

## REPORT TO THE EXECUTIVE



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| <b>DATE</b>          | <b>24<sup>th</sup> October 2023</b>           |
| <b>PORTFOLIO</b>     | <b>Resources &amp; Performance Management</b> |
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## ASSET & DEVELOPMENT MANAGEMENT SERVICES - CHARTER WALK

### PURPOSE

1. To seek approval for re-letting the tender for asset and development management services at Charter Walk, Burnley.

### RECOMMENDATION

2. That the Executive authorises:
  - a. advertising the tender for asset and development management services at Charter Walk, Burnley;
  - b. delegating to the Director of Resources (in consultation with the Director of Economy & Development) authority to accept the most economically advantageous tender;
  - c. delegating to the Head of Legal and Democratic Services authority to complete an Asset Management Agreement with the successful tenderer.

### REASONS FOR RECOMMENDATION

3. An Asset Management Agreement with a commercial asset management company is an essential part of the effective management of a shopping centre. The current agreement expires on 21<sup>st</sup> March 2024 and a new Asset Management Agreement is required from 22<sup>nd</sup> March 2024.

### SUMMARY OF KEY POINTS

4. The Council purchased Charter Walk in October 2021 and entered into an Asset Management Agreement with the existing asset management company. The Council re-tenders the essential services at Charter Walk on a regular basis in order to ensure quality service provision at a competitive price, in accordance with Standing Orders. The tender for the day-to-day property management services at the centre was re-let six months ago. The Asset Management Agreement, which deals with the overarching management of Charter Walk at a strategic level, was extended until March 2024 to cover the transition period. The tender for asset and development management

services now needs to be advertised and a new Asset Management Agreement completed to come into effect when the existing arrangements expire.

5. The Council is seeking to appoint an experienced asset and development management services company to manage the strategic direction and maximise the performance of Charter Walk. The asset management company will have a close working relationship with the property management company already in place and will work with the Council in managing its investment in Charter Walk. It is envisaged that the Asset Management Agreement will be for a five-year period.

#### **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

6. Fundamental to the success of Charter Walk, and maintaining and growing income in the long term, is the appointment of an asset management company that provides quality asset management and development services. Experience, proven track record and investment proposals will therefore have a very high weighting in the evaluation of bids to sufficiently reflect the Council's requirements.

#### **POLICY IMPLICATIONS**

7. None

#### **DETAILS OF CONSULTATION**

8. None

#### **BACKGROUND PAPERS**

9. None

#### **FURTHER INFORMATION**

**PLEASE CONTACT:**

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