

Utilities and other charges

What utility charges can I pass on to home owners?

In a land lease community it is common for you to re-supply utilities to residential sites within the community. In these circumstances you may ask home owners to pay directly for any or all of the following:

- electricity
- gas
- water
- sewerage (but only if the local water supplier charges for this separately)

Home owners can be asked to pay utility charges in the form of:

- **usage charges** - this varies depending on how much they use
- **service availability charges** - that is, as fixed amounts.

When can utility charges be passed on?

Before you can pass on utility charges two things need to have happened:

1. the use of the particular utility on the site must be separately measured or metered
2. the home owner must have agreed to pay the particular charge under the terms of the site agreement. Note: utility charges are now standard terms for any agreements entered after the new laws began on 1 November 2015.

If a site is not metered, and you want to charge for utilities, you must pay the cost of installing the meter.

If a home owner hasn't been paying a utility charge and you want them to do so, you must give at least 14 days' written notice. There would need to be an agreed offset of the site fees. If you cannot agree, an application can be made to the NSW Civil and Administrative Tribunal (the Tribunal) to resolve the matter.

Are there limits on the amounts charged?

You cannot charge a home owner usage charges for utilities more than they would otherwise be charged if

they were a direct residential customer of a local utility service provider. Check your local provider's website to see what the standard rate for usage is.

With service availability charges, you cannot charge an individual home owner any more than the actual amount you have been billed divided by the number of residential places, including holiday sites, in the community.

The maximum service availability charge a home owner can be asked to pay for both water and sewerage service availability is \$50 each calendar year.

What are my billing responsibilities?

You must provide an itemised account. This should set out what you are asking the home owner to pay and how each amount has been calculated. You determine the frequency of the billing cycle (for example, monthly or quarterly).

How much time must I give to pay?

When you provide an itemised account, you must give the home owner at least 21 days to pay the charges.

What receipts are required?

You must provide a receipt for any utility payments made in person. If utility payments are made by any other method, you only have to give a receipt if you are asked for one. A receipt for a utility payment must include:

- the name and address of the community
- the home owner's name
- their site number
- the amount paid
- any amount in debit or credit as at the date of payment
- the period covered by the payment
- the date the payment was received.

What if the electricity supply is not up to standard?

Where the electricity being supplied to a site by the operator is less than 60 amps, the following service availability charge discount applies:

Level of supply to site	Maximum service availability charge (SAC)
less than 20 amps	20% of relevant local area retailer's SAC
20-29 amps	50% of relevant local area retailer's SAC
30-59 amps	70% of relevant local area retailer's SAC

Where 60 or more amps are capable of being supplied, a home owner is required to pay the full service availability charge even if the home is not capable of receiving this amount of supply. This applies, for example, in the case of old style caravans.

Can I charge late fees?

Yes. If a utility bill is not paid by the due date, or if a payment for utilities is dishonoured, you can charge a late fee. It is your choice whether to charge such a fee. However, any late fee cannot be higher than would normally be charged if the home owner were a direct customer of the relevant local utility service provider. Check the local supplier's website to see what fees they charge for late payments.

What else can I do if home owners do not pay utility bills?

In addition to, or instead of, charging late fees, you may apply to the Tribunal for an order requiring a home owner to pay the outstanding amounts. The Tribunal can make an order in these situations without a hearing, if both parties agree. This order can be enforced as a debt in the local court. Extra fees and charges could be added if it gets to this stage.

Can site fees be used to cover utility bills?

No. You must not use money paid as site fees towards the payment of any other charges, including utilities.

Can I charge a fee for reading the meters?

You have the right to enter a site to inspect, read, service, repair or replace any meter. No fee can be charged for doing any of this.

How are disputes over utility bills settled?

If a home owner believes that the amounts they are being charged for utilities are not correct, they may discuss this with you in the first instance. Home owners have the right to ask you to provide them with reasonable access to bills and other documents that relate to their utility charges.

If an agreement is reached you may:

- refund the overpayment directly
or
- allow the home owner to deduct the amount from their site fees.

If you cannot agree, an application can be made to the Tribunal for an order to resolve the dispute.