

Proposal for Energy Accounts Payment Assistance Accreditation and Review Process for Community Welfare Organisations

Background

The Energy Accounts Payment Assistance (EAPA) Scheme is a NSW Government Scheme which assists people who are unable to pay their energy bill because they are in a crisis or emergency situation. It is designed to keep these people connected to essential energy services.

Industry & Investment NSW (I&I NSW) is the NSW agency responsible for energy policy including the EAPA Scheme.

EAPA operates through a voucher system, where each voucher has a \$30 value. Vouchers are issued to eligible customers by EAPA Providers participating in the EAPA Scheme. The bulk of EAPA delivery is currently undertaken by community welfare organisations (CWOs), however, one energy retailer, Country Energy also distributes EAPA on a trial basis. Customers need to apply to one of these organisations which will consider their claim and, if appropriate, provide assistance. The organisation assesses the customer's situation and determines each case based on individual circumstances.

I&I NSW is considering a new accreditation and review process for CWOs participating in the EAPA Scheme to improve compliance with the Scheme's requirements and better support CWOs delivering EAPA. This document sets out in more detail how this process might work.

A CWO accreditation and review process would enable I&I NSW to detect where CWOs need extra support and training in delivering EAPA and enable recognition for CWOs which engage in superior service delivery under the Scheme. It would also enable I&I NSW to incorporate procedures in place at best practice CWOs into EAPA training with other CWOs.

If a CWO accreditation and review process is implemented it would not apply to retailers who choose to deliver EAPA under the retailer delivery model for EAPA (this policy option is discussed in the EAPA Review Consultation Paper). This is because it is proposed that retailers under this model would be subject to terms and conditions in a Deed of Agreement with I&I NSW/the Minister for Energy.

To become accredited to deliver EAPA, CWOs must apply to I&I NSW. As a minimum requirement the CWO must be one of the following:

- Incorporated Association;
- Incorporated Cooperative;
- Organisation established through specific Commonwealth or State legislation (e.g. churches, Public Benevolent Institutions);
- Aboriginal Corporations; or

- Company Limited by Guarantee under Corporations Act 2001.

The application could be assessed by I&I NSW to determine the CWO's capacity to deliver EAPA as well as the socio-economic needs of the area.

Once the new CWO accreditation process is implemented it is proposed that those CWOs which have been approved to deliver EAPA under the former approval process will be given twelve months to submit new applications for accreditation to I&I NSW.

Proposed Key Features of the CWO Accreditation and Review Process

1. Establish contact

- § A CWO could obtain an application by contacting the I&I NSW Energy Concessions Coordinator (the Coordinator).
- § It is recommended that CWOs are able to review the EAPA Guideline for CWOs – effective 1 January 2005 as amended from time to time (the Guidelines) prior to applying to ensure that they can meet all the requirements to deliver the Scheme.

2. Fill in application

- § It is recommended that the current application for delivering EAPA be revised (see separate application form).
- § Develop Frequently Asked Questions for CWOs that could assist them with the application process.

3. Submission of application

The CWO's application package should include:

- § a completed application form;
- § most recent financial statements and budget;
- § attached answers to selection criteria including a complaints handling policy, privacy policy and internal procedures for the issuing of EAPA vouchers/emergency relief; and
- § a signed statutory declaration.

4. Assessment of application

- § The application would be assessed by the Coordinator.

5. Application decision

If accreditation is granted, a package would be sent to the CWO including:

- § an approval letter indicating the accreditation period of three years, explanation that a site visit/evaluation will occur at some point during the three years, and the date upon which the CWO would need to re-apply for accreditation;
- § a copy of the Guidelines;
- § a template/checklist for assessing an EAPA client (suggested);
- § a template for reporting and recording the distribution of EAPA vouchers - available in hard copy and Excel format (suggested); and
- § a template for a progress report.

If the CWO's application is rejected, a response should be sent to the CWO outlining their ineligibility and what criteria would need to be met to receive accreditation. The CWO would then have the option of re-applying in which they could specifically address those areas of concern.

6. Inaugural Training

- § The Coordinator to organise an inaugural training session and provide the newly accredited CWO with their first allocation of EAPA vouchers.

7. Monitoring of on-going compliance

- § A site visit with an evaluation may be completed before the CWO's accreditation period (3 years) has elapsed.
- § A progress report should be submitted by the CWO at the mid-point of their accreditation period (1.5 years).

8. Process for revoking accreditation from a CWO

- § If issues of non-compliance from a CWO are detected, they will be issued a notice to show cause. The CWO would have 14 working days to provide a response (e.g. through a submission) addressing any of the issues raised in the notice. I&I NSW would make a final decision based on the CWO's submission.

9. Re-application prior to expiry of the CWO's existing period of accreditation
- § It is recommended that a CWO's accreditation be valid for three years and that the CWO re-apply for accreditation at the end of that period.
 - § Training should be provided for all CWOs re-approved for accreditation.
10. Review of the EAPA accreditation process
- § The EAPA accreditation process should be reviewed every five years.
 - § Forums or consultations with CWOs should be conducted to get feedback on the current process (i.e. too much paperwork, need more support, training, etc) and areas of improvement.
11. Transitional measures for currently accredited CWOs
- § Once the new accreditation process has been implemented, CWOs which have previously been approved to deliver EAPA under the former approval process will be asked to re-apply. These CWOs will be given 12 months to submit their applications.
 - § I&I NSW will make arrangements to ensure communities continue to have access to EAPA.

Assessment Process

It is proposed that a flow chart be created to help streamline the process of assessing an application. The following are some steps that should be included:

- § as a minimum requirement, the CWO must be one of the following:
 - Incorporated Association;
 - Incorporated Cooperative;
 - Organisation established through specific Commonwealth or State legislation (e.g. churches, Public Benevolent Institutions);
 - Aboriginal Corporations; or
 - Company Limited by Guarantee under Corporations Act 2001

and an application should not be assessed if the CWO does not meet this prerequisite;

- § review financial statements and budget to gauge the scale of operations of the CWO;
- § a scoring system should be used to evaluate the selection criteria in the new EAPA application (i.e. each answer is given a rating of 1 – 5 where 1 equals poor and 5 equals excellent);
- § CWOs who cater to specific clientele (e.g. only assist women, certain religions, etc) could be accredited to provide EAPA but would not be able to refuse other clientele from assessment for EAPA. However the CWO could re-direct the client to neighbouring CWO who assists a wider clientele; and
- § Use the socio-economic test spreadsheet to determine need:
 - a scoring system should be developed for this tool;
 - this tool would not be an absolute measurement to determine if a CWO is located in an area of need; and
 - if there is a need, determine if there are other EAPA providers in that area and if there is a need for another EAPA provider.

Site Visit Checklist

It is recommended that a site visit and evaluation be completed at some point prior to the expiry of the accreditation period for a selection of CWOs (as it is not feasible to evaluate all participating CWOs). The evaluation could be done in consultation with EAPA refresher training (and could place emphasis on any problem areas identified in the evaluation) to increase efficiencies. The objectives of the evaluation would be to gain insight into how EAPA operates at the CWO and determine the strengths and weaknesses of the operational side of the program.

The criteria that would be assessed during the evaluation could include the following:

- § record keeping;
- § internal policies;
- § privacy policies; and
- § EAPA assessment procedures (e.g. mock assessment interview).

This would allow for an opportunity for the CWO to improve its performance as well as provide the evaluator with an opportunity to document any problems with compliance.

Progress Report

The CWO could submit a progress report at the mid-point (1.5 years) of their accreditation period. This would be a useful communication tool for the CWO to indicate any problems or need for additional resources/support (i.e. training or more EAPA vouchers to distribute). It would also be useful to I&I NSW in helping to identify which CWOs may need further training or additional site visits. This could include information such as:

- § the number of applications for EAPA made at each site and outcomes (e.g. how many received EAPA);
- § any problems, concerns or issues and proposed solutions;
- § the types of additional services being provided to clients seeking EAPA;
- § any training delivered;
- § any complaints regarding EAPA; and
- § any significant staffing or volunteer changes which may affect the delivery of EAPA.

Depending on resources, a site evaluation may be completed prior to or after a progress report has been received. If resources permit, it is recommended that a site evaluation be completed prior to the mid-point of the accreditation period as the progress report could be used to indicate whether or not improvements have been made since the evaluation.

It may be decided that this additional paperwork would be too burdensome for CWOs. If this is the case, this tool could only be a requirement for CWOs that have had compliance issues (i.e. received complaints). It could be used to help monitor the progress of the CWO as it is not feasible to continually visit the location.

Notice to Show Cause

A notice to show cause would only be issued in the case where there is an alleged material non-compliance from a CWO (e.g. a breach of the Guidelines). The purpose of such a notice is to describe the alleged non-compliance, alert the CWO of the consequence of continuing non-compliance (i.e. suspension or withdrawal of accreditation) and advise how the CWO may respond to the notice. This provides the CWO with an opportunity to provide a submission to I&I NSW which directly responds to the issues referred to in the notice. A CWO would have to provide a submission to I&I NSW within 14 days of receiving the notice.

In the event that the decision is made to revoke a CWO's accreditation, the CWO should be required to immediately begin communicating to their clients that they will no longer be providing EAPA as of X date and provide the information of other local CWOs that provide EAPA as an alternative. To ensure that EAPA clients are able to continue to be accessible to EAPA in their area, the CWO would remain accredited to distribute EAPA vouchers until the end of the voucher allocation quarter. I&I NSW could try to recruit a CWO (that is not currently providing EAPA) in the area to help with the transition or issue vouchers to other CWOs in the surrounding area to ensure that EAPA is accessible for customers in need. After this time frame, unused vouchers allocated to the revoked CWO would either be distributed to the newly accredited CWO or to other participating CWOs within the area.

It is also recommended that an exit audit be completed in the event of accreditation being revoked.

Incentives

In order to help CWOs comply with the Guidelines, incentives could be employed. For example, the accreditation period could be extended (for an additional year) without reapplying, for CWOs that are compliant/exceed expectations. This could be measured through site evaluations and progress reports.

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