



Report for:	Cabinet
Date of meeting:	29th January 2019
Part:	Part I
If Part II, reason:	Part II Procurement Report is annexed

Title of report:	Appointment of Sales and Marketing Services for Martindale
Contact:	Cllr Margaret Griffiths, Portfolio Holder for Housing Mark Gaynor, Corporate Director, Housing and Regeneration Fiona Williamson, Assistant Director for Housing David Barrett, Group Manager for Housing Development Sam Bramley, Lead Officer for Housing Development
Purpose of report:	To be read in collaboration with the Part II on this agenda. To seek approval to award the sales and marketing services for the 21 market sale units at Martindale to appointed agency.
Recommendations	That Cabinet agrees: 1) To award the contract to Site Sales Property Group to undertake the Sales and Marketing services for Martindale.
Corporate Objectives:	Delivering Market Sale and Affordable Housing
Implications:	<u>Financial</u> A detailed breakdown of the tendered costs for Martindale is included in Appendix B. Martindale is subject to close financial monitoring and any future variations will be agreed formally through a change control processes.

	<p>A pre-tender budget was formally agreed for the service and all four returns came in below this anticipated estimate.</p> <p><u>Value for Money</u></p> <p>This has been achieved through a successful procurement programme involving an open tender process and all tender returns have come well within the pre-tender budget offering Value for Money.</p>
Risk Implications	<p>If the Council is unable to appoint a Sales and Marketing service, there is the potential risk that the 21 market units will not be sold in a timely and efficient manner.</p> <p>This will result in both the loss of income generated from the forecasted sales values and the ongoing maintenance and potential liability costs of managing the unsold vacant properties.</p>
Community Impact Assessment	N/A
Health And Safety Implications	N/A
Monitoring Officer/S.151 Officer Comments	<p>Monitoring Officer:</p> <p>Officers must ensure that a contract is in place prior to commencement of the service.</p> <p>Deputy S.151 Officer</p> <p>The successful bid from Site Sales property group, undertook a comprehensive procurement process in line with Dacorum Borough Council procurement and standing orders regulations.</p> <p>The value of their bid is within approved budgeted levels.</p>
Consultees:	<p>Mark Gaynor, Director of Housing & Regeneration</p> <p>Fiona Williamson, Assistant Director – Housing</p> <p>Nigel Howcutt, Assistant Director (Finance & Resources)</p> <p>Andrew Linden, Team Leader, Commissioning, Procurement & Compliance</p>
Background papers:	N/A

Glossary:	N/A
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1. **Background**

1.1 The Martindale development will see the Council deliver its first Market Sale units as part of the Development Programme. As a result, it is paramount that the Council is advised and supported throughout the project's duration. This will help ensure the properties are marketed appropriately, whilst also achieving the best possible sales valuations and completion rates.

1.2 The services required includes:

- Developing a bespoke strategy to optimise valuations and off plan selling.
- Develop a site identity through a marketing name, logo, typography and colour-range. This will need to complement existing corporate branding of Dacorum in certain contexts and stand alone in others. Its focus should promote speedy sales to the target audience.
- Produce marketing collateral and content to support a collaborative campaign.
- Manage show home design and installation (units 17 & 18 identified). Provide sales staff to man the show home in line with our strategy.
- Create a valuation management strategy for ongoing valuations and timings of these.
- Manage customer engagement from point of enquiry and lead generation through to legal completion with handover to the customer on day of sale.
- Arrange viewings and pre-qualification of customers. Manage headline affordability assessments to ensure people can afford to buy the properties.
- Manage relevant supply chains such as financial advisors, lenders and solicitors.
- Provide advice on specification enhancements for valuation optimisation.
- Work collaboratively with Dacorum Borough Council officers, Principal Contractor, Legal Team, the local Help to Buy Agent and any other suppliers as directed by us.

1.3 This report seeks approval to award the contract and appoint a Sales and Marketing consultant to carry out the above for the Martindale development.

2. **Introduction**

2.1 The Council purchased the Martindale site from Hertfordshire County Council in May 2015. Following Cabinet Approval, a budget was approved by Members to progress the project and planning permission (4/01630/17/MFA) for 65 residential units was granted on 16th October 2017. A Principal Contractor was appointed in June 2018;

construction has now commenced on site and is expected to be completed in Spring 2020. The first unit sales are also expected at this time.

2.2 An Official Journal of the European Compliant tender process was required.

Following a procurement review, the Housing Development Team commenced a competitive open tender process in November 2018 for the Sales and Marketing services of 21 two and three bedroom houses on a private sale tenure basis at Martindale.

3. Tender Process

3.1 Four experienced companies tendered for the work. A full summary and review of the tender returns is documented in Part II and within the Tender Report found in Appendix A. Each invitation to tender has been scored in line with the scoring methodology set out by the Council's Procurement process. The scoring was completed by the Housing Development Team and the Council's appointed Sales and Marketing Consultant, Bernie Conroy Consulting.

3.1 All four companies were invited to interview in December 2018 to present their proposals for the scheme.

3.2 A costed sales and marketing plan with a detailed programme setting out the tools, resources, skills and personnel that will be used was presented. The plan is flexible and will need to respond to market conditions for pre-launch and during selling periods.

3.3 The scoring methodology to adjudicate the tenders related to quality and technical merit which made up 70% of the overall marks available, and the pricing element which equated to 30% of the overall mark.

4 Summary

4.1 Following an extensive and diligent evaluation period, the successful bidder was Site Sales Property Group.

4.2 Site Sales Property Group offered the highest quality in regards to appropriate experience and expertise. They also provided a costed plan which presented a median value of all four returns.

5 Recommendation

5.1 Following the scoring, clarification period and subsequent interviews, this report recommends the award of the Sales and Marketing services contract to Site Sales Property Group to manage the entire sales process at Martindale is accepted.