans to consumers who are struggling to pay their bills. Payment plans involve an agreement between the consumer and retailer to pay a regular sum of money towards their bill or debts (AER, 2014: 24).

By offering payment plans, retailers allow customers to pay off outstanding debt as well as their ongoing usage/bills over a 12 month period. Under the NECF, retailers should offer payment plans that align with the consumer’s capacity to pay. Retailers are only allowed to refuse a payment plan if a consumer has been on two or more payment plans in the past and did not keep up with the agreed payments (AER, 2011).

3.4 SUPPORT PROVIDED BY THE ENERGY AND WATER OMBUDSMAN

The Energy and Water Ombudsman (the Ombudsman) provides mediation services to consumers when unable to resolve a dispute with a retailer. The Ombudsman operates on behalf of its members (which are electricity, gas and water providers) and the members’ clients (ie. ‘the consumer’).
Consumers can contact the Ombudsman for assistance in resolving a dispute with their retailer, including disputes related to:

- billing processes (eg high or disputed bills, not receiving bills, errors on bills)
- credit (eg payment difficulties, disconnection or imminent disconnection of a consumer’s energy supply)
- connections (eg problems with the provision and supply of electricity, gas or water)
- supply (eg supply quality, planned or unplanned energy or water interruptions)
- marketing (eg energy salespeople pressuring consumers into accepting a contract or providing misleading information)
- transfer (eg the incorrect transfer of a consumer’s account to another supplier, or delays with a transfer)
- customer service (eg the behaviour and manner of company staff, contractors and agents or the way they have accessed property).

(Energy and Water Ombudsman (SA), 2012)

An important benefit for consumers is that the Ombudsman provides services free of charge, and functions as an independent body between retailers and consumers. As members of the Ombudsman, retailers are bound to follow up the outcomes provided to them by the Ombudsman. When consumers are dissatisfied with the outcomes, they are entitled to share their views with the Ombudsman. Based on the consumer’s arguments and information, the Ombudsman can consider a review of the investigation process (Energy and Water Ombudsman (SA), 2013).
4 Consumers at risk of disconnection

This Section describes the context of consumers who are at risk of or experience disconnection from electricity or gas. This information is critical in order to understand their needs.

4.1 CONSUMERS PARTICIPATING IN THIS STUDY

The 40 consumers who participated in this study were at different stages of the disconnection process. Some had been disconnected or were at risk of disconnection in the past, others were expecting to be disconnected imminently.

In total, 32 consumers we interviewed were at risk of disconnection from electricity or gas, and eight consumers had been disconnected from electricity or gas in the past.

Demographic details of the consumers participating in this study showed that we interviewed:

- 28 females and 12 males
- consumers aged between 19 years to 65 years old
- consumers living in South Australia, mostly in urban and regional areas
- consumers receiving support from a community organisation in the last 12 months.

Importantly, key characteristics of the consumers interviewed were in line with other research studies in this area (eg. Urbis, 2013; Deloitte, 2013; Chester, 2013; Nance, 2013). Consumers who participated in this research were more likely to:

- be unemployed or have unstable employment
- have Centrelink payments as their main source of income (Newstart, Family Tax Benefits)
- live alone or be a single parent
- live in private rental housing or community housing
- experience mental health issues
- have relied on food aid in the past (or were still relying on this)
- have a limited social network to go to for help.

4.2 FINANCIAL HARDSHIP

A common thread was that all consumers experienced difficulty paying their utility bills. This was often because they were in financial stress or financial hardship. According to Brackertz (2012), the term ‘financial stress’ can refer to people who are:

... Unable to afford essential items such as food and heating or may not be able to pay their bills. It is also a source of stress and anxiety which negatively affects people’s health and ability to cope. (2012: 5)

All the consumers interviewed said they wanted to pay their outstanding bills, but were unable to do so.

The evidence suggests that financial stress is often compounded by a lack of confidence or knowledge among consumers, which makes it harder for them to access the services available to them (e.g. government concessions or no interest loan schemes). Instead, consumers try to resolve the issue by borrowing money (eg. from money lenders) which generally involves higher costs (Livingstone et al, 2009). This issue was highlighted by stakeholders who said consumers found it relatively easy to access private money lenders or private rental companies to purchase white goods. However, when consumers used these services, they ended up with higher bills and debt than they would have if they had been put on a formal payment plan with their retailer or used the no interest loans scheme.
Some sign up for payment plans or rental plans in white goods, but end up paying much more than they actually should do. They will reduce their energy use, but end up with more debt at the end. (Financial counsellor)

Consumers who had been disconnected or at risk of disconnection described very difficult financial circumstances, in which they often struggled to afford basic necessities such as food and housing. Many consumers had relied on emergency relief and food aid in the past, and some consumers had been through homeless episodes as well.

Putting food in my stomach is more important. I sometimes go without food for a few days. I don’t earn enough money to put anything on my account. (Female, 19 years)

4.3 A COMPLEXITY OF MULTIPLE ISSUES

It became clear from discussions with consumers that disconnection was often part of a bigger and more complex picture. In many cases, the bigger picture included mental health issues, family breakdown, unstable employment and unstable housing. Consumers suffering mental health issues (most commonly anxiety and depression) spoke about how their mental health negatively impacted their coping strategies and resilience. This often led to a negative spiral which worsened the situation and made it even harder for consumers to seek help.
5 Consumers’ pathways in seeking support

This Section provides a brief overview of the pathways that lead consumers who have been disconnected or are at risk of disconnection to the community sector for assistance. In devising strategies to support and assist consumers, it is critical to understand these pathways and the points at which consumers seek assistance.

5.1 WHEN DO CONSUMERS SEEK HELP?

Most consumers who participated in this study started looking for help when expecting imminent disconnection, although a few waited until they were disconnected from electricity or gas. Many consumers said that, in hindsight, they should have sought help sooner and should not have allowed their situation to deteriorate. Consumers reported extreme embarrassment about their situation and not knowing that help was available as the key reasons for not seeking help sooner.

Consumers’ comments align with the views of financial counsellors, who confirm that consumers often seek help when it is too late, including in the very late stages of the disconnection process or when disconnection has already occurred.

*People always find it hard to admit they need help. There is shame, embarrassment to acknowledge a problem. This makes it harder for people to look for help on time, they often come to us too late.* (Financial counsellor)

5.2 SEEKING HELP FROM COMMUNITY ORGANISATIONS

There are four key pathways that lead consumers to the community sector for support and assistance. These are outlined in Figure 7 below.

FIGURE 7 – PATHWAYS TO SEEKING HELP FROM COMMUNITY ORGANISATIONS

Most consumers reported learning about support available from the community sector through family or friends, or through their own research and inquiries. Some consumers had had previous contact with the community organisation that helped them through the disconnection process. A small group of consumers reported being referred to a community organisation by their retailers.

Each of these four pathways is explained in more detail below.
**Already had previous contact with the community organisation**

Some consumers were already receiving some support from a community organisation, such as food aid or emergency relief. When these consumers found themselves at risk of disconnection, the community organisation was an obvious place for them to seek help. In addition, these organisations are often able to identify consumers in need (eg. because they are relying on food aid more often than usual) and refer them to a financial counsellor early.

> They helped me with getting this house, and they referred me to a financial counsellor. (Male, 37 years)

> I already knew someone there [community organisation]. They were already helping me with food. (Female, 23 years)

**Referred by family and friends**

Other consumers reported contacting family and friends for support and assistance in the first instance. If family and friends were unable to assist, they often referred consumers to a community organisation.

> I heard about it [community organisation] from friends. (Female, 28 years)

> I talked to my mother, and she said I had to go to the community organisation. (Female, 25 years)

**Finding information themselves**

A smaller group of consumers reported finding a community organisation themselves, but said searching for information about available help was often difficult. Consumers said there was limited information available, and computers were hard to access. In addition, consumers often had limited mobile phone credit which made it hard to contact people for information.

> I found information on the internet, with a phone number to contact them. (Female, 25 years)

> I visited an information market and they had information about financial counselling. (Female, 34 years)

**Referred by retailer**

A small group of consumers reported being referred to a community organisation by their retailer. This generally occurred when consumers made contact with their retailer to explain their situation and/or when they were negotiating a payment plan.

> They [retailer] gave me a phone number to call a financial counsellor. (Female, 44 years)

> They [retailer] told me to I had to speak to a financial counsellor. (Male, 63 years)

It is important to note that some consumers said they had been unable to negotiate an affordable payment plan with their retailer. The main reasons for this were that retailers required the consumer to pay the outstanding debts before moving on to a payment plan, or the retailer offered a payment plan which consumers considered unaffordable.

Some consumers who did sign up said they tried to meet the repayments but were unable to do so. This created a negative spiral of more debt, more (unaffordable) payment plans and an increased risk of disconnection. Some consumers in this situation changed retailers, but carried the debt with them while being on a new contract with a different retailer.

> After they cut me off in 2008, I switched to a new energy company. And today, the power company told me they won’t reconnect me, so I called another energy company and they will visit me on Tuesday to check everything. (Male, 37 years)

> They [consumers] often sign up to something they can’t understand or afford, they just want to make the retailer happy. (Financial counsellor)
Many consumers interviewed said they did not know what types of support the community sector could offer them to avoid disconnection. This includes those consumers who reported having previous contact with community organisations. Consumers were largely unaware of the financial counselling service and other forms of assistance, such as one-off payments and no interest loan schemes.

_I just went in there [community organisation] not knowing what they could do. They were really helpful._ (Female, 50 years)

_I know services like xxx [name of community organisation] and other community organisations that will help in other areas, for example, if I need food vouchers. I know they provide support, but in terms of paying utility bills, I don’t know what support._ (Male, 35 years)
6 The needs of consumers

To consider the usefulness of support provided to consumers who have been disconnected or are at risk of disconnection, it is important to first consider what support they need. This section will profile the consumers who participated in this study, and identify what support they felt they needed to cope with disconnection or the risk of disconnection.

6.1 THE NEEDS OF CONSUMERS AT RISK OF DISCONNECTION

The threat of disconnection places considerable stress and pressure on consumers. Consumers interviewed described experiencing a range of emotions, such as frustration, anxiety, shame and disappointment. A fragile emotional state made it more difficult for consumers to talk about their problems and seek help.

Consumers are often in distress, they are anxious and can’t deal with people on the phone. The process is overwhelming. Receiving notifications from retailers to get disconnected raises fear and distress. (Financial counsellor)

As noted above, disconnection is often part of a bigger picture. Consumers threatened with disconnection often face multiple issues, and consequently have a range of different needs (see Figure 8).

FIGURE 8 – KEY NEEDS OF CONSUMERS DISCONNECTED OR AT RISK OF DISCONNECTION

Consumers described that their needs could change over time, depending on the stage of the disconnection process they were in. For example, consumers who were disconnected were in a crisis situation. They needed immediate support to reconnect them to electricity and/or gas which included financial support in order to pay the reconnection fee to the retailer. For disconnected consumers, gaining more knowledge of how to lower energy use or developing budgeting skills is less relevant given the crisis situation they find themselves in. Consumers who were at risk of disconnection, or those who had been disconnected in the past, were generally more open to think long term and to develop new skills and gain more knowledge to lower the risk of disconnection. They exhibited less urgent needs in terms of financial payments or an advocate who could speak on their behalf compared to those who were disconnected at the time of seeking help.
6.1.1 PRACTICAL NEEDS

Consumers reported needing practical support and assistance, in particular:
- financial needs
- advocacy needs
- easy access to available support
- flexible rental housing conditions

Financial needs
Consumers overwhelmingly reported the need for financial assistance to pay bills, debt and reconnection fees. This is unsurprising given paying bills and lowering debt significantly decreases the risk of disconnection and paying reconnection fees reconnects consumers to electricity, as illustrated in Ellen’s2 story (page 21). Direct financial assistance also gives consumers money to meet other basic needs such as food and clothing.

What I needed was money. (Female, 50 years)

I just needed financial help, to get a $200 payment. (Female, 23 years)

Advocacy needs
Several consumers said they needed an advocate who could speak on their behalf with retailers, either because they lacked confidence, had a language barrier, were experiencing mental health issues, or were too ashamed or embarrassed to speak with the retailer themselves. Other consumers said that retailers are generally more likely to listen to an advocate, such as a financial counsellor, than themselves. Community organisations also reported that some retailers require consumers to seek help from an advocate/counsellor before negotiating a payment plan. An advocate is, therefore, an essential form of support for some consumers.

I needed to arrange a financial counsellor, otherwise they would cut me off. (Male, 63 years)

When financial counsellors contact a retailer, it is often a sign for the retailer that the client is really doing something about the problem, which makes the retailer more willing to listen. (Financial counsellor)

Easy access to available support
Consumers need to be able to easily access support. Several consumers described time-consuming, difficult and/or complex processes for accessing support. As an example, arranging an initial appointment with a financial counsellor could involve a waiting period of two weeks, which was often too long for consumers at risk of disconnection. Community organisations often described long waiting periods as a result of limited staff available to meet the volume of demand.

I had to wait for two weeks for an appointment [with a financial counsellor]. And then I had to call back the energy company, to get an extension of two weeks. (Male 63 years)

I had to wait several weeks before I could meet a financial counsellor. They were fully booked out. (Female, 44 years)

I got disconnected on a Friday, so I had to wait till Monday to visit the centre [the community organisation]. (Female, 20 years)

Many consumers said when they contacted retailers for assistance, accessing hardship teams was a challenge. Consumers reported often being transferred to different departments, being asked to explain their situation multiple times and being put on hold repeatedly. This was particular troubling for consumers with low phone credit, and often deterred them from contacting their retailer again.

---

2 When referring to participants and their families and relatives in this study, their names are changed to protect their anonymity.
They had a lack of training, did not understand my situation and gave me the wrong information, referred me to the wrong people. (Female, 34 years)

The whole conversation on the phone took a few hours. The worker I spoke to had to consult with her manager before they could redirect the money. She was kind of helpful, but it took very long. (Female, 19 years)

Flexible rental housing conditions
Almost all consumers interviewed were living in rental housing (either private rental or social housing). Tenants generally take a property as they find it and have limited opportunities to make energy efficient adjustments. Consumers and community organisations spoke regularly about consumers living in poorly insulated homes, not being allowed to install blinds or having shared use of water heating/cooling systems in apartment complexes. They also often referred to tenants being unable to choose their own water retailers because water was already included in the rental agreement. All of these examples impacted on the cost of utility bills for consumers.

People with low income often live in rental housing, which are often old properties. They are not allowed to make any changes in the house to reduce energy use, such as putting up blinds on the windows to reduce sunlight during summer. They need more flexibility in this. (Financial counsellor)

People need more support in adjusting their housing conditions that may cause higher energy bills, such as less smoke detectors, changes in hot water installations. (Financial counsellor)
ELLEN’S STORY

She [the program worker] was fantastic. We sat down and we talked about how I can save power. She showed me what the heater costs per hour, and checked the freezer and fridge. She gave me an electric blanket that my daughter and I now share in the evening, so we don’t need to use the heater. Right now, we are using less energy. I can already tell. We are saving a lot of money.

Ellen is 38 years old and is the sole parent of three children, aged two, sixteen and nineteen years old. The family has been living in a rental house (through Housing Trust) for the last ten years. Due to her parental responsibilities, Ellen has been unemployed for the last few years, and her main source of income is the Centrelink Parenting Payment.

When Ellen and her children moved into the rental property ten years ago, she started to receive energy bills that appeared to be very low. Ellen contacted the retailer several times to see whether there were any specific reasons for this. However, it took a full year to determine that Ellen’s bills were being charged on incorrect meter numbers. As a result, Ellen received new bills that included outstanding payments from the previous year. The bills were between $1,000 and $2,000 which Ellen could not afford.

Ellen contacted the Energy and Water Ombudsman, hoping they could intervene and have the bills waived. However, the Ombudsman advised her that it was the retailer’s responsibility to resolve this issue. In the following months, Ellen accrued a debt of around $8,000 with the retailer. She was granted access to a hardship program with the retailer, which required paying $200 every fortnight.

In 2010, Ellen’s new partner moved in and became the main earner of the household. He took responsibility for managing the family’s expenses and bills. However, the family’s financial situation worsened due to relationship difficulties between Ellen and her partner, which involved domestic violence and substance abuse. By the end of 2013, the family started to receive outstanding bill notifications from the retailer because Ellen’s partner could not keep up with the payment arrangements. Around this time, Ellen separated from her partner.

Ellen contacted the retailer and tried to arrange a new payment plan. The retailer was reluctant to offer a different payment plan because the previous payment plan had been broken several times. The retailer’s minimum offer was $300 every fortnight, but Ellen could only afford $200 fortnightly. The retailer provided her with contact details for the financial counselling service within a community organisation.

The community organisation connected her to the HESS program, and a HESS worker undertook an energy audit of her home.

The HESS worker provided Ellen with tips and tools on how to lower energy use and contacted the retailer to arrange an affordable payment plan. Ellen was very satisfied with the HESS visit. She immediately noticed positive results, such as having an affordable payment plan and lower energy bills because she was able to lower her energy use.
6.1.2 EMOTIONAL NEEDS

Consumers reported having emotional needs, in particular:

- someone they could trust
- someone who was willing to listen without making judgements
- someone who would understand their situation
- the confidence to seek help.

Many consumers we spoke to were anxious and distressed about the situation they had found themselves in. They often interpreted notices to pay from retailers as threats to cut off their energy supply. Many consumers did not understand how and when they could be disconnected, and worried about increasing bills and debt. Given the lack of awareness of available support, many consumers felt very vulnerable and isolated, as highlighted in Mary’s story overleaf.

_"I felt horrible, I was depressed and suicidal." (Female, 47 years)_

_"You just have to get around it, and just do it [looking for help]. I was depressed, couldn’t be bothered with anything, and the depression got worse." (Male, 53 years)_

Within this context, consumers often felt too ashamed and embarrassed to seek help, and were afraid of being judged by others.

_"I felt very nervous when I called them [community organisation]. I was afraid they would be judgmental, and that they could not help me because I didn’t have enough money." (Female, 25 years)_

_"In general, it [asking for help] is hard. It’s something people don’t really talk about. There is a stigma associated with not being able to deal with things yourself, it’s hard sometimes." (Male, 35 years)_

_"They need someone they could talk to without any judgments about how they spend their money, for instance on drugs or gambling. Just to hear their story first and to build trust." (Financial counsellor)"
MARY’S STORY

I did not want to go [to the community organisation], but it was my last resort. I felt horrible, I was depressed and suicidal. I was feeling like a bad person because of it [the situation], but they did not make me feel bad, they were not judging me. I was only judging myself.

Mary is 47 years old, and looks after her three children by herself. Recently, she has been through a very difficult period in her life. She had been a carer for her oldest daughter for many years. Last year, her daughter passed away. During this period, Mary and her husband decided to separate.

Mary’s carer responsibilities had negatively impacted her mental and physical health, and made it difficult for her to keep her job. At the time of the interview, her main source of income was a disability pension and family allowance.

During the last year of her daughter’s illness, the family’s energy bills had increased. Her daughter’s medical conditions required the use of a heater and cooler, and the use of medical devices, including an oxygen pump and an electronic bed. The family’s main source of income was Newstart Allowance and they found it difficult to pay all their bills, including their utility bills.

Mary’s GP tried to apply for a Medical and Heating Cooling Concession on her behalf, but was not successful in doing so. When her daughter passed away, Mary and her husband used all the family’s savings to cover the funeral expenses. When Mary separated from her husband, her financial situation deteriorated further.

Mary could not keep up with paying the bills, including the electricity bill. The energy company started to send her notifications and her family became at risk of disconnection. During this time, Mary said she could not afford to buy food for her children.

Mary’s depression started to worsen. She became suicidal and could not see a way out. Mary did not know what to do, or where to go for help. She felt too ashamed to talk about her situation. Finally, a friend referred her to a community organisation. She contacted the organisation, and they provided her with food support and referred her to a financial counsellor.

Mary then saw a financial counsellor six times. The counsellor reviewed all her bills, worked out a budget plan and also arranged a payment plan with the retailer.

Mary was pleased with the budget plan, which enabled her to manage her bills and expenses going forward. However, the most important outcome for Mary was that she felt safe and accepted by the community organisation. She was pleasantly surprised at how well everyone treated her, and that she did not feel judged.
6.1.3 KNOWLEDGE AND AWARENESS NEEDS

Consumers in this study spoke about a lack of knowledge and awareness which contributed to them being disconnected or at risk of disconnection. The lack of knowledge and awareness mainly related to:

- energy use and energy billing
- available support and assistance.

**Energy use and energy billing**

Many consumers said that, prior to being at risk of disconnection, they were unaware of how much energy they were using, and that their energy use was reflected in the size of their bill. Community organisations stressed that consumers needed more education on what energy they were using, how much this cost, and how bills were calculated.

> There are still myths. People are using their laundry machines at night, because they think it is cheaper after 6pm. Other people heat up their house in winter by turning up their gas oven. (Financial counsellor)

> They need assistance in how to reduce their electricity usage. Sometimes, they only wear shorts in the house, and have the heater on. We need to make them aware that if they change their habits, their energy bills could be lowered. (Financial counsellor)

Many consumers said that the threat of disconnection had made them more aware of their energy use and more energy efficient. However, despite increased awareness, many consumers still found it difficult to read and understand energy bills. They often did not understand how retailers billed for energy use, how outstanding debt could impact the ongoing costs of energy, and the terms and conditions of payment plans and contracts they had signed up to. For many consumers, the cost of their energy bill was surprisingly high and did not seem to relate to their usage.

> Sometimes, they [energy bills] make no sense. The bills show different amounts of money. I had to call the energy company a few times, just to check how much I owed them. (Female, 20 years)

> I do everything to lower my electricity use. I don’t use a heater when it’s cold. But I don’t understand why my bills are so high. The bills are difficult to read, and I only look at the amount I need to pay. (Male, 64 years)

**Available support and assistance**

While all consumers included in this study had received some form of support from the community sector, finding their way to the community sector for assistance had been difficult for some. Many consumers reported not knowing that help was available, nor that various forms of support and assistance were available to them, which resonates with Leo’s story overleaf.

> It is almost impossible to know where to go. You have to go on the internet, and to look into the phone book to really look for phone numbers to call. (Female, 28 years)

> It would be great to have more numbers to get me directly to the source to solve the problem. (Male, 37 years)

Critically, consumers often reported that if they had known that help was available earlier, they would have sought help earlier. This would have de-escalated the threat of disconnection, and prevented a bad situation from becoming worse.

> I know they [staff from a community organisation] are always there. If it would happen again, I would go to them earlier for advice, and not let it go so bad as last time. (Female, 47 years)

> Now I know that I could get help, and that people understand the situation. (Female, 23 years)
Wendy is 33 years old and mother to two children, aged nine and 12 years old. Until recently, she was caring for her father who lived with the family for five years. Due to his illness, he passed away last year.

While Wendy was caring for her father, she was unemployed and the family depended on the Carer Allowance. Currently, the family’s main source of income is Newstart Allowance which is $860 every fortnight.

During her father’s illness, Wendy managed to study behavioural science and recently finished her degree. Ideally, she would like to work as a social worker, but she has found it hard to get a job.

Just after her father passed away, Wendy received an electricity bill of $900. She did not understand why the bill was so high. At the time, she had used most of her savings to cover her father’s funeral expenses, and she was unable to pay her bills, including her electricity bill. Wendy started to receive notification letters from the retailer, and the family became at risk of disconnection.

At the time, Wendy was grieving her father’s loss and felt very emotionally vulnerable. The stress of outstanding bills made it more difficult for her to think clearly and she did not know what to do. She finally called the retailer for help. The retailer offered her a payment plan of $120 per fortnight which she could not afford. The retailer advised her to apply for EEPS and referred her to a community organisation.

Wendy searched for contact details of a community organisation online, and she called one to arrange an appointment with a financial counsellor. She had to wait four weeks for a face-to-face appointment, which was not ideal from her perspective. In the meantime, she called her retailer and they provided her with an extension while she was waiting to see the financial counsellor. When she met with the counsellor, she was surprised and pleased with the sort of support she was offered. The financial counsellor called the retailer, and was able to lower Wendy’s energy bills and arrange an affordable payment plan. The financial counsellor also applied for EEPS on Wendy’s behalf.

In hindsight, Wendy says that if she had known earlier about financial counselling, she would have looked for help sooner and she would feel more confident in asking for help.
6.1.4 SKILL DEVELOPMENT NEEDS

Consumers interviewed often identified a need to learn new skills in order to improve their situation long term, particularly in relation to:
- financial management skills
- communication and negotiation skills.

**Financial management skills**
Consumers said they had limited capacity to budget and manage their bills and expenses. This was partly because they lacked the knowledge and experience to do so, but also because of the complexity of their lives, as illustrated in Susan’s story overleaf.

Some consumers were dealing with different debt collectors and multiple outstanding fines and bills, and some were dealing with other more urgent issues which took priority over managing their finances, such as caring for a sick family member or dealing with personal health problems.

Community organisations and consumers stressed that assistance in financial management was critical for consumers who had been disconnected or were at risk of disconnection.

> [Financial management assistance is important] to figure out what we can do to lower the debt and still leaving enough money so we can buy food. (Male, 54 years)

> I didn’t realise how important bills were. (Female, 20 years)

**Communication and negotiation skills**
Consumers also identified the need to be better skilled in effectively communicating with retailers. Some consumers said they did not feel confident and comfortable enough to speak with a retailer, particularly when suffering from mental health issues. They reported not knowing the sort of questions they needed to ask the retailer, or the sort of information the retailer wanted to hear from them.

Some consumers that contacted retailers agreed to payment plans that they could not afford because they were unable to negotiate a more sustainable payment plan for themselves. Financial counsellors interviewed said consumers needed more education on how to access hardship teams within utility companies, and how to negotiate affordable payment plans.

> I don’t like calling the energy company. I am afraid I don’t know what to say, or that I will ask silly things. (Female, 19 years)

> It was awkward talking to them [retailer]. I could not communicate with them. I lost my temper and screamed at them. (Male, 65 years)

In summary, the needs of consumers that result directly from disconnection or the threat of disconnection involve more than receiving financial payment assistance. Consumers also need coping and preventative strategies to empower themselves and to be more confident about the future.
SUSAN’S STORY

I was embarrassed when I was disconnected. I moved out of home very young, and I felt like I failed. I didn’t realise how important bills were.

Susan is 20 years old and has been living on her own since she was 16. Looking back, she now thinks that she was too young to live independently on her own. At such a young age, she had no experience with managing bills or expenses. She had never seen or read a bill before living by herself, and did not understand the importance of paying bills. She was also unaware of some appliances in her house that required the use of electricity, and she did not know that using hot water in her home required gas.

She was still going to school and her main source of income was Centrelink. She started to accrue debt with different companies, including her energy company.

Eventually, she received a notification letter from the energy company requesting her to pay her outstanding bills, otherwise she would be disconnected. She did not know what to do, and did not understand how and when they would disconnect her. A few days later, she got home from school and found out she had been disconnected from electricity. She felt very upset and afraid, and too embarrassed to look for help.

At that time, she was in contact with a youth worker from a community centre. When Susan found out she had been disconnected, she tried to contact the community centre for help. However, it was Friday evening and the centre was closed, and she had to wait until the following Monday to speak to anyone. The community centre immediately provided her with advocacy services and financial payment assistance. They called the energy company, paid the bill in order to reconnect her to electricity and arranged a payment plan with the retailer.

Susan says she is now more confident in arranging her finances. However, she is still on Centrelink payment and struggles to pay all her bills. In addition, she has an obsessive compulsive disorder, which manifests itself in excessive cleaning. As a result, her water bills are extremely high. At the moment, she is on Centrepay which gives her some sort of safety net in paying her rent and bills on time.

Susan is trying to lower her energy use, and recently arranged an energy audit of her home through the community centre. She says she was very happy with the visit. A worker visited her at home for free, replaced her old light bulbs with new energy saving light bulbs, and provided her with energy-saving gadgets and tips to reduce her energy usage.
6.1.5 NEEDS BEYOND THOSE RELATED TO DISCONNECTION

The needs outlined in the previous Section relate primarily to dealing with disconnection or the risk of disconnection. However, as already described, disconnection is often part of a bigger picture. In many instances, the consumers and community organisations we spoke to identified a range of other needs consumers have that relate to health, housing and family relationships/responsibilities.

For example, consumers interviewed expressed needs in relation to domestic violence, substance abuse, gambling, unemployment and their caring role for a sick family household member.

*Financial problems are often the tip of the iceberg. They [consumers] have bigger problems, such as mental health problems, substance abuse or gambling problems.*

(Financial counsellor)

*They [carers] are often too busy in their caring role to deal with retailers. And they sometimes choose not to open the mail, because they know it will only create more stress and anxiety. Carers often have mental health issues as well, which makes it harder for them to talk to retailers.*

(Financial counsellor)

Also, some consumers had migrated to Australia in the past few years. Given that they had to live in a new country with a foreign language, their needs often included access to housing, education and government support (eg. Centrelink).

*I had a lot of problems, and my English was not good. I was just learning English.* (Male, 24 years)

*My client recently moved to Australia on a sponsorship visa. However, my client’s sponsor withdrew his responsibilities, and left him on his own. Due to his visa status, he is not allowed to work and is not eligible for any government allowances or benefits.*

(Financial counsellor)

Following on from this, financial counsellors stressed that financial counselling adopted a holistic approach which focused on obtaining a full understanding of the consumer’s personal circumstances, rather than just their financial situation. It also involved referrals to a range of other services, including housing services, carer services and mental health services.
7 The value and impact of support provided by the community sector

This Section explores the value and impact of support provided by the community sector as perceived by consumers and the community sector. Given financial counselling and financial assistance were the main forms of support received from the community sector, feedback on impacts primarily relates to these two forms of assistance.

7.1 FINANCIAL ASSISTANCE

The financial assistance received by consumers from most community organisations generally included one-off payments, being linked into other forms of financial assistance (eg concessions), or having the community sector negotiate with the retailer to waive an outstanding debt. Only a small number of consumers reported receiving assistance through low or no interest loans schemes. Financial assistance was generally provided by financial counsellors working within community organisations.

Consumers who received financial assistance from the community sector were satisfied with this form of support. As a result, consumers were able to lower their outstanding bills and debts and decrease the risk of disconnection. This led to them feeling less stressed and anxious about their circumstances and improved their emotional wellbeing.

The best help I received were the payments, when they helped me paying the bills. (Female, 23 years)

They got me onto the plan [payment plan] and the $400. What I needed was money. (Female, 50 years)

Some financial counsellors were less positive than consumers about the value of financial assistance. They said that this support was only a quick-fix, and did not provide effective, long-term solutions to the problems consumers were facing. It also did not lay the foundation to prevent disconnection from occurring again in the future. However, other financial counsellors saw financial assistance as beneficial, noting that it could facilitate reconnection or lower the immediate threat of disconnection.

When we help them [consumers] paying the bill, it does not take away the next bill. When an income is low, it will always be a struggle to pay the bills. (Financial counsellor)

This [direct payments] is only short-term. It’s not strategic. It does not educate the client. (Financial counsellor)

7.2 IMPACTS OF FINANCIAL COUNSELLING

All consumers interviewed had received support from a financial counsellor, but the level of support received varied considerably. Most consumers had spoken to a financial counsellor once or twice, and others reported an intensive process of consultation and support.

Some consumers reported receiving assistance from multiple financial counsellors at multiple community organisations. This was because they had moved home or because a community organisation could not provide any more direct assistance, and the consumer went to another organisation to seek help.

Despite differences in the level of support received, consumers were able to articulate benefits they received from financial counselling. These included increased awareness and knowledge and improvements in their emotional wellbeing.
7.2.1 FINANCIAL COUNSELLING: SHORT-TERM IMPACTS

Financial counselling results in a number of positive short-term outcomes for consumers. These outcomes are practical in nature and able to be achieved quickly by financial counsellors during initial contact with consumers.

Short-term outcomes for consumers include:
- having an advocate to speak on their behalf
- having an advocate negotiate a sustainable payment plan with retailers
- being reconnected to utilities
- having a budget plan
- being linked to Centrepay
- being linked to concessions.

Overall, consumers were very positive about receiving this type of support. It lowered the risk of disconnection and assisted consumers to manage their bills and expenses. Many consumers reported feeling more in control of their financial situation and more capable of paying their energy bills. Feedback from financial counsellors also suggests these outcomes had immediate and positive impacts on the lives of consumers.

Having an advocate and a sustainable payment plan
Many consumers said it was difficult for them to engage retailers in a meaningful way because they felt too upset or vulnerable. Most consumers said they needed an advocate who could speak on their behalf with retailers. When community organisations contacted retailers on the consumer’s behalf, they were more likely to be able to:

- speak with the right person within the retail organisation (eg. staff from a hardship team)
- make the retailer understand the consumer’s situation
- negotiate an affordable payment plan for the consumer.

"They [financial counsellors] were very helpful, because they were discussing things with the power company. They have a way of dealing with things I couldn’t do on my own. Just figuring out what to do, they cleared my mind and my financial situation. Now I can see there is a way out of a bad situation." (Male, 54 years)

"It was awesome to speak to him. We called together the power company, and he really made them work hard. He made sure I was on a hardship program. Whenever I tried to call them, I could never speak to someone from a hardship program." (Female, 36 years)

Having a budget plan
A key outcome of financial counselling is that consumers obtain a budget plan which helps them manage bills and expenses through practical, easy-to-follow steps. For example, consumers reported using separate accounts for paying bills and managing daily expenses. Budget plans give consumers more control over their finances, and help them realise they are capable of improving their situation.

"Now I know how much money I need to put aside for bills, and I need to transfer that money to one account." (Female, 47 years)

"She [financial counsellor] really broke the bills down to see how much I have left over and what I should be putting aside. She looked at how much I could spend if I bought lunch at work." (Female, 23 years)

Being linked to Centrepay
As part of a budget plan, some consumers were linked to the Centrepay scheme which also helped them manage their bills and expenses. Specifically, the Centrepay scheme enables consumers to pay their bills on time, and know how much they can spend after bills are paid.
Centrepay really helped me. It is the best idea. It stops people from spending money. I don't have any risks now that my bills are not paid. (Female, 20 years)

I don't need to think about it [paying bills] anymore. (Female, 42 years)

**Being linked to concessions**

As noted above, financial counsellors commonly link consumers into government concessions, such as the Energy Concession. In addition to the financial benefits consumers derive from this, they also benefit from the financial counsellor’s ability to navigate the service system. After assessing a consumer’s eligibility, financial counsellors generally arrange the required paperwork and apply for concessions on behalf of the consumers. Given the emotional state of many consumers at risk of disconnection, such support and assistance is seen as particularly important and useful.

She [financial counsellor] looks at bills and looks at various options, like concessions. She looks at what I can afford. I am eligible for concessions, I just need to fill out the forms. (Female, 23 years)

They [community organisation] realised I did not get any concessions. So when I will receive my new bill in July, the power people [retailer] will take an amount out of the bill for me. (Male, 65 years)

### 7.2.2 FINANCIAL COUNSELLING: LONGER TERM IMPACTS

Consumers were also able to identify positive, longer term impacts from financial counselling services.

**Long-term impacts mostly relate to:**

- increased awareness and knowledge of financial management
- increased awareness and knowledge of energy use and energy efficiency
- improved communication and negotiation skills
- improved emotional wellbeing.

Many consumers were satisfied with the support from financial counsellors who provided them with new relevant skills and knowledge, such as budgeting skills or energy efficient behaviour. Ultimately, these new skills and knowledge lower consumers' bills and expenses and improve their financial situation.

Financial counsellors agreed with consumers, noting that financial counselling services empower consumers by providing them with more knowledge, awareness and skills, which leads to improved confidence and coping strategies. Financial counsellors said that educating consumers helps to address some of the underlying issues leading to disconnection, and is ultimately a more effective form of assistance than financial payments.

Educating retailers is another benefit that financial counsellors identified. By liaising with retailers, financial counsellors are sometimes able to change retailers’ perceptions of consumers at risk of disconnection and help retailers understand the hardship consumers are facing.

**Increased awareness and knowledge of financial management**

Consumers reported that financial counselling made them more capable of managing their own bills and expenses. In addition, it gives consumers a greater sense of control over their finances and confidence in their own abilities. As an example, an income-expenditure analysis helped consumers realise how much money they could spend, and a sustainable budget helped consumers to think long-term.

*It is mostly common sense. They just showed me the consequences of spending money.*
(Male, 37 years)

*I still don’t have enough money to stick to the payment plan. But I am more aware of what needs to be paid. I can prioritise now better what is important for me to pay off.* (Female, 23 years)
Increased awareness and knowledge of energy use
In terms of energy use, financial counsellors also make consumers more aware of their energy use at home, and how their energy use is reflected in their bills. Consumers often reported changes in their energy usage after speaking to financial counsellors, and were motivated to share this knowledge with other household members.

I am more conscious about how we use energy at home. I am trying to teach this to my kids as well, they have to turn off the things they are not using at home. And they [community organisation] told us to stick bubble wrap on the windows, to keep the cold out. So that is what we are doing right now. (Female, 36 years)

Now I am more conscious about using power, to save my energy use because I don’t want to get in more debt. (Male, 54 years)

Better communication and negotiation skills
Consumers also reported that financial counsellors showed them how to communicate and negotiate with retailers. Some consumers reported that based on their experience with a financial counsellor, they felt more confident in contacting a retailer themselves. They knew the sort of questions they needed to ask and how to explain their situation to the retailer.

She helped with communicating with the energy company. It was a good example for me. (Female, 39 years)

The financial counsellor helped me communicating with the energy company. (Male, 65 years)

Improvements in emotional wellbeing
Consumers also reported many improvements in their emotional wellbeing after receiving financial counselling. Key reasons were the realisation that:

- help is available
- someone is willing to listen without making judgements
- someone is able to understand their situation.

After receiving financial counselling support, consumers felt less ashamed about their situation. Importantly, the support made consumers feel more confident about seeking help in the future, and being proactive in seeking help sooner.

I would feel less nervous. I know they are nice and helpful. (Female, 25 years)

She is very good. She understands me, and knows what people are going through. (Female, 44 years)

7.3 FINANCIAL COUNSELLING EXPECTATIONS
While the majority of consumers found the support from financial counselling services useful, some consumers were less satisfied with this support. In general, these consumers expected to receive more financial assistance (eg lump sums, donations) from financial counsellors. They were less open to advice or information in relation to preventative strategies, such as adapting new budgeting skills or changing some of their habits in daily life to lower energy use and their expenses.

These consumers were more likely to report being skilled enough to manage their own bills and expenses. In light of this, they felt that financial counsellors did not provide them with new or useful information and advice. They felt that financial counsellors only confirmed what they already knew, i.e. that they had a limited budget to cover their bills and expenses.
Also, some consumers reported they felt that the financial counsellor was unrealistic in their advice on how the consumer needed to change their life in order to lower their expenses, such as give up a car, quit smoking or use more public transport.

It was not very helpful. They looked at my budget, and said that my bills were too high for me to pay. I already knew I didn’t earn enough money to cover my bills. I am fairly good with managing all my bills, I just don’t have enough money. (Female, 28 years)

I can manage my life, I know how to spend my money and save money. He only looked at my bills, and said what I had to pay, and that I had to stop using my car, that I had to use public transport. But I need my car to go to uni, I live far away from uni, and buses don’t go there. (Male, 24 years)

They didn’t give me advice I really needed. I am a smoker, and they said that I needed to quit, and that I could not buy this and that. But quitting smoking is much harder than they think. I don’t want to quit. (Female, 19 years)

In line with this, financial counsellors noted that the success of their support depends on the willingness of consumers to action their given advice and information. They felt that changing consumers’ behaviour was one of the most challenging aspects of their work, and depends on the extent to which consumers are willing to take responsibility for this.

If the client does not want to engage, then it is hard for us to help them. (Financial counsellor)

It’s up to the clients what they do with the options we give them. Sometimes, they do not follow it up. It is their decision. (Financial counsellor)

### 7.4 CHALLENGES IN PROVIDING SUPPORT

From a consumer’s perspective, the support they received from the community sector (particularly from financial counsellors) was generally viewed as efficient, fast and streamlined. While this is a good outcome for the community sector, financial counsellors were able to identify barriers and challenges they experienced in providing support to consumers.

#### Key barriers financial counsellors experience include:
- only reaching a small proportion of consumers who need help
- receiving limited funding from the government
- communication with retailers
- dealing with inefficient or inflexible government and retailers’ processes (eg. applying for concessions, linking concessions to retailers’ processes).

#### Only reaching a small proportion of consumers

Financial counsellors often indicated that their services were only reaching out to a small proportion of consumers who actually needed help. Limited awareness among the general public about available support makes it hard for the community sector to engage with a larger group of consumers. This is not only related to financial counselling services, but also in relation to utility expos and utility and financial literacy programs.

A lot of consumers who might be eligible for our programs do not participate in our programs. We do our best to promote ourselves, but with limited success. (Financial counsellor)

The community sector should promote more what they do, and that financial counselling is available to people, for free. (Financial counsellor)
**Limited government funding**

All financial counsellors indicated that the quality and efficiency of supporting consumers is heavily dependent on government funding. However, financial counsellors feel the available funding is limited and negatively impacts the support that consumers receive.

Community organisations often reported that due to limited funding, there are fewer staff available to meet the needs of consumers in a timely manner. For example, consumers could face a waiting period of two weeks before meeting a financial counsellor. As a result, consumers were less likely to meet a financial counsellor in person because they were more often referred to the financial counselling helpline for immediate assistance.

Limited funding also impacts the community sector’s ability to offer financial payments to consumers. Also, negative impacts were experienced in relation to programs that had ceased, such as the HESS program which ceased on 31 July 2014.

*Funding is always a concern. We not always have the capacity to support people financially.* (Financial counsellor)

*We only reach five per cent of those who need help. We don’t have the funding to advertise.* (Financial counsellor)

*We don’t have the capacity to help people, and to help people on time. Sometimes, people have to wait a week before they can see us. We only have two financial counsellors. We have very limited resources.* (Financial counsellor)

**Communicating with retailers**

Financial counsellors also reported experiencing barriers in providing support to consumers when communicating with retailers. Their experience is that retailers do not have a consistent approach to hardship policies, and that the quality of assistance can vary significantly across retailers. Financial counsellors also reported inconsistent practices by staff working for the same retailer, which may reflect varying levels in skills and knowledge.

*There is a lack of consistency between providers, and even within the organisations. The help customers receive could depend on who they talk to on a particular day, which could be different if they speak to someone else at another time. This can be very frustrating, to tell your story several times, and to receive different information.* (Financial counsellor)

*There is no consistency between retailers. Some retailers offer good hardship policies, they are flexible in their approach, and address the issue of debt. But others are rude and demanding.* (Financial counsellor)

Financial counsellors also referred to what they perceived as inflexible hardship practices which they see as a key barrier to communicating effectively with retailers. They reported that some retailers need to engage more with consumers and be more responsive to their circumstances when providing them with assistance. Understanding the context of consumers, particularly the complexity of their issues, was viewed as an important element some retailers could improve.

*Retailers could be more understanding towards consumers, and more willing to negotiate on better payment arrangements. They need to be more flexible, particularly when considering a carer's complex life.* (Financial counsellor)

*Utility companies need to have more sympathy and more understanding of the people they are dealing with. People from the call centres need to follow procedures and rules, and fail to really understand the person’s situation.* (Financial counsellor)

Some financial counsellors also feel that retailers do not always see the benefit in communicating with financial counsellors. Financial counsellors sometimes find that retail staff question their skills, experience or role which makes it more difficult to provide efficient support to consumers.

*Some retailers are more willing to listen to us and to appreciate our role as financial counsellors than others.* (Financial counsellor)
Retailers should acknowledge advocates. Advocates’ experience is that retailers question their capability and their role. (Key informant)

**Inefficient processes by government and retailers**

Financial counsellors also reported that dealing with government and retailers’ processes can be time consuming or inefficient. They described complex and time consuming processes when applying for concessions on behalf of consumers, or inefficient processes when linking consumers’ Centrepay arrangements with retailers’ payment processes.

For example, when consumers receive government concessions, this is not automatically picked up by retailers. Another example is that when retailers speak to consumers and their financial counsellor, they often apply a one-off authorisation which enables the financial counsellor to speak on the consumer’s behalf at that particular time. However, when financial counsellors need to follow up arrangements with the retailer, they need to provide the retailer with written approval from the consumer which can be time-consuming and frustrating.

*We often call the retailer with the consumer. The consumer will give a verbal authorisation for future payment arrangements. However, the retailer often only sees this as a one-off authorisation, because it is only verbal. We then need to follow this up with emails and confirmations that take up another few work days. This causes more stress and anxiety for the consumer.* (Financial counsellor)

*When people move house, they assume that if they let Centrelink know, their concessions will apply automatically to their new house.* (Key informant)
8 Enhancing and strengthening support to consumers

This chapter describes the different key stakeholder groups involved in residential disconnection, and ways in which the provision of support to consumers could be enhanced and strengthened. Options for consideration include action that the community sector could take, but also action that other key stakeholder groups such as the government and retailers could take.

8.1 KEY STAKEHOLDER GROUPS INVOLVED IN DISCONNECTION

In considering the context of disconnection, it is important to consider who the key stakeholders are. While consumers play a central role in residential disconnection, other key stakeholder groups are also involved. They could directly or indirectly contribute to early intervention/prevention efforts, and to facilitate prompt reconnection.

Overall, there are seven different key stakeholder groups (including consumers) that are involved in residential disconnection (see Figure 9).

FIGURE 9 – KEY STAKEHOLDER GROUPS INVOLVED IN RESIDENTIAL DISCONNECTION

Retailers provide consumers with energy in return for payment. They may also provide support and assistance to consumers who experience difficulty in paying utility bills (for example through a hardship program).

Consumers needing help to pay utility bills may also receive support and assistance from the community sector and government. The government provides support to consumers via legislation, policy and financial concessions. The community sector may enhance this by providing more or different support than that provided by government, and by supporting those consumers who might ‘fall through the cracks’.

Consumers needing help in resolving a dispute with a retailer can contact the Energy and Water Ombudsman. Given that the Ombudsman’s services are independent and free of charge, it provides consumers with an efficient alternative to going to court to lodge a dispute. Importantly, the Ombudsman advises on outcomes that retailers are required to follow up as members of the Ombudsman (Energy and Water Ombudsman (SA), 2013).

The network distributors’ role is largely invisible to consumers, as consumers form a relationship with retailers only. It is unsurprising therefore that consumers interviewed as part of this research see retailers
as responsible for the price of energy. Consumers did not refer to network distributors as having any impact on the cost of their bills.

Another key player in the context of disconnection is landlords. Landlords are particularly important for consumers who are at risk of disconnection as they are more likely to be living in rental housing (either private rental or community housing) than in their own house. Landlords can have significant influence over the tenant’s housing and living conditions. For example, landlords have control over the level of insulation in rental homes which impacts on the tenant’s need for heating/cooling, and ultimately the cost of energy bills. Landlords can also include water in rental agreements, providing consumers with limited transparency in their water usage and the actual costs of water.

Before looking at what the community sector can do in order to enhance and strengthen the support to consumers, it is important to highlight that the community sector is only one part of the system that can assist consumers.

The Energy Retailers Association of Australia (ERAA) argues that energy hardship is a shared responsibility of governments, energy retailers, community groups and individuals and that energy retailers “are limited in their ability to proactively identify customers who require support.”

ERAA suggests that retailers’ limitations in identifying consumers in financial stress are partly based on their dependence on the consumer’s willingness to engage with the retailer to seek support. For this reason, addressing the responsibility of other relevant stakeholders is important to enhance and strengthen the support to consumers at risk of disconnection.

8.2 SHARED RESPONSIBILITY

Staff from the community sector and key informants were able to identify some cooperation and collaboration across different stakeholder groups to support consumers in financial stress. However, they viewed that these partnerships were limited and fragmented, and without one strong unified vision in supporting consumers.

All stakeholders strongly supported the idea of a shared responsibility to enhance and strengthen support to consumers. It is expected that shared responsibility will lead to better, more and new opportunities to support and protect consumers at risk of disconnection. All stakeholders emphasised that a shared responsibility should not only involve government, retailers and the community sector, but also network distributors, landlords and the consumers.

Ideally, shared responsibility would lead to:

- more streamlined processes
- better access points for consumers to receive support
- a standardised jargon and common language
- opportunities to increase awareness of available support
- enhancement of early intervention strategies.

A move towards shared responsibility would require the strengthening of existing relationships and the creation of new ones. For example, the community sector and government currently aim to engage more with landlords by introducing a new government-funded program which provides landlords with assistance in making their rental properties more energy efficient.

This research has focused on what the community sector could do to strengthen support provided to consumers disconnected or at risk of disconnection, and options for consideration in this regard are presented in
As noted above, participants in this research project were asked for suggestions on what the community sector could do to strengthen support for consumers disconnected or at risk of disconnection. These suggestions were analysed and thirteen key options for consideration emerged. These are outlined in Table 3 overleaf. Some of these will require additional resources to implement, but others may be implemented using existing resources.
<table>
<thead>
<tr>
<th>KEY AREAS FOR IMPROVEMENT</th>
<th>OPTIONS FOR CONSIDERATION</th>
</tr>
</thead>
</table>
| Promote and contribute to implementation of the ‘shared responsibility’ concept | 1. Working through its peaks, the community sector could strengthen relationships and create new partnerships with stakeholder groups that have a shared responsibility to assist individuals at risk of disconnection (eg with government, retailers, landlords and network distributors)  
2. The community sector peaks could take a leadership role in promoting a shared responsibility by establishing forums or workshops to bring key stakeholders together on a regular basis  
3. The community sector peaks could share with key stakeholders their research and views on what constitutes best practice in engaging with consumers in hardship, negotiating payment plans, and in early intervention techniques. |
| Increase awareness of available services among consumers and retailers | 4. The community sector could increase awareness among consumers of the types of support that the community sector provides by creating stronger linkages within communities  
5. Working through its peaks, the community sector could engage more with retailers to promote their services and encourage retailers to refer to the community sector where appropriate  
6. The community sector could seek funding from government and others (where appropriate) to establish a pool of funds to be used to promote financial counselling services (eg. funds for displaying the financial counselling helpline on bills consumers receive from retailers). |
| Continue implementing preventative and capacity building programs to empower consumers | 7. Stakeholders from the community sector spoke very highly of the government-funded HESS program, particularly in relation to the tailored support it allowed the community sector to provide to consumers. Although the program has now concluded, the community sector reported a willingness to look into what other opportunities there might be to continue delivering information and education programs like HESS. |
| Enhance current support within the sector, including improving current processes and strategies | 8. The community sector could provide better and more streamlined processes for consumers to access services, eg. share best practice within the sector, seek more partnerships with other service providers in communities to enhance referral services  
9. The community sector could reconsider its early intervention strategies, which would cover how and when to identify consumers in financial hardship, and what training staff need to do this  
10. The community sector could take the lead in establishing common language and standardised jargon that any stakeholder dealing with individuals at risk of disconnection could adopt to ensure a consistent approach. |
| Engage more with consumers in financial hardship to enhance early intervention | 11. The community sector could be more pro-active in engaging with consumers in hardship to provide assistance before they start receiving disconnection notices from utility companies  
12. The community sector could develop and integrate best practice protocols to ensure consumers at risk of disconnection are given sufficient priority following contact with a community organisation  
13. The community sector could seek to better understand the needs of consumers with a diverse cultural and/or linguistic backgrounds (CALD) and develop tailored strategies, where necessary, to respond to the needs of this cohort. |
9 References


AEMC (2013a) Possible future retail electricity price movements: 1 July 2012 to 30 June 2015, Electricity price trends report, 22 March 2013, Sydney


Brackertz, N (2012) I Wish I’d Known Sooner! The Impact of Financial Counselling on Debt Resulution and Personal Wellbeing, prepared for The Salvation Army Australia Southern Territory


Urbis (2013) *Cut Off III: The Experience of Utility Disconnections,* prepared for the Public Interest Advocacy Centre Ltd, Sydney NSW
Appendix A  Methodology
Methodology

The methodology for this project involved six key phases which are outlined Figure 11 below.

FIGURE 11 – OVERVIEW OF RESEARCH METHODOLOGY

STAGE 1 – PLANNING AND DESIGN
The first stage of the project involved an inception meeting between SACOSS and Urbis to ensure the research team had a good understanding of the project objectives and context, and to clarify aspects of the project methodology, including stakeholders to be consulted and the process for consulting them.

STAGE 2 – KEY INFORMANT INTERVIEWS
The second stage of the research involved in-depth telephone interviews with eight key informants to provide the Urbis team with further context for the research, and to inform the development of research instruments (ie question guides for interviews with community organisations and consumers). The key informants interviewed were identified by SACOSS and included a mix of stakeholders from government, energy retailers and the community sector in South Australia.

Informant interviews were undertaken with representatives from:

- AGL
- Australian Energy Regulator
- Department of Manufacturing, Innovation, Trade, Resources and Energy (DMITRE)
- Energy and Water Ombudsman South Australia (EWOSA)
- Uniting Care Wesley Bowden
- Uniting Communities.

Key informant interviews occurred in May 2014 and were approximately 30-45 minutes in duration. The interviews were conducted using a semi-structured interview guide developed in consultation with SACOSS. The issues explored during key informant interviews included:

- support provided by community organisations to consumers disconnected/restricted or at risk of being disconnected/restricted from electricity, gas or water
- the point at which consumers generally contact community organisations for assistance (ie. pre or post disconnection) and the support they generally seek
the extent to which utility companies refer consumers to community organisations for assistance
the usefulness of the various supports provided and the extent to which these supports prevent
disconnection or facilitate prompt reconnection
barriers/challenges community organisations face in providing support
other support community organisations could provide to assist consumers.

STAGE 3 – INTERVIEWS WITH COMMUNITY ORGANISATIONS
The third stage of the project involved consultations with staff from South Australian community
organisations assisting consumers disconnected/restricted or at risk of disconnection/restriction from
utilities. SACOSS identified the community organisations to be interviewed during this stage and invited
representatives from these organisations to participate in an interview with Urbis.

A total of 19 interviews with 23 staff from 13 community organisations took place between May and June
2014. Each interview was approximately 30-45 minutes in duration.

Table 4 below outlines the community organisations consulted, and the number of staff from these
organisations that participated in interviews.

TABLE 4 – COMMUNITY ORGANISATIONS INTERVIEWED

<table>
<thead>
<tr>
<th>NAME OF COMMUNITY ORGANISATION</th>
<th>NUMBER OF PARTICIPANTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ac.care</td>
<td>3</td>
</tr>
<tr>
<td>2. Baptist Care SA</td>
<td>3</td>
</tr>
<tr>
<td>3. Brain Injury Network of South Australia Inc. (BINSA)</td>
<td>1</td>
</tr>
<tr>
<td>4. Carers SA/South East Carers Office</td>
<td>1</td>
</tr>
<tr>
<td>5. Carers South Australia (Carers SA)</td>
<td>1</td>
</tr>
<tr>
<td>6. Lutheran Community Care</td>
<td>2</td>
</tr>
<tr>
<td>7. Salvation Army</td>
<td>1</td>
</tr>
<tr>
<td>8. South Australian Financial Counsellors Association (SAFCA)</td>
<td>1</td>
</tr>
<tr>
<td>9. St Vincent de Paul Society</td>
<td>3</td>
</tr>
<tr>
<td>10. Uniting Care Wesley Bowden (UCWB)</td>
<td>2</td>
</tr>
<tr>
<td>11. Uniting Care Wesley Port Adelaide (UCWPA)</td>
<td>2</td>
</tr>
<tr>
<td>12. Uniting Communities</td>
<td>2</td>
</tr>
<tr>
<td>13. UnitingCare Wesley Country South Australia (UCWCSA)</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23</strong></td>
</tr>
</tbody>
</table>

Most community organisation staff interviewed were working as financial counsellors. Consequently, they
had direct contact with consumers who had been or were at risk of being disconnected/restricted from
utilities. The interviews were conducted using a semi-structured interview guide developed in consultation
with SACOSS. The key issues explored during interviews included:

- the profile of consumers that community organisations were assisting
- the pathways that led consumers to community organisations
the support consumers needed and the support community organisations provided

the usefulness of support provided by community organisations

the concept of a shared responsibility between the community sector, the government and retailers to assist consumers who have been or are at risk of disconnection/restriction.

STAGE 4 – CONSUMER INTERVIEWS

Stage Four involved in-depth telephone interviews with consumers who had been disconnected/restricted or were at risk of disconnection/restriction from utilities. All consumers interviewed had received some form of assistance from the community sector.

SACOSS asked community organisations interviewed in Stage Three of this project to identify consumers who may be willing to participate in this research. Interested consumers were asked to sign a consent form giving the community organisation permission to pass their contact details onto Urbis for the purpose of a telephone interview. A total of 70 consent forms were received by Urbis between May and July 2014.

Urbis conducted 40 telephone interviews with consumers between June and July 2014. Table 5 outlines the number of consumers interviewed from each referring community organisation.

<table>
<thead>
<tr>
<th>NAME OF COMMUNITY ORGANISATION</th>
<th>NUMBER OF CONSUMERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Anglicare South Australia</td>
<td>1</td>
</tr>
<tr>
<td>2. Baptist Care</td>
<td>6</td>
</tr>
<tr>
<td>3. Carers South Australia</td>
<td>2</td>
</tr>
<tr>
<td>4. Centacare Catholic Family Services</td>
<td>5</td>
</tr>
<tr>
<td>5. Enhanced Lifestyles</td>
<td>1</td>
</tr>
<tr>
<td>6. Families South Australia</td>
<td>1</td>
</tr>
<tr>
<td>7. Salvation Army</td>
<td>17</td>
</tr>
<tr>
<td>8. Uniting Care Wesley Bowden (UCWB)</td>
<td>2</td>
</tr>
<tr>
<td>9. Uniting Care Wesley Port Adelaide (UCWPA)</td>
<td>2</td>
</tr>
<tr>
<td>10. Uniting Communities</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
</tr>
</tbody>
</table>

Each interview was approximately 30-40 minutes in duration and was conducted using a semi-structured interview guide. The key issues explored during interviews with consumers included:

- the consumer’s personal circumstances
- sources of support available to consumers
- types of support consumers had received
- usefulness of support received
- how support and assistance might be improved.

All consumers who participated in an interview received an $80 payment (VISA prepaid card) as an acknowledgement of their time and contribution to this research.
STAGE 5: KEY STAKEHOLDER WORKSHOP

The fifth stage involved a workshop with key stakeholders from the government and the community and utility sectors. The purpose of the workshop was to:

- present preliminary findings and discuss how these findings might be interpreted
- discuss what options there may be to respond to the issues raised during the research and improve support provided by community organisations to people who have been disconnected/restricted or are at risk of disconnection/restriction
- discuss broader trends relating to disconnection/restriction from utilities and what this means for the community sector moving forward.

The workshop took place at SACOSS’ head office in June 2014. A total of 14 representatives from the following organisations participated in the workshop:

- Australian Energy Regulator
- DMITRE
- Energy Consumers’ Council
- Multicultural Communities Council of South Australia
- SACOSS
- Salvation Army
- Uniting Communities
- UnitingCare Wesley Bowden
- UnitingCare Wesley Country South Australia.

STAGE 6: ANALYSIS AND REPORTING

The final stage of this project involved a thematic analysis of qualitative data collected during interviews with key informants, community organisations and consumers, and the key stakeholder workshop. It also involved the preparation of this report.

TECHNICAL NOTE

This research is not intended to be a comprehensive evaluation of the support the South Australian community sector provides to consumers who have been disconnected/restricted or at risk of disconnection/restriction. The sample is not sufficiently large to be considered representative of the community sector in South Australia nor consumers who have been disconnected/restricted from utilities. This research is qualitative and designed to provide SACOSS with insights into the support the community sector provides, the usefulness of this support, and how support could be strengthened to more effectively meet the needs of consumers. This research provides a preliminary evidence-base that can be the starting point for further discussion and action to support and assist consumers facing the prospect of disconnection/restriction.
Appendix B  Government-funded programs for consumers related to the energy market
<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>KEY FEATURES</th>
<th>DELIVERED BY</th>
<th>TARGET AUDIENCE</th>
</tr>
</thead>
</table>
| Energy Advisory Service         | ▪ Offers free help and advice on a range of energy topics, including how to save energy at home and financial advice on energy bills  
▪ Entails a telephone line, email address and an office for visitors to meet a staff member in person.                                                                 | SA Government     | ▪ General public.                                                                                                                      |
| Energy Partners Program         | ▪ Offers a range of resources and information to partner organisations to help their clients or residents understand their energy use and take action to reduce it  
▪ Assistance to partner organisations is tailored to the needs of each partner organisation  
▪ Includes the provision of the Home Energy Toolkit, which aims to assist consumers to better understand their energy use and seek opportunities in how to reduce their energy use  
▪ The Toolkit is available from all metropolitan libraries and most regional libraries in South Australia. It is not for sale to individuals. | SA Government     | ▪ Works with non-commercial organisations, including local government, social sector not for profits, environmental community groups and state government agencies in South Australia. |
| Residential Energy Efficiency Scheme (REES) | ▪ A mandatory scheme for all retailers of electricity and gas in South Australia who supply more than 5000 residential customers  
▪ Obliged energy retailers are required to meet annual greenhouse gas reduction targets, of which one third must come from activities provided to low-income ‘priority group’ households  
▪ Key elements in the scheme include:  
  ▪ free home visits to assess consumers’ energy use and to identify practical ways to be more energy efficient  
  ▪ energy efficient activities through the provision of incentives offered to all South Australian households (not just members of the priority group); these activities include the installation of energy efficient light globes, water efficient shower heads and stand-by power controllers  
▪ The first stage commenced on 1 January 2009, till 2011. The second stage runs from 2012-2014.                                                             | Energy Retailers   | ▪ Priority group households are households with residents holding a government concession card or households in energy hardship  
▪ All South Australian households                                                                                                                                     |
<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>KEY FEATURES</th>
<th>DELIVERED BY</th>
<th>TARGET AUDIENCE</th>
</tr>
</thead>
</table>
| Home Energy Saving Scheme (HESS) | ▪ Aims to improve households’ financial and energy management payment practices and engagement with the energy market  
▪ Entails free home visit services to assess the individual’s personal housing and living circumstances  
▪ The No Interest Loan Scheme (NILS) and the NILS Subsidy Scheme are part of HESS, and offer subsidies to help low income households purchase approved energy efficient household goods and appliances  
▪ The program ceased on 31 July 2014. | Community organisations through financial counselling services. In South Australia: Uniting Communities and UnitingCare Wesley Country SA. | ▪ Individuals and family households experiencing difficulty paying energy bills  
▪ Individuals and family households at risk of disconnection  
▪ Individuals and family households participating in energy retailer’s hardship scheme. |

Sources: Essential Services Commission of South Australia, Australian Government Department of Social Services
Appendix C  Discussion Guides
Discussion Guide – Key Informant

SECTION 1 – INTRODUCTION
Hi, my name is [xxx] and I am from Urbis, a public policy company that provides research and evaluation services.

We are assisting the South Australian Council of Social Service (SACOSS) to better understand the support the community sector provides to consumers who are disconnected or are at risk of disconnection from electricity, gas and/or water.

We are in the early stages of this research, and are undertaking some preliminary stakeholder interviews to better understand the context for the research.

SACOSS has suggested that you would be a helpful stakeholder to speak with given your expertise in this area.

Thank you for making the time to speak with me today. Our interview will go for about 45 minutes, and the sorts of things we will talk about are the support consumers need and the support community organisations provide. We are keen to hear about what works well and what could be improved.

Your feedback is completely anonymous. Nothing you say will be attributed directly to you in our report without your permission.

Do you have any questions before we start?

SECTION 2 – CURRENT SUPPORT PROVIDED
1. I would first like to learn more about you. Can you tell me about your organisation and role? How are you involved in supporting consumers who have been disconnected, or who are at risk of disconnection?

2. When thinking about consumers who are disconnected or those at risk of disconnection, what sort of support do they need? And what else? Why?

3. How, if at all, do the needs of consumers differ, depending on whether they are disconnected, or at risk of disconnection? What are these differences? Why?

4. What sort of support or services are available to consumers who are disconnected or are at risk of disconnection?
   - Who is providing this support? How? To which specific audience?

5. To what extent do community organisations support people who are disconnected or at risk of disconnection? What do they provide? How? To which specific audience?

6. How effective or ineffective is the current support available for consumers who are disconnected, or are at risk of disconnection?
   - What works well? What could be done better? Why do you say that?
   - Are there any unmet needs from consumers that should be addressed? If so, what are these needs? Why are they unmet? And how should these needs be addressed?
SHARED RESPONSIBILITY

7. From your view, to what extent is it appropriate for the community sector, retailers and government to have a shared responsibility in assisting people who are disconnected, or who are at risk of disconnection? Why do you say that?

8. How could consumers benefit from a joined collaboration between the community sector, retailers and government? What could that give them that they currently may not receive?

9. To what extent do the community sector, retailers and government cooperate to assist people who are disconnected, or who are at risk of disconnection?
   - Who is involved? What do they aim to do?
   - What works well? What could be done better?

10. Are there any key barriers or challenges in how the community sector, retailers and government work together? If so, what are these barriers/challenges? Why do you say that?

FUTURE CHALLENGES

11. Looking forward, what barriers or challenges might there be to supporting consumers who have been disconnected or are risk of disconnection?
   - What could be done to address these challenges? And by whom?

12. Do you have any other comments or views you would like to share?
Discussion Guide – Community Organisations

SECTION 1 – INTRODUCTION

Hi, my name is [xxx] and I am from Urbis, a social research company that provides research and evaluation services to government.

We are assisting the South Australian Council of Social Service (SACOSS) to better understand the support the community sector provides to consumers who are disconnected/restricted or are at risk of disconnection/restriction from electricity, gas or water.

Part of this research involves telephone interviews with staff members from community organisations in South Australia.

SACOSS has suggested that you would be a helpful stakeholder to speak with, given your expertise and the organisation you work for.

Thank you for making the time to speak with me today. Our interview will go for about 45 minutes, and the sorts of things we will talk about are your views and experiences on supporting consumers, barriers or challenges consumers face in obtaining support, and ideas on how to improve the support to consumers.

Your feedback is completely anonymous. Nothing you say will be attributed directly to you in our report without your permission.

Do you have any questions before we start?

SECTION 2 – CURRENT SUPPORT PROVIDED

1. I would like to first learn more about you. Can you tell me about your organisation and role? How are you involved in supporting consumers who have been disconnected, or who are at risk of disconnection?

2. When thinking about consumers who are disconnected or those at risk of disconnection, what sort of support do they need? And what else? Why?

3. How, if at all, do the needs of consumers differ, depending on whether they are disconnected, or at risk of disconnection? What are these differences? Why?

4. In your view, how do consumers usually find their way to your organisation? Who do they talk to before they come to you?

5. To what extent does your organisation support people who are disconnected or at risk of disconnection? What services does your organisation provide? How? To which specific audience?

6. Are you aware of any other type of support the community sector provides to people who are disconnected or at risk of disconnection? If so, what other type of support is available?

7. In your view, how effective or ineffective is the community sector in assisting consumers who are disconnected, or are at risk of disconnection?
   - What works well? What could be done better? Why do you say that?
   - Are there any unmet needs of consumers that should be addressed? If so, what are these needs? Why are they unmet? And how should these needs be addressed?
SECTION 3 – SHARED RESPONSIBILITY

8. In your view, to what extent is it appropriate for the community sector, retailers and government to have a shared responsibility in assisting people who are disconnected, or who are at risk of disconnection? Why do you say that?

9. To what extent do the community sector, retailers and government cooperate to assist people who are disconnected, or who are at risk of disconnection?
   - Who is involved? What do they aim to do?
   - What works well? What could be done better?

10. Are there any key barriers or challenges in how the community sector, retailers and government work together? If so, what are these barriers/challenges? Why do you say that?

SECTION 4 – FUTURE CHALLENGES

11. Looking forward, what barriers or challenges might there be to supporting consumers who have been disconnected or are risk of disconnection?
   - What could be done to address these challenges? And by whom?

12. Do you have any other comments or views you would like to share?
Discussion Guide – Consumers

Hi, my name is [xxx] and I am from Urbis, a research company.

We are helping the South Australian Council of Social Service (SACOSS) to better understand how to support people who are disconnected/restricted or are at risk of disconnection/restriction from electricity, gas or water.

As part of this project, we are speaking with people like you, who have experienced disconnection/restriction (or were at risk of disconnection/restriction) in the past.

You received a flyer about this research, and you gave us permission to contact you for a telephone interview. Are you still happy to take part in a phone interview?

[If yes] Great – thanks for that. Our interview will go for about 30 minutes, and I will ask you a few questions about the time you were disconnected/restricted or were at risk of disconnection/restriction, about the sort of support you received, and what other support you might have found helpful.

There are no wrong answers. This is just about your views and ideas. Your feedback is completely anonymous. We will not identify you or your family in our report without your permission.

At the end of the interview, I will ask you for your postal address, so we can send you an $80 VISA prepaid card.

Do you have any questions before we start?

1. Can you tell me first a little bit more about you? How old you are, what you do, and your household situation? (Use demographic section to explore)

2. Can you briefly tell me about what happened when you were disconnected from electricity/gas/water (or at risk of disconnection from electricity/gas/water)? Explore:
   - what disconnection occurred (for gas/electricity/water)
   - how many times it occurred in the last 12 months
   - when did it most recently occur
   - how long the disconnection/at risk of disconnection was for

3. To help me get a better picture of your circumstances at this time, could you tell me some more about your home circumstances when you were disconnected/ at risk of disconnection? Explore:
   - rural/urban setting
   - whether being a newly arrived migrant (within last 5 years)
   - having any language barriers or other communication difficulties
   - living arrangements (alone, with family, friends etc, how many in total)
   - whether children were living in the household at the time (number, ages etc)
   - whether elderly people, or people with disabilities or special care or health needs were living in the household
   - rented or owned property/public/private housing
   - financial circumstances (employed, unemployed etc.)
   - availability of family supports/friends living nearby.
4. **INT: Explore timing of looking for help.**
   When you think of the last time you were disconnected or at risk of disconnection, when did you start looking for help or support? For example, was this before or at the time of disconnection? Why did you choose to start looking for help at that particular time?

5. And who did you contact for help? Anyone else?
   - How confident did you feel contacting xxx for help?

6. When you contacted xxx, what sort of help did they provide? Explore:
   - And how useful was that help? Why?
   - Was there any other help you needed from xxx but didn’t get? What was this?

7. When you look back at the time when you decided you needed help, how easy or hard was it to find out where to go for help? Why was that?

   **IF ONLY NOT FEELING CONFIDENT, SEE Q5:**

8. If you were at risk of being disconnected again, would you feel more confident in seeking help? Why do you say that?

9. Has the support you received helped you to better manage your energy, gas or water bills since you were disconnected/at risk of disconnection?
   - If YES: Who provided you that support? And how did it help you?
   - If NO: Why do you say that?
10. I would now like to read you different types of help people could receive to help them paying their energy, gas or water bills.

*Can you tell me, is it important to you to receive:*

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Hard To Say</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Information about how to lower your energy use</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>2. Advice on how to improve your appliances (eg. white goods) to lower your energy use</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>3. Advice on how to better insulate your home to lower your energy use</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>4. Electricity, gas or water bills that are easier to read</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>5. Advice on how to manage your expenses and bills</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>6. Bills every month instead of every three months to reduce the amount of money you need to pay each time</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>7. Information on where to go to for help when being disconnected or at risk of disconnection/restriction</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

11. If you found yourself in this situation again, which of the following would you prefer to go for help?

- And which one, if any, would you prefer not to go to? Why is that?

<table>
<thead>
<tr>
<th>Preferred Sources</th>
<th>Sources Preferred Not To Go To</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Your retailer (eg. someone from the call centre)</td>
<td>☐</td>
</tr>
<tr>
<td>2. A financial counselling service</td>
<td>☐</td>
</tr>
<tr>
<td>3. A community organisation</td>
<td>☐</td>
</tr>
<tr>
<td>4. Centrelink</td>
<td>☐</td>
</tr>
<tr>
<td>5. The Energy and Water Ombudsman of South Australia</td>
<td>☐</td>
</tr>
</tbody>
</table>
DEMograPHICS

The last few questions are a little bit more about you. When you think of the time you were disconnected, or were at risk of disconnection...

12. (INT: do not read out) Circle gender:
   1. female
   2. male

13. How old were you at the time you were disconnected or at risk of disconnection? INT: please select box
   1. under 25 years
   2. 25-29 years
   3. 30-39 years
   4. 40-49 years
   5. 50-64 years
   6. 65+ years

14. Which of the following best describes your living situation at that time? I lived ....:
   1. with a partner
   2. with a partner and children
   3. with children, without a partner
   4. in a single household
   5. with my parents
   6. with other relatives
   7. Other: _______________________

15. And during that time, did any of the household members have a medical condition which required the use of more electricity? (eg. to heat or cool a person)
   1. Yes
   2. No

16. And during that time, did you/were you:
   1. have a full time paid job
   2. have a part time paid job
   3. work voluntarily
   4. a student
   5. none of the above

17. And during that time, what was your main source of income?
   1. Salary/wage from paid employment
   2. Age pension
   3. Disability allowance
   4. Carer allowance
   5. Parenting payment
   6. Newstart allowance
   7. Workers compensation
   8. Other payment through Centrelink
   9. Other source of income: ________________________
POSTAL ADDRESS

My final question is just to check whether we have the right details to send you the prepaid VISA card.

Is it correct that your postal address is…:

a. Number and street name
b. Suburb/town
c. Postcode
Disclaimer

This report is dated August 2014 and incorporates information and events up to that date only and excludes any information arising, or event occurring, after that date which may affect the validity of Urbis Pty Ltd’s (Urbis) opinion in this report. Urbis prepared this report on the instructions, and for the benefit only, of SACOSS (Instructing Party) for the purpose of .. (Purpose) and not for any other purpose or use. To the extent permitted by applicable law, Urbis expressly disclaims all liability, whether direct or indirect, to the Instructing Party which relies or purports to rely on this report for any purpose other than the Purpose, and to any other person which relies or purports to rely on this report for any purpose whatsoever (including the Purpose).

In preparing this report, Urbis was required to make judgements which may be affected by unforeseen future events, the likelihood and effects of which are not capable of precise assessment.

All surveys, forecasts, projections and recommendations contained in or associated with this report are made in good faith and on the basis of information supplied to Urbis at the date of this report, and upon which Urbis relied. Achievement of the projections and budgets set out in this report will depend, among other things, on the actions of others over which Urbis has no control.

In preparing this report, Urbis may rely on or refer to documents in a language other than English, which Urbis may arrange to be translated. Urbis is not responsible for the accuracy or completeness of such translations and disclaims any liability for any statement or opinion made in this report being inaccurate or incomplete arising from such translations.

Whilst Urbis has made all reasonable inquiries it believes necessary in preparing this report, it is not responsible for determining the completeness or accuracy of information provided to it. Urbis (including its officers and personnel) is not liable for any errors or omissions, including in information provided by the Instructing Party or another person or upon which Urbis relies, provided that such errors or omissions are not made by Urbis recklessly or in bad faith.

This report has been prepared with due care and diligence by Urbis and the statements and opinions given by Urbis in this report are given in good faith and in the reasonable belief that they are correct and not misleading, subject to the limitations above.