



Shared Ownership Code: Service Charge Information Document (SCID) template

Version 1.0

Service Charge Information Document (SCID) for Shared Ownership

Date this document was produced:	
Customer name(s):	
Development:	The Beacon Bow
Plot number:	Plot 89
Property address:	107 Estelle House, 32 Stroudley Walk, London E3 3ZZ

This service charge information document will help you understand more about how services are provided, how you are charged for them, and about the potential for these charges to rise.

Please read this document alongside the document entitled 'Summary of Costs', which sets out, among other things, your monthly payments to the housing provider.

In this document, the term 'service charge' is used as a collective term covering your service charges, estate charge, buildings insurance, management fee, and reserve fund. Throughout this document, all charges of these types that are applicable to your property will be referred to as 'service charges'.

Service charges are fees paid by a shared owner to contribute towards the cost of maintaining and managing shared areas and services in a building and estate.

You are responsible for 100% of the service charge allocated to your property, regardless of your ownership percentage.

You should read this document carefully so that you understand what you are buying and then keep it safe for future reference. Your solicitor can help you if you have questions about the information provided in this document.

This document does not form part of the lease. You should carefully consider the information and the accompanying lease and discuss any issues with your legal adviser before signing the lease.

Failure to pay your rent, service charge, or mortgage could mean your home is at risk of repossession.

The costs referred to in this document are the costs as at the date issued. These will increase (typically on an annual basis), and you should take financial advice on whether this will be sustainable for you in the long term.

Responsibility for managing and providing services

The freehold of the estate is owned by a third-party Muse Places Limited. Your housing provider Poplar HARCA holds a head lease.

The freeholder's management company LRM Prime are responsible for management of the services which are included within your service charge for the estate.

Who to get in touch with about the services provided – You should initially contact the Sales Team; the Sales Team will then direct you accordingly.

Sales.enquiries@poplarharca.co.uk

How you are charged for services

The services covered by the service charge are calculated on an annual basis but are payable monthly. Your service charge accounting year runs from 1st January to 31st December

Service charges are passed on to shared owners through the process outlined in **Table 1** below.

Table 1: Process through which shared owners are charged for services

What happens

Poplar HARCA gives you a Key Information Document which contains an estimated service charge, as well as this Service Charge Information Document.

Poplar HARCA sends you an annual service charge budget/estimate and confirms the payments that will be due for the year ahead based on this estimate.

You pay towards your service charge in accordance with the costs provided in

When

When you are in the process of becoming a shared owner.

Before the services are provided to you annually. Currently, Poplar HARCA sends this in approximately January each year.

During the year in which services are provided. Your lease will state whether you pay annually, quarterly, or monthly.

the annual service charge budget/estimate.

Poplar HARCA sends you a final adjusted service charge statement.

- Where the actual amount of the expenditure is higher than the budget/estimate, the difference will either be demanded or carried forward to the following year (depending on the terms of your lease).
- Where the actual amount is lower than the budget/estimate, this difference will either be paid to you or carried forward to the following year (depending on the terms of your lease).

After the services have been provided to you annually. Currently, Poplar HARCA sends this in approximately January each year.

Initial charges and planned changes

The initial annual service charge for your property is estimated to be £3,564.32 though payments are typically made monthly. This initial annual service charge is for the period 1st January 2026 to 31st December 2026. This estimate was last updated on 1st January 2026.

The service charge estimate is made up of the following services.

Service charge	£ 26.84
Estate charge	£ 154.80
Buildings insurance	£ 76.44
Management fee	£ 30.86
Reserve fund payment	£ 8.08
Total Monthly	£297.03

Future service charges may change to account for changes to services delivered to shared owners.

As this is a phased development (i.e., new homes are being built over a period of time on the same site) this may impact the scale and type of services offered.

Major works (also known as Planned and Cyclical works) refer to significant maintenance, repair, or improvement projects carried out on a block or estate with low frequency, but usually with substantial costs. Before most major works take

place, you should receive a formal notice known as a “Section 20 consultation” explaining what needs to be done, the reason for it and how much it might cost.

Annual budget/estimated service charge

The proposed service charge is based on the estimated cost of services for the forthcoming year.

Final adjusted service charge statement

After the services have been provided to you for that year, there is a review of the actual costs of providing those services, which will result in a final adjusted service charge statement.

Where there is an external managing agent carrying out the management function, they may use different accounting periods, which may result in the adjustments to some estimated costs being included in a later service charge accounting year. This can cause the service charge to be materially higher in one year and lower in another, even when the service is provided evenly over time. Poplar HARCA will always aim to explain if this happens and remind you that this is likely to affect a future statement.

If your property is a new build and you are its first owner, the first final adjusted service charge demand you receive will be calculated so that your charge only starts from the date that you complete your purchase.

Factors that drive increases in service charges

Service charges will increase over time. Service charge annual increases can exceed current market inflation rates and are attributed to several factors. The drivers include:

- Contract cost increases and re-procurement of services, which may drive up costs.
- Global conditions and market costs impacting utility costs.
- Increase in legislative requirements on building safety which impact building insurance costs, covering the structure of the building.
- Health and Safety measures around the new Building Safety regulatory compliance.
- Repairs and maintenance costs, escalating material costs and market conditions.
- Reserve fund contributions rise to reflect the age and life cycle of the building.
- Other regulatory and legislative changes such as employer national insurance, wage or sick pay thresholds, impacts on any people delivered services such as cleaning and caretaking services.

Illustration of increases in the service charge

This illustration uses figures that are hypothetical, for illustration purposes only, and not an estimate of future cost rises. These figures are not to be relied upon as they are included solely to provide an illustration of how service charges may increase over time. The actual percentage increases could be lower or higher than shown in the illustration. You should speak to your legal representative if you are concerned about these ongoing charges. The following scenarios show what your annual service charges may look like at different rates of increase.

Illustration of potential future service charges based on an estimated annual service charge of £3,564.32

Scenario 1

If the actual initial service charge for the current year were in line with the estimate provided within this information document, and if the cost of services, then increased by 2.5% in each of the next 4 years, the charges in years 1-5 would be as follows:

Year	Illustrative Annual Service Charge
Year 1	£3,564.32
Year 2	£3,653.43
Year 3	£3,744.76
Year 4	£3,838.38
Year 5	£3,934.34

Scenario 2

If the actual initial service charge for the current year were in line with the estimate provided within this information document, and if the cost of services, then increased by 10% in each of the next 4 years, the charges in years 1-5 would be as follows:

Year	Illustrative Annual Service Charge
Year 1	£3,564.32
Year 2	£3,920.75
Year 3	£4,312.83
Year 4	£4,744.11
Year 5	£5,218.52

Your service charge can increase at different rates other than the ones mentioned above. You can use the illustrative table in the 'Appendix' to see the impact of various percentage increases in service charge costs over a 5-year period. It indicates how various percentage increases can impact the service charge.

Budgeting

When budgeting for your property, you should be aware that service charges may increase above inflation. While we aim to keep costs reasonable and predictable, external factors, as outlined above, can impact the final charges. You should consider the potential increases in service charges when making your decision to buy a shared ownership property.

Further Guidance

Further guidance on service charges can be found on the Leasehold Advisory Service website at www.lease-advice.org

