

WATER BILLING

- Memo for Owners -

Pre-requisites to charge tenants for water

- Premise must be individually metered
- Water efficient taps and fittings ('Wells' 3 star and above rating, flow not more than 9L per minute, etc)
- Water-compliant, demonstrated by a plumber's certificate ("Water Compliance Certificate")
- *Read more here from the RTA's fact sheet on charging for water: <https://www.rta.qld.gov.au/Forms-and-publications/Fact-Sheets/General-tenancy-fact-sheets/Water-charging-fact-sheet>*

Billing methodology

- Start reading is taken from water meter at beginning of tenancy, recorded on entry condition report
 - During periodic inspections conducted every 3 months, interim readings are taken from the water meter
 - Water usage is calculated from the two meter readings and invoiced appropriately at the applicable rate
 - The applicable rate is published on the water supplier's website – Eg. Google Urban Utilities Prices & Charges
 - Charges payable by the tenant are the i) State Gov. Bulk Water charge & ii) Tier 1 Consumption*
 - End of tenancy a final water meter reading is taken and they are invoiced accordingly/deducted from bond
- *In my experience seldom do tenants exceed Tier 1, but if they do, Tier 2 & 3 can be charged it just gets a bit more complicated as the Tiered rate is applicable to a maximum 90-day period and routine inspections can only be done a minimum of every 3 months*

Why we don't use your water bill to charge the tenants

- Often in Community Title Schemes billing method for Body Corporate billing is in place, which means your water bill also contains a portion of the Common Property's water bill, which the tenant is not liable to pay
- Further to that, the usage component you are billed for is often not associated with the actual usage from your lot, rather an amount calculated off your lot's 'contributions schedule' as outlined in the Community Management Statement, put very very simply, think of an average between all lots, (where low users are subsidizing high users), and no way of knowing how much water was consumed from your actual lot
- With the above 2 points in mind, there is no tangible way to accurately and fairly bill the tenants for their water consumption from an invoice reflecting the above, and they can challenge it and win in QCAT
- Other issues with the suppliers' bills are the billing period is different to the metered period and generally neither line up nicely with the start and end of a tenancy, and it is not correct to divide the bill by the number of days that do apply to the tenancy as there is no way of knowing if the usage occurred during their occupancy

Here is an example of the body of an invoice I generate for tenants to pay their water charges

*Last Water Meter Reading: 907.758, taken on: 21/7/17, observed from: Water Meter (Routine Inspection)
Current Water Meter Reading: 926.837, taken on: 21/10/17, observed from: Water Meter (Routine Inspect.)*

Consumption for Period (kL): 19.079

Billable Rate (kL): \$3.50

Amount Owing: \$66.78

Billable rate is Queensland Urban Utilities Prices & Charges 2016-17 (Brisbane)

<https://www.urbanutilities.com.au/business/accounts%20and%20billing/prices%20and%20charges%202017%202018/prices%20and%20charges%202016%2017>

(Tier 1 consumption \$0.76 per kL + State Gov. Bulk Water charge \$2.74 per kL = \$3.50 per kL)