

Early Market Engagement Title: Property Agent Services for New Office

Date: November 2024

Organisation: Legal Services Board

1. Introduction

The Legal Services Board are seeking to engage with a qualified property agent to assist in locating, negotiating, and securing an office space by summer 2025. Our goal is to find a strategic partner with expertise in commercial property, who can support our requirements and provide insight into the current office market.

This engagement document is intended to assess the market, understand available services, and gauge the interest of property agents in this potential upcoming opportunity.

2. Purpose of the Document

This Early Market Engagement (EME) is a preliminary exercise and does not constitute a tender. The information provided by respondents will help us refine our specifications and understand the market landscape.

We encourage responses that outline relevant experience, insights, and suggestions to help shape our formal Invitation to Tender (ITT), expected to be issued by January 2025.

3. Project Background

The Legal Services Board is an oversight regulator of legal services in England and Wales currently based in central London (zone 1). We are an independent Arm's Length Body (ALB) of the Ministry of Justice (MoJ). The LSB is seeking a new office space as the lease for our current office is due to expire in September 2025. We are aiming to move into a new space by July 2025. The LSB is a small organisation with a headcount of approximately 50 executive staff, a Board of 10 non-executives and a Consumer Panel of 8 non-executives.

The LSB is a flexible, hybrid organisation with colleagues working predominately remotely. we are looking to lease an office space with a maximum size 2,400 sq. feet within London Zone 2 that has very good transport connections to allow both staff and stakeholders to easily travel to the office. Our key stakeholders are within the legal sector and are legal regulators most of whom are based in "legal London" (Chancery Lane, High Holborn – MidTown).

4. Office Space Requirements

- **Flexible Workspaces:** We are looking for a dedicated office space that has a mix of desks, collaborative areas, quiet zones, and breakout rooms. As we are hybrid, we would likely need 2 banks of desks with the remainder with collaborative, breakout areas and meeting rooms.
- **Desk Capacity and Layout:** We would like a maximum of 20 desks in an open plan format.
- **Meeting Facilities and technology:** We require the office to have at least one meeting room that has a capacity to fit minimum of 25 people, we are open to having a large meeting room that can be split into two separate rooms. We are also open with the IT setup as we have our own IT managed service provider and AV equipment.

- **Visitor Access:** We would like a space that has a reception with security with our own signage.

5. Property and Lease Considerations

- **Lease Term:** 5 years or 10 years with a break clause at 5 years.
- **Budget:** – our current 5 year lease was secured at £55 per square foot + VAT on a 5 year lease with a rent free holiday period of 6 months and a half rent period of 12 months. The total lease cost was £635k. It would be helpful if agents can give an estimate of costs based on our specification including VAT and deliver VFM savings on the above cost.
- **Lease Type:** Internal Repairing Lease (IR Lease) or Managed Lease. We are open to other options, subject to budget and requirements

6. Scope of Requirements

We are seeking property agent services with expertise in the following areas:

- **Market Analysis:** Understanding of the commercial property market in London, with insights on office space availability, pricing trends, and demand/supply factors.
- **Property Search and Shortlisting:** Identifying suitable properties, based on the requirement outlined above and creating a shortlist.
- **Site Visits and Evaluation:** Coordinating and facilitating site visits to shortlisted properties.
- **Negotiation and Acquisition Support:** Assistance with negotiations, including lease terms, incentives, and support with legal aspects related to the property acquisition process.
- **Post-Selection Support:** Guidance on any post-selection requirements, such as lease signing and initial fit-out arrangements.

7. Key Objectives

Our key objectives in securing the new office space are:

- **Size Requirements:** 2,400 Sq feet , maximum as we want to reduce desks by 30%
- **Location Preferences:** Well connected areas of zone 2 such as Canary Wharf, Canada Water, Stratford.
- **Amenities:** Key amenities, such as parking (for contractors), Tube and Rail access, meeting rooms, and collaborative spaces.
- **Value for money** – our stakeholders will be expecting a move to Zone 2 will deliver value for money on our current Zone 1 office costs. This can be from lower running costs or from minimising one off costs such as office fit out costs or dilapidation provision costs.
- **Timeline:** We aim to secure a property by then end of April 2025, with the aim to move in the office for the end of July 2025

8. Response Requested

Property agents are requested to provide the following information:

1. **Company Profile:** Brief overview of the agency, including size, areas of specialization, and notable clients.
2. **Relevant Experience:** Examples of similar projects or clients that demonstrate expertise in sourcing and negotiating office space.
3. **Service Approach:** Outline of your approach to identifying suitable properties, negotiating terms, and providing client support throughout the process.
4. **Market Insights:** Any insights or trends you foresee in the current market that may impact our search or acquisition process.
5. **Fee Structure:** Typical fee structures or cost models (percentage of lease, flat rate, etc.) for property acquisition services.
6. **Additional Information:** Any other information or recommendations you feel may be relevant to this engagement.

9. Submission Guidelines

- **Response Deadline:** Please email responses to tenders@legalservicesboard.org.uk by **noon, Wednesday 26th November**.
- **Format:** Responses should be submitted via email in a PDF format if possible.
- **Contact Information:** For any questions, please reach out to Donella Williams, Corporate Projects Manager via tenders@legalservicesboard.org.uk

10. Disclaimer

This EME is solely for the purpose of exploring the market and does not represent a commitment to purchase services or proceed with any project.

The Legal Services Board reserves the right to withdraw this engagement or make modifications at its discretion.