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### **Notes from the Forum held at Baltic Quay on Wednesday 2<sup>nd</sup> September to discuss the tender process for the role of Managing Agent.**

Keith Duncan, a director of Baltic Quay Management (1994) Ltd, opened the meeting and confirmed it would be an informal question and answer session.

Keith introduced Preston Benson, a leaseholder at Baltic Quay, who explained his role in liaising with the Directors and Newton Jones to find an agent capable of running a professional and transparent tender for Baltic Quay; in his professional capacity Preston knew of James Andrew International and he had recommended this company. The Directors had accepted this recommendation and appointed Fiona Docherty, Managing Director of James Andrew Residential to be responsible for the tender process.

Fiona Docherty, briefly explained her role in nominating the firms to be included in the tender process and invited leaseholders to ask questions.

The following are notes on the questions and answers from the meeting:

1. Question: How many companies were to be included in the tender process and how many of these were recommendations from leaseholders?

Answer: Five companies were included, three nominated by Fiona, one from a leaseholder (with two other recommendations having been rejected due to insufficient resources or lack of experience) and at the Directors request, Newton Jones.

2. Question: The level of service required at Baltic Quay can, at times, be very time consuming and this would seem to preclude a contract with a managing agent which referred to a fixed number of hours per week or month. How would this issue be addressed in the tender process?

Answer: The role of managing agent in a building the size of Baltic Quay would be one which required support 24/7; this would include out of hours contact options and nominated contractors experienced at offering support with emergencies. The contract would not refer to a fixed number of hours.

3. Question: What was the timeline for the tender process?

Answer: The tender packs should be issued this week on Friday 4<sup>th</sup> and companies would have until the end of September to submit their offer; Fiona expected to complete a report with a recommendation to the Directors by the third week of October.

4. Question: When would a new managing agent start work?

Answer: Under ARMA guidelines, a new managing agent would expect up to three months as a handover period, which for Baltic Quay would run until January next year, although if Newton Jones were successful in the tender process, then the transition period would not be required.

5. Question: Which companies were included on the tender list?

Answer: Lamberts Chartered Surveyors, KFH, Drivers & Norris, Parkgate Aspen and Newton Jones.

6. Question: What transparency was going to be offered to leaseholders as part of the tender process?

Answer: Leaseholders would be provided with access to a copy of the tender pack and from September 4th the Directors would accept any feedback leaseholders wished to provide on nominated firms - this information would also be shared with Fiona. Furthermore, on completion of the tender process, the Directors would publish Fiona's report, including a comparison of the offers received, in support of her recommendation of the managing agent which would provide the best value for the requirements of Baltic Quay.

7. Question: What length of contract would be offered to the managing agent?

Answer: The contract would be for 364 days, with a three month notice period.

8. Question: What accreditation would the managing agent be expected to hold?

Answer: Membership of ARMA and RICS.

9. Question: Newton Jones were not members of ARMA or RICS, could they achieve these accreditations?

Answer: Yes, there should be no reason preventing any professional managing agent from joining either, or both organisations.

10. Question: Would the size of the managing agent influence the recommendation?

Answer: Yes, companies would have to be well resourced to ensure adequate service levels to Baltic Quay leaseholders, however, this did not mean that only large companies were being considered; to be successful in the tender a company would have to offer a high value of service.

11. Question: What is the amount of time James Andrew Residential expected to commit to running the tender process and what was their fee?

Answer: The process would take a considerable amount of time over the next six weeks and the fee for this had been agreed at £2,000 plus VAT.

12. Question: Who would decide which managing agent to appoint?

Answer: The Directors would decide, having taken feedback from leaseholders as part of the tender process. The Directors would also publish the recommendation and full report from James Andrew Residential.

13. Question: Could the obligation of leaseholders change in any way, if the managing agent changed?

Answer: No, the obligations of leaseholders were prescribed under the terms of their lease and the role of the managing agent was to operate within this framework.

14. Question: From next year could leaseholders be provided with information about the performance of the managing agent?

Answer: Yes, with the help of Fiona, the Directors would develop a scorecard of key performance indicators which would be published regularly and include comments from leaseholders on the performance of the management agent.

15. Question: Was the long service of Newton Jones going to feature in the tender?

Answer: The Directors had invited Newton Jones to join the tender process, because of their long history with Baltic Quay, furthermore as with any tender process the incumbent agent would possess knowledge which was relevant to the operation of the building; this would be included alongside other criteria as part of the tender process.

16. Question: Would the arguments between the Directors and Newton Jones form part of the consideration of the tender process?

Answer: No, the tender process would focus solely on the capabilities of the managing agent and the requirements of Baltic Quay.

17. Question: Would the tender process take references on prospective agents?

Answer: Yes references would be taken and buildings currently managed, of a similar size and age to Baltic Quay, would be subject to a visit and inspection.

There were no other questions and the meeting closed with thanks to everyone who attended.