

The Property Institute



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Enabling the Service Charge Index: Transforming How Service Charge Data is Collected, Processed, and Analysed

10/12/2025

tpi.org.uk

Agenda

1. What the Index is and Why it Matters
2. Presenting the New Platform: How it Works & Overview
3. How Data is Connected, Anonymised, and Secured
4. What Participation Looks Like
5. Q&As

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01.

What the Index is and Why it Matters

What is the Service Charge Index?

- Annual benchmarking of service charge expenditure across England & Wales
- Helps property managers and agents understand cost trends
- Provides reliable, independent evidence for discussions with leaseholders
- Used by lenders, journalists, policymakers, and the wider sector
- Strength of the Index depends on strong, consistent data

Why the Index Matters More Than Ever

Sadiq Khan urged to cap service charges as London leaseholders pay almost £4,000 a year

Soaring levies will mean that shared ownership homes will no longer be 'affordable', warns London Assembly

Residents trapped with service charges of up to £8,000 a year threaten legal action against government

Owners of homes marketed by housing associations as 'affordable' are planning a challenge as service costs spiral

'We can't sell our flat and can't afford to live in it'

L&Q has raised my flat's service charge by 41%. I can't afford it

This is causing enormous stress ... and we don't even know what the money is needed for

Leasehold service charges saw record annual increase in 2024: Here's what homeowners can do

BILL BLOW Our service charge went up by £552 a MONTH – it's crippling & now we're forced to use credit cards for groceries

Shared ownership: do high service charges undermine the affordability promise?

Service charges: Flat leaseholders speak of rocketing fees

LONDON ASSEMBLY

“Worry and stress”: life as a leaseholder in London

Leasehold flats: 'I wish I had never touched them'

Service charge higher than rent

Sadiq Khan: leaseholders in England should have the right to withhold service charges

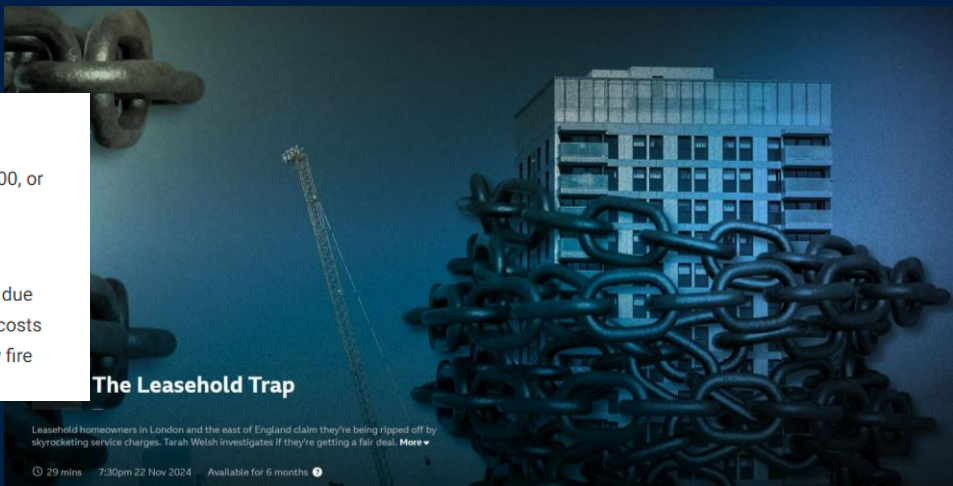
Leasehold: Cancer survivor says she was hounded for flat fees

London mayor says residents need a law protecting them from unfair and unexplained increases in levies by landlords

Annual service charges

Between 2018 and 2024 the service charge applied to the Frinton flat increased from £4,000 to £5,500, or 37.5%. This increase is more-or-less in line with [TPI Service Charge Index](#) – an industry response to concerns about rising service charge bills.

[The Property Institute's](#) (TPI) explanation for service charges rising an average of 41% since 2019 is due to factors including "soaring costs" of labour and materials for repairs and maintenance, increased costs for insurance and energy, and the cost of implementing the new building safety regimes, particularly fire prevention-related.



Missed opportunity?

According to The Property Institute (TPI) - the trade body for managing agents - service charges like Richard's have risen by over 40% in the last five years, but just 4% in the last 12 months.

"We have got above-inflation increases in service charges and that comes as no surprise to any leaseholders," the TPI's Andrew Bulmer says.

"Some service charges have gone up a moderate amount, but there are some, especially those in tall and complex buildings that are difficult to insure, where the service charges have rocketed and those individuals will certainly be hurting."

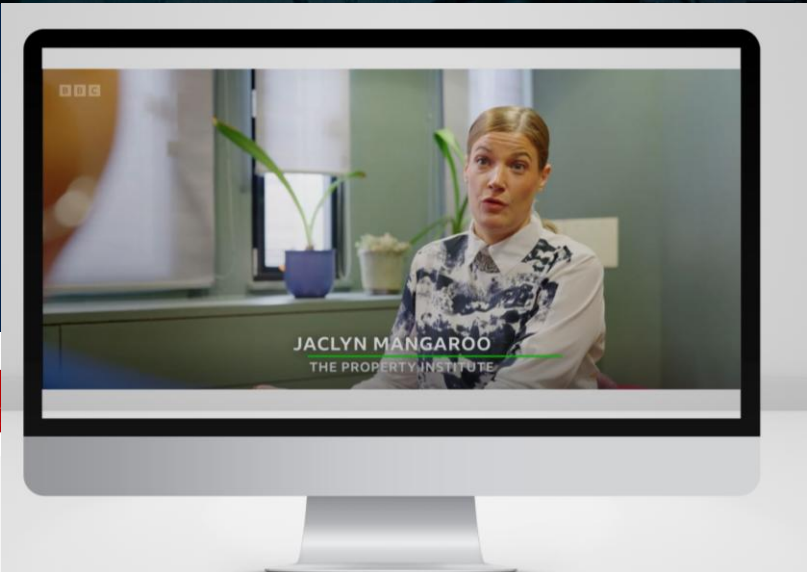
Mr Bulmer denies managing agents are making excessive profits saying "margins are tight".

He points to TPI data which suggests the only cost that has not seen above-inflation rises is the fees managing agents charge to cover their own admin and running costs.

Mr Bulmer suggests the new legislation is a missed opportunity for proper regulation with penalties for managing agents who step out of line.

"What regulation would do it wouldn't just regulate technical performance in terms of transparency or publishing information. But it starts to regulate behaviours and when you regulate behaviours, you start to introduce trust in the relationship between the service provider and the customers."

tpi.org.uk



How service charges
in flats spiralled out
of control

25 November 2024

Service charges: Who, what, where, when, why?

13 April



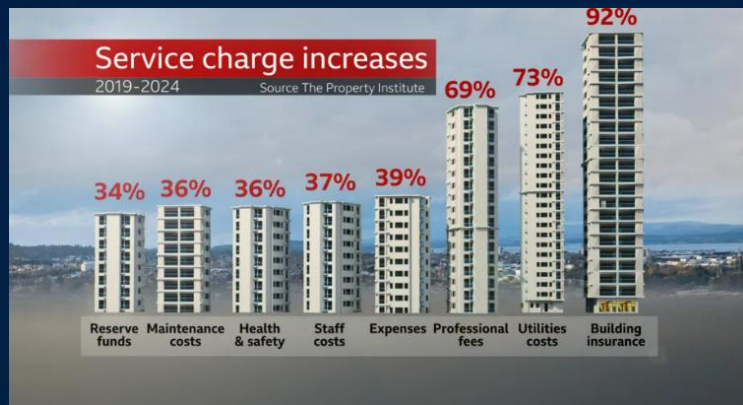
Huge rises in service charge fees for leasehold and shared ownership properties are leaving some tenants unable to pay.

BBC London has heard from people whose monthly bills have soared, who find themselves struggling to meet the cost and unable to sell a home with such high fees attached to it.

- [We can't sell our flat and can't afford to live in it](#)
- [The Londoners who are on service charge 'strike'](#)
- [UK rent prices up 9% in record yearly rise, says ONS](#)

Some residents have decided to strike and simply not pay, while others have said they feel trapped or that their lives have been ruined.

BBC London looks at what service charges are used for, how they are calculated and what leaseholders can do if they want to challenge a landlord.



The Challenge: Transparency and Evidence

- Leaseholders deserve clear, transparent explanations
- Much of the cost pressure comes from inflation, insurance, utilities, compliance, and policy changes
- Without consistent national data, the sector is vulnerable to assumptions
- Evidence-based conversations require robust, reliable data



Why We've Built a New Data Platform

- The Index needs stronger, more representative datasets
- Manual submissions limit quality and consistency
- The new platform automates collection and categorisation
- Reduces admin burden for members
- Builds a more resilient, trustworthy evidence base for the profession



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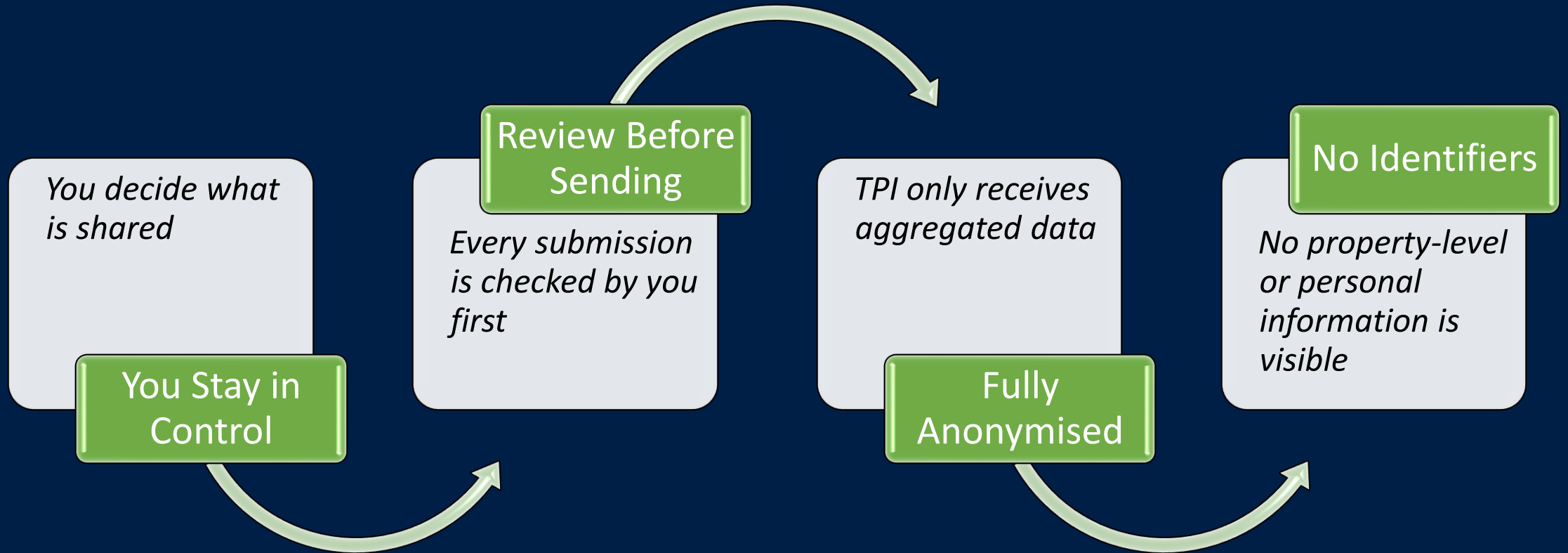
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02. ■ How the New Platform Works

Introducing the TPI Platform Powered by Ark Residential

- Purpose-built system developed exclusively for TPI
- Integrates with common systems: Qube, Blockman, BlocksOnline
- Manual upload option available for flexibility
- Automated categorisation using rules + property-specific AI
- Produces anonymised datasets for TPI

Key Principles



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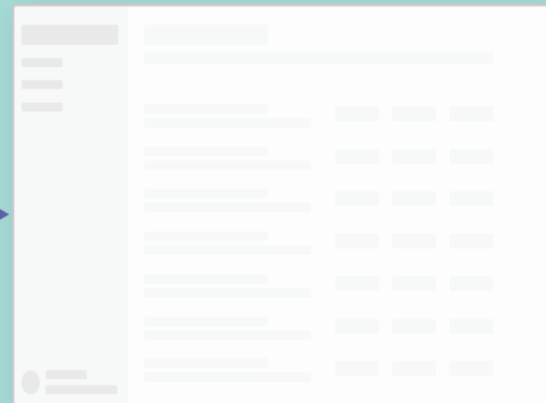
03







How Data Is Connected,
Anonymised, and Secured

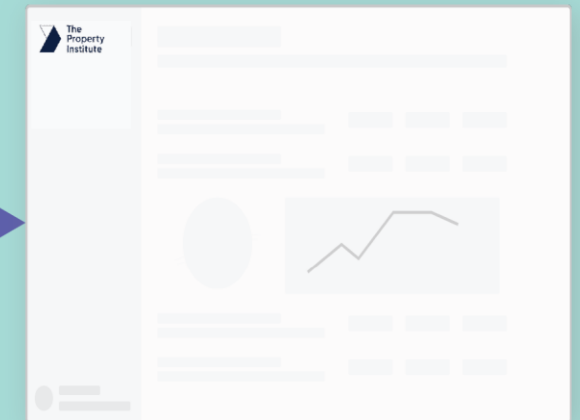
 **API**
Existing links to
common SC
finance systems

 **Upload**



 **Ark AI Engine**

-  **Anonymisation**
-  **Aggregation**
-  **Categorisation**



**Connection to accounting
& financial systems**

**Personal dashboard to review
imported information**

Data Preparation & Transfer

**TPI dashboard for
analysis & report creation**

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Secure TPI Login

What Happens to the Data?

- Categorised using sector knowledge + AI rules
- Line items mapped into Index categories
- All personal or identifiable data automatically removed before submission
- TPI receives only aggregated summaries
- No visibility of underlying datasets

How is Data Secured?

- Encryption in transit and at rest
- Two-factor authentication across the system
- Strict role-based access for both TPI and Ark Residential
- Original data deleted once processed
- Organisations can remove their own data at any time
- Ownership always remains with you

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04. ■ What Participation Looks Like

Why Your Participation Matters

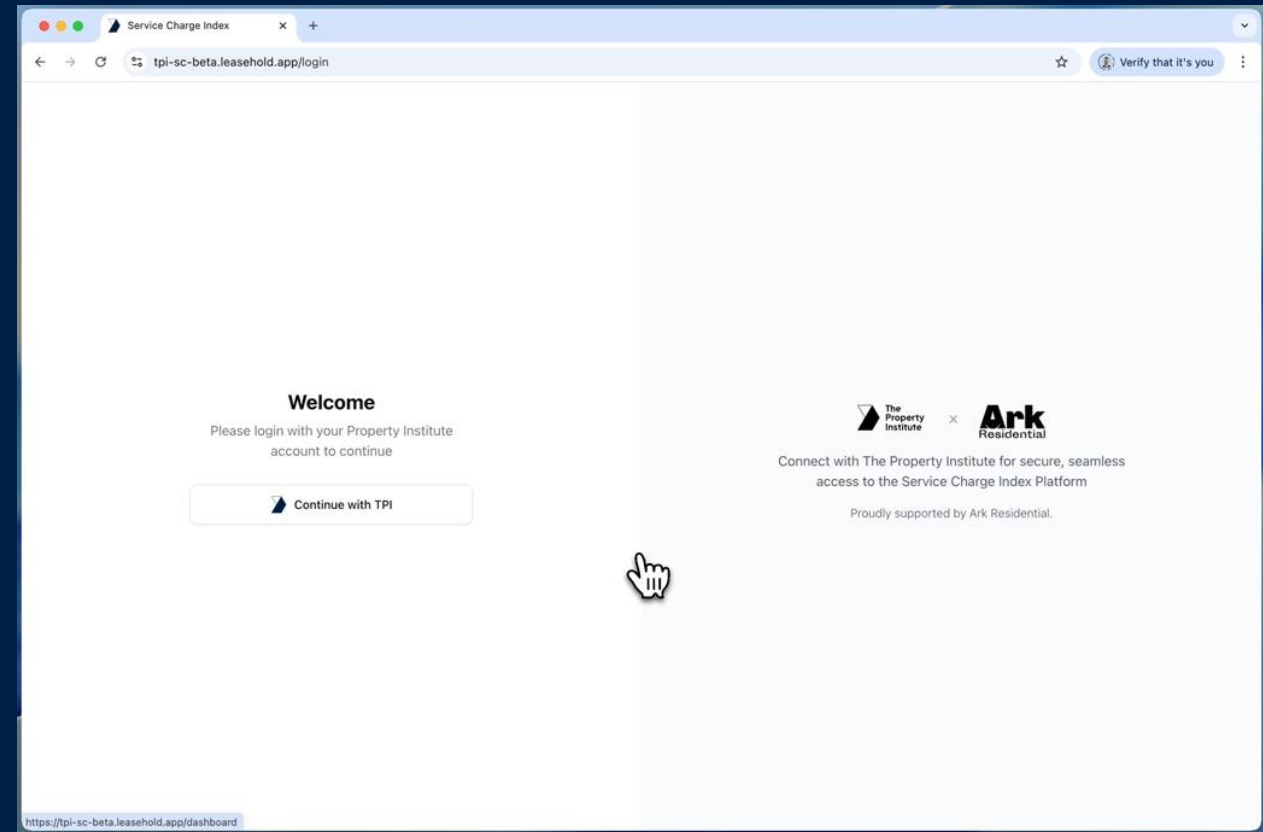
- Builds a stronger, nationally representative dataset
- Improves benchmarking across the sector
- Reduces administrative burden over time
- Strengthens the profession's ability to respond to scrutiny
- Evidence replaces assumption — supporting fair narratives

Participation Process

1. Log in using existing TPI credentials
2. Add developments (manually or via system integration)
3. Review and confirm what you want to submit
4. Submit — platform anonymises and transfers securely
5. Original data is deleted after processing

Year 1 = initial setup

Year 2 onward = quick annual update



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Q&As



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