

**DCLG Market Enquiry**

**in respect of**

**Advisory Services for Leaseholders and Park Homes in England and Wales**

# DCLG – THE DEPARTMENT

The Department for Communities and Local Government (DCLG) is the UK Government department for communities and local government in England. It was established in May 2006 and is the successor to the [Office of the Deputy Prime Minister](https://en.wikipedia.org/wiki/Office_of_the_Deputy_Prime_Minister), established in 2001. Its headquarters are at [2 Marsham Street](https://en.wikipedia.org/wiki/2_Marsham_Street), London.

# PURPOSE OF THE ENQUIRY

It is Government policy that a non-departmental public body (NDPB) should only be set up, or remain in existence, where the model can clearly be evidenced as the most appropriate and cost effective way of delivering the function in question.

To ensure this, the Cabinet Office requires that all NDPBs have to undergo a substantive Review (‘Triennial Review) once in a three year cycle. The Review aims to ascertain the continuing need for the NDPB – both its function and form – and, where it is agreed that an NDPB should remain, that it is delivering effectively and has robust control and governance arrangements in place.

In September 2014, a Written Ministerial Statement announced the Review of the Leasehold Advisory Service (LEASE). As part of this Review, the department is required to consider whether the services, currently provided by LEASE, could be delivered through a different commercial model at a lesser cost, or no, cost to the taxpayer.

As part of assessing the future options, this Market Enquiry seeks to establish whether there is potential interest in the wider market place from organisations which are able to provide the services through a different commercial model at a reduced or nil cost to Government. We are particularly interested in new and innovative approaches and how we might develop the services further to provide an improved offer and outcomes.

At this stage in the Review we are interested in all contributions which will inform our analysis and recommendations on the future model and how we proceed.

**3. LEASE - BACKGROUND**

LEASE was set up in 1994 as a private company limited by guarantee, and became an Executive Non Departmental Public Body (NDPB) in 2005. It was established through a Government initiative, following the introduction of a major piece of leasehold legislation, to help deliver the Government’s policy objectives regarding residential leasehold.

Its main purpose, through a range of channels, is to provide advice and help, for leaseholders, landlords and others in managing their leasehold housing issues and problems across England and Wales. In 2013 DCLG provided additional funding to enable LEASE to provide free initial advice and information to park home residents and site owners in England on their rights and responsibilities.

LEASE is principally funded by grant-in-aid from DCLG and the Welsh Government and acts independently from Government in providing its services. Following Ministerial agreement, LEASE has adopted a more commercial approach to some parts of its activities, in order to help maintain the free advice service that the leasehold and park homes sector receive. This is a growing part of its activities conducted through a subsidiary company (LEASE Conferences Limited) which is a dedicated vehicle used for its income generating activities.

Further information about LEASE is available on its website:

[www.lease-advice.org](http://www.lease-advice.org/).

Its Annual Report for 2014/15 can be found at:

http://www.lease-advice.org/documents/AR-2015.pdf

# CORE SERVICES

The core services to be provided are set out below:

1. A front line advice and information service on residential leasehold law, rights and obligations to leaseholders, landlords and others affected by the leasehold tenure, across all housing sectors in England and Wales (including local authority, Housing Associations and the private sector).
2. A front line advice and information service on the law, rights and obligations applying to park homes in England and those affected by the park homes tenure (including park home owners, site owners and local authorities).

The services in i) and ii) are currently provided free to all. Any change to the model would need to ensure that vulnerable groups and those in greatest need are still able to access the services and advice they need.

1. Building the capability and capacity of those working in the sector with the aim of improving professional standards and levels of support.

As well as these core services, the department is also interested in the provision of additional services which would either improve the support available in this sector or provide sources of income generation.

As part of this you may wish to consider:

* Increased efficiency in service delivery through investment in technology in developing innovative on-line and free subscription services;
* A progressive scale of charges or unit pricing of additional services whilst ensuring that the core service of initial advice to leaseholders is provided for free;
* A partial or complete merger with another commercial or voluntary sector operation in order to provide greater critical mass and yield better economies of scale.

# RESPONSE

Organisations that would like to register their interest in providing the services outlined above in section 4 above are requested to provide a submission with the following information.

* The name of your organisation
* A named contact
* The telephone number and email address of your named contact
* A summary of your current business which demonstrates why you feel that you have the capability and capacity to deliver the required services
* Your business website address
* A brief statement with a clear conclusion which addresses each of the three bullet points in section 4 above (maximum 1 side of A4 per bullet point)

In addition, you are invited to provide a freeform brief statement (maximum 2 sides of A4) to provide any other comments which may not be specifically captured by the three bullet points in section 4 above which you believe DCLG should take into consideration. This should include a high level outline of the business model through which you would propose to deliver the services and brief details of any additional services that you would consider practicable to offer.

Should you need further information, please email requests to LEASE.Review2014-15@communities.gsi.gov.uk and we will respond within 2 working days.

Please submit your final response to LEASE.Review2014-15@communities.gsi.gov.uk by no later than 12 noon on Friday 13th November. Please mark your response in the subject line of your email as “LEASE market enquiry response from [name of your organisation]”

# NEXT STEPS

Having considered the feedback received resulting from this enquiry and the possible need for further dialogue, DCLG may host a supplier round table discussion to explore some aspects of the feedback in more detail ahead of making formal recommendations to Ministers.

On completion of this market sounding exercise, DCLG undertakes to inform all organisations that have expressed an interest and / or made a contribution as to conclusions reached.

**Thank you for taking the time to respond to this enquiry.**