



The Leasehold Advisory Service

2016-19 Corporate Plan and 2016-17 Business Plan

March 2016

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1.0 FOREWORD

- 1.1 This plan sets out our intention and objectives from 2016 through to 2019 to support our vision of empowering leaseholders and park home owners, whilst also helping to raise standards. Key to this is sustaining our services through generating more independent income. In doing all of this we shall also play our part in supporting the aims of both English and Welsh governments to increase homeownership.
- 1.2 Alongside our high level corporate vision, we also set out our immediate plans for 2016-17 in the Business Plan at Annex A.

2.0 WHO WE ARE

- 2.1 The Leasehold Advisory Service (LEASE) was formed in 1994 because of a clear gap in expertise and access to free initial advice on leasehold law. The complexity of leasehold means that the many leaseholders who are older people (particularly in retirement homes which are predominantly leasehold) or live in 'social sector' leasehold properties – e.g. former right to buy and housing association properties, did not have quick and easy access to impartial and accurate advice about their rights and responsibilities.
- 2.2 From the narrow focus on enfranchisement in the initial advice offer, LEASE has broadened since 1996 to include wider leasehold issues and park homes. Since then we have become an Executive Non-Departmental Public Body (NDPB) sponsored by the Department for Communities and Local Government (DCLG) and the Welsh Government (WG) to provide free advice and that service is also supported by non-grant income. Carrying out our functions we ensure that an informed public makes the leasehold property management and park homes markets competitive. Whilst these markets remain unregulated it is vital that those in the industry are pressed to improve through competition, and that is done because their customers are better informed.
- 2.3 LEASE's mission sets out how we will meet our vision by being:
- The best source of advice and training for those living and working in leasehold and park homes through a process of continuous improvement and evolution
- 2.4 We meet the challenges of that mission through services that include:
- Website (funded by income generated independently)

- Advice and information (to leaseholders, landlords and the industry in general) by email/letter, telephone and face-to-face (including attendance at the London First-Tier Tribunal (Property Chamber))
- Outreach work across England and Wales (including attendance at MP surgeries when requested to provide advice and workshops)
- Assisting trade and professional bodies to promote improvements in management.
- Assisting DCLG and WG on leasehold policy issues
- Expert training at accessible cost.
- Allowing limited advertising to assist the public in finding the professional advisers with appropriate expertise.

2.5 Since May 2013, LEASE is also providing these services to Park Home owners, site owners, local authority officials and others in England.

2.6 LEASE uniquely provides services for both lay and professional customers in the residential leasehold and park homes sectors. We answer the need to help those living and working in the sector to resolve problems and raise standards:

- The leaseholders and park home owners need reliable and clear information provided impartially by modern channels; and
- Professionals, including landlords, need services that will help them to raise their standards and to receive those services conveniently. In addition to being well informed, professional customers such as lawyers, property managers, valuers and estate agents also need a platform where they are visible to leaseholders and park home owners who need their specialist services.

3.0 GOVERNANCE

3.1 LEASE is accountable to the Department for Communities and Local Government (DCLG) for the use of resources and performance. The relationship is set out in a Management Statement and Financial Memorandum that operate as framework documents and quarterly meetings attended by LEASE and DCLG officials are held to review performance, risks and the use of financial and other resources.

3.2 LEASE's Board's responsibilities are to provide leadership and strategic direction and supervise the overall management of LEASE activities. The Board has two sub-committees:

- Audit and Risk Assurance Committee, with three non-executive members, which reviews the completeness, reliability and integrity of the assurance framework and advises the Accounting Officer and the Board; and
- Remuneration Committee, with six non-executive members, which determines pay and related matters, reviews performance appraisal frameworks and assists in the recruitment of senior staff.

4.0 OUR VISION AND VALUES

4.1 Vision

To be a self-funding service by 2020.

4.2 Values

- *Impartial*: our services are available to anyone and free of any bias.
- *Independent*: we are independent, apolitical and arm's length from government.
- *Quality focused*: we are committed to continuously improving our services to our customers.
- *Fair*: We treat all our customers professionally and with integrity.

5.0 LEASEHOLD and PARK HOMES BACKGROUND

Leasehold

- 5.1 Leasehold is a form of property tenure that has existed for centuries in England and Wales, and continues to grow in spite of an alternative for properties such as flats - Commonhold. DCLG estimates that there are 4 million leasehold properties in England alone, and we believe there are around 200,000 leasehold properties in Wales. Currently, leasehold remains the only practicable mortgagable interest in a flat, whether purpose-built or converted.
- 5.2 Leasehold is at the heart of a landlord/tenant relationship, which by its very nature can result in disputes arising about a wide range of issues, from ownership to the costs of maintenance and management and beyond. It covers the private and public sector, both of which include those seen as being more vulnerable (e.g. the retirement sector).

5.3 Over the years, legislation has sought to reflect a fair balance of rights and responsibilities between the landlord and tenant bearing in mind each of their interests in the property, and with a view to preventing abuses from occurring and promoting good management. This has resulted in a large amount of specific and sometimes complex legislation, which continues to be improved.

5.4 It is important that a level playing field exists wherever possible in respect of access to advice. Without the service, it would leave a gap and vulnerable and poorer leaseholders in particular at a disadvantage.

Park Homes

5.5 There are 160,000 people living in 84,000 park homes across England and there are 5,000 people in Wales whose full time residence is a park home. They live in 3,500 such homes spread across 92 sites in Wales. Research shows that the overwhelming majority of homeowners are older people.

5.6 The legal framework, like leasehold, setting out the statutory duties and rights of park homes site owners and home owners is complicated, as can be the written agreement between these two parties. What advice exists is limited: a small number of solicitors and other organisations providing advice to fee-paying members or as a fee-paying service.

6.0 THE PLANNING CONTEXT

6.1 This plan has been developed against an operating environment that includes the following:

- High priority government policy to increase homeownership through
 - The Voluntary Right to Buy for housing associations. It is estimated that this will extend homeownership to 1.3m more people; and
 - Shared ownership changes, extending qualification to benefit an additional 40,000 people.
- The growth in leasehold homeowners, including those downsizing to leasehold, leading to more demand on LEASE for advice and information.

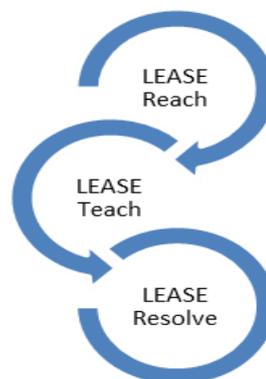
- The formation of an All-Party Parliamentary Group on Leasehold Reform, March 2016.
- The government's intention to reduce public spending further as evidenced by a 30% reduction in funding for our sponsor department, DCLG, by 2020.
- Greater potential for Alternative Dispute Resolution, recognised by:
 - All Party-Parliamentary Group on ADR launched, November 2015
 - Civil Court User Survey Findings, December 2015
- Greater use of e-learning , as recognised by the Chartered Institute of Personnel and Development's *Learning and Development Survey 2015* reporting that three-quarters of organisations use learning technologies and their use is expected to increase.
- LEASE's unique status and track record.

7.0 OUR STRATEGIC PRIORITIES 2016-19

7.1 Four strategic priorities and their desired outcomes have been agreed by LEASE's Board for the period 2016-19. These are:

- ***To evolve and develop commercial services in order to support the provision of free services.***

Generate over £750,000 through commercial activity annually by 31 March 2019. Our drive to increase income will be based around our three pronged approach:



- ***Helping to solve problems***
Through advice and information, customers will be more confident in understanding how to resolve their leasehold and park homes problems.
- ***Helping to improve standards***
Professional customers will be aware of and apply the best practices in serving leasehold customers.
- ***Continuing to improve our service***
To provide excellent customer service.

The related work streams for 2016-19 are set out below.

To evolve and develop commercial services in order to support the provision of free services.	Helping to solve problems	Helping to improve standards	Continuing to improve our service
<ul style="list-style-type: none"> • Build on existing income generating services and develop new ones. • Implement new marketing strategy 	<ul style="list-style-type: none"> • Provide free advice and information through varied channels. • Collaborate with other organisations in the delivery of advice and information on leasehold and park homes 	<ul style="list-style-type: none"> • Work with the professions and trade bodies with an interest in leasehold and Park Homes with a view to raising standards. • Support DCLG and WG on residential leasehold and Park Home issues. 	<ul style="list-style-type: none"> • Improve customer service. • Ensure that the best systems and processes are in place to manage our organisation efficiently and effectively.

8.0 BUSINESS PLAN 1 APRIL 2016 – 31 MARCH 2017

8.1 The Business Plan explains the activities to meet our strategic priorities for the next twelve months and our Key Performance Indicators. The detailed activities and KPIs are set out in Annex A.

9.0 RESOURCES

Financial

9.1 LEASE is funded by grant-in-aid provided by DCLG and WG and, in line with pan-government efforts to reduce the UK deficit by reducing public expenditure, generating more non-grant income to provide its free services.

Table 1 Income and expenditure comparison

	2016-17 ('000)	2017-18 ('000)	2018-19 ('000)
Income			
DCLG	960	960*	576*
WG	37	30	30
Park Homes	88	112	112
Commercial income	361	358	752
Total income	1,446	1,460	1,470
Expenditure			
Pay	1,005	1,002	1,012
Operating costs	316	316	316
Total expenditure	1,321	1,318	1,328

*indicative

In addition to making use of interns as an on-going labour resource, LEASE will continue to explore ways in which it can motivate, attract and retain experienced staff. That process includes an on-going review of benefits available to staff. As savings are realised elsewhere, and income generation helps to raise reserves, LEASE would like to utilise such savings and reserves to reward and incentivise staff to ensure that LEASE retains sufficient talented resources to deliver the required services.

Personnel

- 9.2 LEASE employs 24 staff (21.8 FTE) made up principally of legally qualified advisers. Annex B contains the current organisational structure.
- 9.3 LEASE is committed to fair and open competition and selection on merit. We promote equality of opportunity for all staff irrespective of their race, sex, disability, age, sexual orientation or religion. We also seek to provide effective and appropriate learning and development opportunities to help all staff fulfil their individual and team potential.
- 9.4 It is recognised that the evolution of LEASE will necessitate a change in the way we organise our functions, including how staff are distributed across those functions. From an organisational model where we are primarily reliant on frontline phone services with administrative support function, to one that supports subscription services, training and conferences, mediation, online platforms, advice and marketing functions.

Annex A

BUSINESS PLAN 1 APRIL 2016 – 31 MARCH 2017

Objective	Strategy	Activity
<p><i>Helping to solve problems</i></p>	<p>Free advice and information on leasehold and park homes through varied channels.</p>	<p>Leasehold in England:</p> <ol style="list-style-type: none"> 1. We will provide a telephone and written advice service and address 27,500 enquiries by 31 March 2017. 2. We will re-launch our webchat service from 1 April 2016. 3. We will launch a new appointment based telephone service by 6 May 2016. 4. We will launch a new telephone appointment service for LEASE@FTT by 1 July 2016. 5. We will undertake 20 advice surgery/local events by 31 March 2017. <p>Leasehold and Park Homes in Wales:</p> <ol style="list-style-type: none"> 1. We will address 2,000 advice enquiries received during 2016-17. 2. We will undertake six advice surgery/local events during 2016-17. 3. We will conduct six mediations on leasehold disputes. 4. We will conduct two training sessions for local authorities in Wales on

Objective	Strategy	Activity
		<p>the leasehold aspects of the private rented sector.</p> <p>5. We will add Welsh park homes information to LEASE's park homes portal by 30 June 2016</p> <hr/> <p>Park homes advice in England:</p> <p>1. We will provide a telephone and written advice service and address 2,500 enquiries by 31 March 2017.</p> <p>2. We will undertake 17 advice surgery/local events by 31 March 2017.</p> <p>3. We will continue to build our online database of site license policies by English local authorities.</p> <p>4. We will continue to host park home decisions of the First-tier Tribunal (Property Chamber) online.</p> <hr/> <p>We will continue to publish a quarterly email newsletter for leasehold and park home customers</p>
	Collaborate with other organisations in the delivery of advice and information on leasehold and park homes	<p>1. We will develop and launch Educating RITA in collaboration with ARMA, RICS and IRPM by 30 August 2016.</p> <p>2. We will continue to work with bodies representing leaseholders locally and nationally to inform and educate their members about their rights and obligations as leaseholders; and help solve their problems.</p>

Objective	Strategy	Activity
<i>Helping to improve standards</i>	Continue working relations with the professions and trade bodies with an interest in leasehold and park homes with a view to raising standards.	<p>We will launch the mediation and early neutral evaluation National Leasehold Group members on 1 April 2016.</p> <p>We will conduct a webinar in collaboration with the RICS on new leasehold information forms by 19 April 2016.</p> <p>We will continue to support the Association of Retirement Housing Managers (ARHM), Royal Institute of Chartered Surveyors (RICS) and the Association of Residential Managing Agents (ARMA) in their work to raise standards.</p>
	Continue to support DCLG and WG on residential leasehold issues.	<ol style="list-style-type: none"> 1. Provide reports, discussion papers, and responses to government consultations and developments in the sector's environment as appropriate. 2. Provide other assistance as required. 3. By 31 July 2016 we will: <ul style="list-style-type: none"> • develop good practice guidance on major works for landlords and leaseholders; and • launch an independent review/mediation process
<i>To evolve and develop commercial services in order to support the provision of free services.</i>	Build on existing income generating services and develop new ones.	<p>Subscription services:</p> <ol style="list-style-type: none"> 1. We will finalise a model for our subscription service by 28 April 2016 and then test with trade associations by 30 May 2016. 2. The service will then be launched by 20 June 2016.

Objective	Strategy	Activity
		<p>Training:</p> <ol style="list-style-type: none"> 1. We will develop and launch blended learning by 31 December 2016 2. We will conduct 12 webinars by 31 March 2017 3. We will conduct 12 classroom sessions by 31 March 2017 <p>Conferences:</p> <p>We will hold the LEASE Annual Conference, including a leaseholder event, on 2 February 2017.</p> <p>Mediation:</p> <p>We will launch our mediation service for England on 1 April 2016.</p>
	Implement new marketing strategy	<p>Advertising and Directory:</p> <ol style="list-style-type: none"> 1. We will launch a media pack by 10 April 2016. 2. We will undertake a marketing drive to increase customers for training services from 1 April to 30 June 2016. 3. We will produce a marketing newsletter by 1 July then quarterly thereafter. 4. We will launch the new Directory by 20 July 2016.

Objective	Strategy	Activity
Continuing to improve our service	Improve customer service. (see also KPIs below)	<ol style="list-style-type: none"> 1. We will launch our improved website by 19 May 2016. 2. We will hold LEASE's Stakeholder Forum on 8 June and 15 December 2016. 3. We will conduct external customer service review of telephone and correspondence services by 30 September 2016.
	Ensure that the best systems and processes are in place to manage our organisation efficiently and effectively.	We will use the 2016 staff skills audit to develop staff and assign them functions where their strengths can come to the fore to deliver our objectives.

KPIs

Performance

By 31 March 2017 we will have:

1. Conducted 44 advice/local surgery events on leasehold and park homes
2. Averaged a turnaround time for written enquiries of 75% in 10 working days.
3. Respond to 80% of webchat requests in 1 minute
4. Improve call waiting time by 40%

Customer Service

By 31 March 2017 we will have:

1. Achieved composite customer scores for advice of 4.5 out of 5.
2. Improved mystery shopper results to 100%, using scores from 2016 exercise as the baseline.
3. Achieved an average score of 4.5 out of 5 from customers of our training events.
4. Achieved 85% of website customers saying that they would recommend the LEASE website to a friend.

Income generation*

By 31 March 2017 we will have generated £361,000

*Through Lease Conferences Ltd

Annex B

