

## **Consultation on Proposed Service Charges - Frequently Asked Questions:**

### **Why are you consulting me on a proposal to charge me for services?**

When we became your landlord in 2011 we told you that we would not introduce new charges for services relating to your home for the first five years (until February 6th 2016). We kept to that promise but we are no longer able to keep absorbing those costs beyond that five year promise.

When we wrote to you in March 2016 to inform you of decreases to the overall rental payments for your home, we also advised you that charges for services would be reviewed. We are starting a consultation process regarding this proposal and we want you to give us feedback and comment.

These services that we propose to charge for are not provided to all customers, only to customers who live in flats. These services can include:

- Cleaning of communal areas (for example stairwells and corridors)
- Lighting in communal areas (including electricity to power these lights)
- Grounds maintenance around blocks (including grass cutting)
- CCTV monitoring for some blocks and estates

We are still committed to decreasing part of your rental payments for another three years not only in April 2016 but also in April 2017, 2018 and 2019. What this could mean is that some customers will see no overall increase in the total amount they pay.

### **Would these proposed charges be covered by Housing Benefit and Universal Credit?**

As the proposed charges are for services relating to your home they should ordinarily be covered by Housing Benefit. If you are in receipt of Universal Credit and the new charges do come into force, you will need to contact the Universal Credit service centre on 0345 600 0723 and advise them of the change to your overall rent costs that include the service charges. Our income collection team can help you if you need assistance with this.

### **When is it proposed that any new service charges will start and how will they be implemented?**

The consultation process regarding these charges starts on 4<sup>th</sup> July 2016 and concludes on 5<sup>th</sup> August 2016. We are proposing to phase in any charges over three years, meaning you would not pay the full cost in years one and two but by year three you would. We are proposing to introduce any charges in the Autumn of 2016. We would write to you 28 days before the charges come into effect.

### **How much will I pay and how would charges be calculated?**

The proposed amounts would be different depending on the costs of maintaining and managing the block where you live. In some cases the costs would be offset by the reductions we have started to make in the amount you pay in overall rent and the reductions we will continue to make over the next three years.

You would receive notification of the amount payable at least 28 days before any charges commence and we would fix your charge at that amount for the year. We are proposing charges to be in the range of 86p up to £10.00 per week for services including:

- Cost of electricity consumed
- Cost of providing grounds maintenance service based on the square meterage of communal areas
- Cost of providing cleaning based on the square meterage of the communal areas (excludes reactive cleaning costs)

### **How often is it proposed charges may change?**

We propose to review any charges once a year. We are proposing to introduce charges in the Autumn of 2016 but in the first instance we would not look at effecting any change to the amount until April 2018.

### **How is it proposed the service charges be collected?**

It is proposed payments will be collected in your overall rent payment. So if you pay by Direct Debit, we propose varying the amount accordingly. This year we have reduced many customers rent payments and reduced their Direct Debits.

If you pay via an AllPay card, you would need to vary your payment to cover this new charge. Housing Benefit would be notified of the changes by First Choice Homes Oldham.

### **Would these proposed charges be dependent on circumstances (e.g. do I still have to pay if I am a student, working or in receipt of a benefit?)**

No – all customers who receive these services could be charged, based on the services received and as outlined above, the size and type of block and communal areas.

### **How can I give my comment and feedback?**

There are a number of consultation events taking place across the borough starting on 4<sup>th</sup> July running until 5<sup>th</sup> August 2016. You can also email - [servicecharges.customers@fcho.co.uk](mailto:servicecharges.customers@fcho.co.uk)