



Telecommunications financial hardship protections

A guide for financial counsellors and community workers



This guide

This is a guide to the minimum legal protections for telco customers experiencing financial hardship. The guide also offers some ways financial counsellors and community workers can support their clients to access these protections.¹ The legal protections are set out by the [Telecommunications \(Financial Hardship\) Industry Standard 2024](#) (the Standard). The standard commenced in full on 29 March 2024.

This guide has been produced by ACCAN, the peak national consumer organisation advocating for trusted, accessible, inclusive, affordable and available communications and digital services.

Scope and eligibility

The Standard introduces mandatory rules for telecommunication providers to support customers experiencing financial hardship.

A customer may be an individual, not-for-profit or small business consumer. Financial hardship is a situation in which a customer is unable to pay money owed to their telco provider or is struggling to pay their telco bills due to the circumstances they are experiencing. Under the Standard, these circumstances include:

- Personal or household illness
- Unemployment
- Low or insufficient income, including reduced access to income
- Being a victim survivor of domestic or family violence
- A death in the family
- A change in personal or family circumstances
- A natural disaster
- Unexpected events or unforeseen changes that have impacted the customer's income or expenditure
- Other reasonable causes.

A customer may indicate to their telco they are experiencing financial hardship if they:

- Mention difficulty paying or seek assistance to pay a bill
- Ask about options to reduce or manage spending
- Use language that indicates they are having financial difficulties
- Mention they are in any of the circumstances above.

To be eligible for financial hardship assistance, customers must consider that they will be able to meet the terms of a financial hardship arrangement.

¹ This guide is intended for financial counsellors and community workers but will also be useful to consumers seeking further information about the standard and its application.

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What to expect from a provider

In summary, providers are obliged to proactively identify customers who require financial hardship assistance and may contact a customer to offer assistance.

A customer may also contact their provider to initiate a request for assistance. In such cases, a customer can expect their provider to:

- Provide information about their payment assistance policies, discuss options for assistance and offer to provide an application form
- Help them make an application for financial hardship assistance if they have specific accessibility needs
- Not request information demonstrating financial hardship unless the request is for long term assistance
- Maintain their service connection – disconnection can only be used as a last resort
- Assess applications in a timely manner and notify the outcome of the assessment within 7 business days after receiving an application
- Provide options for assistance that are realistic, appropriate and tailored to suit the needs of the customer.

Mandatory protections

Identifying financial hardship

There are rules that require telcos to proactively identify financial hardship.

A provider MUST:

- Take all reasonable steps to identify financial hardship customers for the purpose of providing options for assistance as early as possible
- Make reasonable efforts to communicate in writing with a customer if they:
 - Have more than 2 consecutive overdue bills
 - Have 3 overdue bills in the past 6 months
 - Owe more than \$200.

Communicating with a customer

There are rules on how telcos must communicate with financial hardship customers.

A provider MUST:

- Advise the customer about the provider's payment assistance (financial hardship) policy and how to make an application
- Discuss options for assistance and the processes and timeframes for applying and accessing financial hardship assistance
- Offer to provide their payment assistance policy and the contact details of personnel authorised to deal with financial hardship matters
- Provide the customer with their payment assistance policy if they wish to make an application
- Support customers with accessibility needs to make an application.

Assessing applications for financial hardship assistance

There are rules on how telcos can assess eligibility for financial hardship assistance.

A provider **MUST NOT** request a customer provide information to demonstrate financial hardship for applications for short-term assistance (a period no longer than 3 billing cycles) or if it appears that the customer may be a victim-survivor of domestic or family violence.

A provider **MAY** request information to demonstrate financial hardship if it appears the arrangement will need to be for long-term assistance (a period longer than 3 billing cycles) and one of the following applies:

- The amount to be repaid is more than \$1000.
- The customer has been a customer for less than 2 months.
- The provider reasonably believes there is a possibility of fraud.

Where a provider requests information, a provider **MUST**:

- Only request information if it is strictly necessary to assess eligibility for assistance
- Inform the customer how the information requested will be used for the purpose of the assessment
- Provide the customer with contact details to provide the information and how the information can be presented to and sighted by authorised personnel
- Advise the customer how long it estimates it will take to complete the assessment
- Complete the assessment as soon as practicable and within 5 business days
- Inform the customer of the outcome of the assessment as soon as practicable and within 2 business days of completing the assessment
- Advise the customer immediately if it becomes clear they cannot be provided with financial hardship assistance because they do not meet the eligibility criteria.

Options for assistance

There are rules on what options a telco must provide as financial hardship assistance.

A provider **MUST**:

- Make available options for assistance that are realistic, appropriate and tailored to suit the needs of the customer
- Account for the customer's individual circumstances and capacity to pay, including by considering options appropriate to the ongoing management of payments for a customer who is a victim survivor of domestic or family violence
- Offer support, including options to temporarily postpone, extend, or defer bill payments, and payment plans tailored to a customer's ability to pay
- Offer a minimum of 4 support options from:
 - Discounting a bill charge
 - Applying a credit to the customer's account
 - Waiving a debt
 - Establishing an arrangement whereby the provider matches payments made by the customer or gives credit in exchange for payments made by the customer
 - Controls on how a customer can incur charges with the provider, including spend controls
 - Restrictions
 - Removing non-essential features of a telecommunications product at no cost
 - Transferring the customer to a different telecommunications product that better suits their circumstances
 - Adjusting internal threshold limits so that the customer is not disconnected
 - Offering a free non-automatic payment method.

Financial hardship arrangements

There are rules on how a telco makes and reviews financial hardship arrangements.

A provider **MUST**:

- Commence a financial hardship arrangement as soon as the customer agrees to the arrangement
- Give the customer notice in writing 2 business days after the customer agrees to the arrangement setting out:
 - The details and duration of the arrangement
 - The customer's rights and obligations
 - The circumstances in which credit management action may be taken
 - That the customer must advise the provider if their situation changes within 14 days of the change
 - That the customer may seek a review if their financial hardship situation changes
- Review a customer's arrangement within 5 business days if the customer advises their situation has changed
- Review a customer's arrangement if the customer has not met their obligations under the arrangement.

A provider **MUST NOT** charge a customer for applying to or accessing financial hardship assistance.

Credit management action

There are rules on when a telco may take credit management action.

A provider **MUST**:

- Take all reasonable steps to determine if the customer is in financial hardship before taking credit management action
- Take all reasonable steps to keep the customer's telecommunications service connected, having regard to the essential nature of telco services and the individual circumstances of the customer
- Only use suspension or disconnection as a measure of last resort
- Give the customer a written notice 10 business days before taking credit management action.

A provider **MAY** take credit management action if:

- The customer has not met their obligations under the arrangement and
- The provider has taken steps to review the arrangement and either:
 - The provider has taken reasonable steps to contact the customer to discuss options for payment
 - The provider has a genuine reason to believe the customer is unable to or unwilling to pay their debts
 - The customer has agreed they cannot complete the financial hardship arrangement
 - The provider has been unable to contact the customer despite taking reasonable steps to do so.

A provider **MUST NOT**:

- Take credit management action against a customer while the customer is discussing options, has made an application for financial hardship assistance, or has a financial hardship arrangement in development with the provider
- Sell a debt owed while the customer is discussing options, has applied for assistance or is developing an arrangement with the provider or the provider is reviewing the arrangement.

Supporting clients

There are key points to keep in mind when advocating for your client to their telco.

Advocates and authorised representatives

Your client can appoint you as an advocate or authorised representative.

An advocate can communicate with the provider but has no power to act on the consumer's behalf and has no access to their information without the consumer being present and agreeing to such action.

An authorised representative has authority to deal with a provider on behalf of a consumer as their authorised agent. To set up an authorised representative, the client must contact their telco and provide their consent.

Telecommunications debt due to financial abuse

There are no obligations on providers to set out how they will manage cases of debt incurred due to DFV. A provider may develop a policy that determines how they will establish the party liable for the debt.

You can challenge or negotiate telco debts where a perpetrator has contributed to the debt, as providers must consider this before taking credit management action.

Tips for advocating for clients

- Always ask to be connected to a team member that is trained and authorised to handle financial hardship matters. Some providers will have specialised teams to handle financial hardship assistance.
- You can help your client let their provider know they are experiencing financial hardship and request support or notify the provider of your client's need on their behalf.
- You can advocate to the provider what your client can reasonably pay under a financial hardship arrangement. The provider must offer your client a plan that is tailored to meet their ability to pay.
- You can advocate for debt waivers or partial waivers where the debt is unmanageable or unjustly incurred.
- You can request the removal of any default listings if the debt was incurred while the client was experiencing hardship or if a hardship arrangement should have been in place.
- You can request the provider transfer the client to a more affordable plan and waive any fees for breaking a contract.
- You can inform existing debt collectors that the matter is subject to a financial hardship application with the telco and they must cease collection activity. Refer them back to the telco.

Complaints and escalation

Complain to the telco

If you are unhappy with how a provider has handled your client's request for support, you can make a complaint to the provider by phone, letter, email, online or in-store. You can find a provider's contact information on their website.

A complaint from a customer experiencing financial hardship must be treated as urgent if the complaint could reasonably make their financial situation worse or add to their hardship. This applies to customers who have either applied for or are already in a financial hardship arrangement. The provider must propose and implement a resolution within 2 business days of receiving the urgent complaint.

Complain to the Telecommunications Industry Ombudsman

If you have tried resolving your complaint with the provider and are unsuccessful, you can file a complaint with the [Telecommunication Industry Ombudsman](#) (TIO). You can also make a complaint to the TIO if you have tried to contact a provider and been unsuccessful. You may make a complaint to the TIO on behalf of another person. For more information, see the [TIO's guide](#).

The TIO has produced a [guide on how they handle financial hardship complaints](#) and set out their [expectations for good industry practice](#).

You can [make a complaint](#) to the TIO by phone, online, email, post or fax.

Complain to the ACMA

You can make a complaint to the Australian Media and Communications Authority (ACMA) if you believe the telecommunications provider hasn't followed the rules or the issue is likely to be systemic.

You can contact the ACMA by calling 1300 850 115 or emailing info@acma.gov.au.

Further support

We can provide advice on the protections of the Standard and how they may apply for your clients.

ACCAN advocates for strong compliance with the Standard. If you are concerned about the conduct of a provider or would like to provide a de-identified case study, please reach out to us.

Contact ACCAN by calling 02 9288 4000 or email info@accan.org.au.

The Australian Communications Consumer Action Network is Australia's peak communication consumer organisation. The operation of ACCAN is made possible by funding provided by the Commonwealth of Australia under section 593 of the Telecommunications Act 1997. This funding is recovered from charges on telecommunications carriers. ACCAN is committed to reconciliation that acknowledges Australia's past and values the unique culture and heritage of Aboriginal and Torres Strait Islander peoples.



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