# An offer to vary your tenancy agreement

# Frequently asked questions about your variation agreement

### Will the change to the clause in my agreement affect what I pay?

No, the change in the rent clause won't affect what you pay. If you currently have a separate service charge it will mean you won't see the split between your rent and service charge in future, as it will just show as one amount.

Your tenancy is on an affordable rent agreement. This means your rent is set by applying a discount to what the rent would be if it was let by a private landlord. The costs to deliver your services, which you currently see as a service charge, don't affect the total amount you pay.

Showing the service charge and rent separately sometimes causes confusion. We want to give you one clear, easy-to-understand figure to show your rent amount including services.

#### How do I benefit from £20 credit to my rent account?

The variation agreement is a form of contract, in which both parties must benefit, so we want to provide a small financial benefit to you. All you need to do is sign the variation agreement that we will send by email and return it to us.

#### Will you send me the £20?

We will not refund this amount to you directly, but we will put the credit into your rent account. If your account is paid up to date:

- You could choose to reduce a future payment by £20, or
- If you pay by Direct Debit, we will take into account the credit when we recalculate your Direct Debit payments, which would usually be at your next rent review in April.

#### Why am I receiving a variation agreement rather than a new tenancy agreement?

Signing a new tenancy would mean that we would need to set up a new account for you, which can affect how you pay your rent, including changes to any benefits you receive.

To keep things as quick and convenient as possible for you, we have asked you to vary your current tenancy, rather than starting a new tenancy agreement.

# I've received my variation agreement, but it refers to a five-year tenancy – I thought the notice means I'm now a lifetime tenant?

The variation agreement, which will allows us to simplify your charges, relates to your original tenancy agreement and doesn't alter the length of your tenancy agreement.

The conversion from your 5 year fixed-term tenancy to an assured "lifetime" tenancy is separate from the variation agreement. This will be altered by the notice we have served and can be found enclosed.

#### Will I lose any rights?

By simplifying your charges, it means the rights you have as a variable service charge payer will no longer apply to you.

- You won't receive a service charge budget or year-end statement in the future, and
- We no longer need to formally consult with you about costs relating to major communal works or long-term contracts.

However, it does not impact on what you pay, because your rent and service charge costs are combined and capped in line with your affordable rent agreement.

## What happens if I don't sign the agreement?

If you don't sign and return the agreement or tell us that you don't want to enter into the agreement, we will contact you to remind you that the agreement must be signed to simplify your charges and credit your account with the £20. If we don't hear from you, we may ask one of our team to visit you, to check you have understood the offer and find out if you want to enter into the agreement.

If you contact us to say you don't want to enter into the agreement, we will update our records and you will not qualify for the £20 credit.

### What happens if I don't receive the variation agreement?

The variation agreement will be sent out by email in the next few days. If you don't receive the agreement within ten days of receiving your offer letter, please check your email junk folder. If you have still not received it, contact us to check we have your up-to-date email address. You can call us on 0800 678 1221 or email us at info@orbit.org.uk.





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