August 2026

Low-Cost Home Ownership
Review of Communication about Annual Service Charge Accounts

Background

The Scrutiny Panel were asked to review the temporary substantial workload within the Homeownership Team following the mailing of end-of-year service charge accounts. The letters show actual annual service charge spending compared with the estimated charge. Where there is an underpayment, Platform has a limited period in which to notify customers and collect payment.

Customer questions following the mailing can increase the usual response time from 3-5 days to 28 days or longer. This can lead to repeat contact, customer dissatisfaction and additional pressure on colleagues.

Customer satisfaction for low-cost home ownership fell from 53.3% in 2024-25 to 44.2% in 2025-26.

Goals

Improve communication with customers, reduce repeated contact, and smooth the peak in call demand when year-end service charge accounts are issued.

Objective

To review the current communication with customers and working practices. To understand customer and colleague experiences of service charge variances and identify practical improvements.

Scope

- Meet colleagues involved in the current process and clarify workflow and responsibilities.
- Analyse the available call data.
- Review letters sent to customers and the wider communication process.
- Run an online customer survey. Fifteen customers responded.
- Develop recommendations to reduce repeat contact, improve communication and improve customer satisfaction.

Conclusions

- The process uses significant time and resource and can reduce customer confidence.
- The Homeownership Team depends on year-end information from the Service Charge Team. During the peak period, call staffing increases from one colleague to between four and six.
- Available data covered inbound calls only. Outbound calls and callbacks are not currently captured, so the full scale of contact is not measured.
- Some customers face substantial or repeated deficits. Surpluses are credited to the customer's Platform account.

- Letters are sent by post and may be affected by postal delays. There is no current system for interim reviews during the year.
- The revised Homeownership system provided a 4-5 week year-on-year improvement, allowing more time to plan the mailing.
- Of the 15 survey respondents, 12 knew their service charge was variable and 14 understood what “variable” meant. Six contacted Platform after receiving the letter and three of those six said the issue was not resolved at first contact.
- Customers said clearer, simpler information, proactive communication, better digital contact and clearer explanations of increases would help.

Recommendations & Response

Recommendation	Response
Review letter wording to include the fact that any shortfall in service charge was discussed and agreed at the lease signing	**Complete.** The lease is already referenced within the letter. For new-build properties, information relating to service charges is included as part of the sign-up documentation provided to customers. For resales, we issue a management information pack to the purchaser's solicitor, who is responsible for discussing the contents of that pack with their client - we are not sure if this always done. In addition, since February, service charges have been discussed with customers during the six-week check-in call and are also referenced within the initial welcome email.
Recommendation	**Response**
Reword the part stating how PHG will recover the shortfall to a more customer facing approach, particularly if the deficit is large.	**Complete.** The letter has been reviewed and updated for this year to provide greater clarity around payment timescales, including confirmation that the amount will be collected via Direct Debit in November. The wording has also been strengthened to make it clearer that payment is due now. In addition, the information provided on how customers can contact us has been improved, we have added - Paying your service charge is important and is a legal requirement under your lease/transfer. If you are unable to make payment in full, please contact us as soon as possible to discuss support available.

	Platform has a dedicated team of Advisors available to assist all customers, irrespective of tenure type, who may be experiencing financial difficulties. They can provide support to help you maintain your account and ensure you are receiving all the income and benefits to which you may be entitled. To find out what support might be available to you in your area, please get in touch with us on 0333 200 7304, or visit our website Help and Support | Platform Housing Group (platformhg.com) or alternatively independent advice is available from your local Citizens Advice.
Recommendation	**Response**
Take a more customer facing approach to recovery of large amounts.	**Complete.** Where service charge deficits are significant and customers experience difficulties making payment, we consider repayment arrangements on a case-by-case basis. This flexible approach has been in place for a number of years and allows us to support customers according to their individual circumstances.
Recommendation	**Response**
Include a FAQ sheet with the mailing.	**Complete.** This is already included within the process. The 2026 version will be shared with the panel once it has been finalised for review and feedback.
Recommendation	**Response**
Where a surplus exists automatically refund this to the persons bank account. This could potentially save up to 40% of calls. This is based on the 60/40 split of over/under payment.	**Complete.** This is not something that can currently be implemented within our systems, as we do not hold customers' bank account details to enable direct refunds. However, we are able to reduce future Direct Debit payments where appropriate. A dedicated email address is available for customers to request a refund,

	and there is an established process in place which is monitored daily to ensure refunds are processed promptly and any delays are minimised. Refund requests do not represent a significant proportion of customer contacts, and refunds have not been identified as a recurring issue. It would therefore be helpful to understand the basis for the suggestion that 40% of calls relate to refunds, as this does not align with our current understanding, or available information.
Recommendation	**Response**
Consider for ‘large’ deficits automatically include section 22 data with the letter.	**In progress*.** This would generate a lot of work as it would mean providing invoices for all costs. What's the definition of a large deficit. Most customers never request this. Would likely cause more confusion for customers. This year we have done a complex scheme spreadsheet so they are preparing invoices ahead of the letters being sent so that if the customer does request further information or put in a section 22 request the invoices are readily available - this will reduce customer response times.
Recommendation	**Response**
In this time critical scenario consider Emailing and posting statements.	**In progress*** The system is not currently set up to provide this function. Email addresses may not be up to date. We are looking to explore how documents can be uploaded to the new portal. Can do it via email if customers requested but not en masse.
Recommendation	**Response**
Flag accounts where after investigation it is agreed that the service charge has been	**Complete.** We already undertake this activity as part of our existing service charge processes. Record keeping and data quality relating to service charges have improved

applied in error to prevent year on year problems.	significantly, and the implementation of the new system will provide further enhancements in this area. We also review customer queries, feedback and complaints when preparing and reviewing service charge estimates and year-end accounts. This helps us identify recurring themes, improve the information provided to customers, and make ongoing improvements to our service charge processes and communications.
Recommendation	**Response**
Based on the survey results consider ways to ensure greater awareness of customer understanding of service charges (online, FAQ's etc).	**Complete.** This will be covered through the six-week customer check-in process. In addition, FAQs are included within the annual service charge correspondence and are tailored to address any specific issues, changes or themes that are relevant for that year. The FAQs are reviewed and updated annually to ensure the information provided remains relevant and helpful to customers. Once finalised, this year's FAQ document will be shared with the panel for review.
Recommendation	**Response**
Set realistic budgets (hopefully part of the current review).	**In progress*** This functionality will be incorporated within the new service charge system. In addition to improving efficiency, the system will help reduce the risk of manual error, resulting in greater accuracy and consistency throughout the service charge process from initial calculation through to final accounts.
Recommendation	**Response**
Introduce a real time system to compare actual v budget enabling a prewarning system to customers.	**In progress*** This is not something that could be implemented effectively within the current process. Where we are aware of a particularly significant charge, we may seek to provide

	customers with advance notice where possible. However, providing projected charges during the year could create additional confusion, as costs can fluctuate and change before the final accounts are produced. The current approach of confirming actual costs at the year-end is standard practice across the sector and ensures that customers receive accurate information based on completed expenditure. That said, the implementation of the new service charge system may provide opportunities to improve visibility of costs during the year, and we will consider any future enhancements once the system is fully embedded.
Recommendation	**Response**
Ensure that all staff are trained and have support data to deal with calls crib sheets etc.	**Complete.** We already issue internal FAQs and guidance notes to the Hub, Income and Homeownership teams. A scheme-specific checklist has also been introduced to identify the reasons for any surplus or deficit, enabling Homeownership officers to answer most customer queries at the first point of contact and provide a more efficient service.
Recommendation	**Response**
Where calls cannot be transferred ensure that all data necessary is obtained so that the response can resolve the situation.	**In progress*** We will meet with the Hub team to reconfirm the information required when raising a case for a customer callback, ensuring that sufficient details are captured at the first point of contact to enable an effective and timely response.
Recommendation	**Response**
Capture and record outbound call data.	**In progress*** This is something we can consider as part of our ongoing service

	improvement work and review for future implementation.
Recommendation	**Response**
Consider the introduction of a process map/policy for the communication process.	**Complete.** We have worked closely with the Service Charge Operations team to clarify roles and responsibilities when handling customer enquiries relating to the service charge accounts process. This provides greater clarity for colleagues, promotes a consistent approach to customer communication, and helps ensure enquiries are directed to the appropriate team from the outset.
Recommendation	**Response**
Mirror the retirement village process and hold an on-line meeting.	**Complete.** While this approach may offer benefits, it would not be practical to implement with current team resources and capacity. We do, however, take a more proactive approach within our retirement living schemes, reflecting the specific needs of those customers. Customers can also request a home visit where additional support is required. Whilst general information can be provided through broader engagement activities, individual service charge concerns would still need to be addressed on a case-by-case basis.
Recommendation	**Response**
Consider advertising a specific call window (s) which can be staffed appropriately.	**Complete.** Would not be most customer friendly approach, feel that people will want to be able to speak to us as soon as possible.

**Where recommendations are 'In progress' we will continue to work with the Scrutiny Panel to confirm progress until the action is completed in line with the recommendation.*

Management Response

I would like to thank the Scrutiny Panel for carrying out a review of how we communicate with our customers during the service charge accounts process and for the feedback they have provided. The process has been both insightful and beneficial, giving us the opportunity to consider our service from a customer perspective and identify areas where we can improve.

The recommendations made have challenged us to think differently about how we communicate with customers and have highlighted opportunities to improve clarity, consistency and engagement. We have already identified a number of actions from the review, and these will play an important role in shaping our future approach. The Panel's feedback has provided valuable customer insight which will help us enhance the customer experience and ensure our communications are more effective and customer focused going forward.

Rubinder Garcha,
Head of Customer Accounts