From:

Kristine Kilkelly

Sent:

Tuesday, 7 October 2014 11:23 a.m.

To: Co: Tina Cornelius Sarah Apperley

Subject:

furniture

Peter and LT fine for you to proceed with the appointing the two companies. If the delegations are through It would be better to get Zoe to sign for speed's sake but she would be able to get Peter's signature on this no problem now

Kristine Kilkelly | Deputy Secretary

45-47 Pipitea St, Wellington

Ministry of Education | Te Tāhuhu o le Mătauranga www.minedu.govl.nz

We get the Job done Ka oli i a mālou ngā mahi We aro respectful, we liston, we learn He tōpū manaaki, he rōpū whakarongo, he rōpū ako mātou We back ourselwes and others to win i Ka manavanul ki a matou me otahi aka kia wikiloria We work together for maximum impact. Ka mahi ngātahi mo te lukinga nui tonu

Great Results are our bottom line. Ko ngā huanga tino pai a mālou whāinga mutunga

# **MEMO**

MINISTRY OF EDUCATION
Te Taluhu a te Malayranga

To:

Peter Hughes, Secretary for Education

Through:

Kristine Kilkelly, Deputy Secretary Corporate and Governance

From

Hamish McCaw, Manager Corporate Property and Resource Management Unit

Date:

21 August 2014

Subject:

Authority to appoint a national furniture provider

## Purpose

The purpose of this paper is to seek your approval to appoint a furniture provider for the supply of furniture for all Ministry corporate sites for the next three years. The recommendation it to appoint one main supplier with a secondary supplier for two smaller categories of furniture, this is the most common approach for this type of contract and still allows for a wide range of furniture to be selected.

The proposed providers offer a very wide range of high quality products which they both manufacture themselves and source from international and NZ manufacturers. They both have significant design resources which can ensure any furniture supplied meets your vision and standards, providing you with the ability to customise the final product to meet the Ministry's needs. They also keep abreast of international trends through attendance at all major international commercial furniture shows.

# Background

The Ministry has a number of accommodation projects underway which will have requirements for furniture. These include Wellington, Christchurch and Gisborne. At present there is no contracted provider for these items and each time an order is required the Ministry must go to market. As a result a Request for Quotation was issued to Government syndicated providers for a national contract with the Ministry. This will allow us to leverage the scale of the Wellington project to obtain best pricing for other Ministry sites.

#### **Procurement Process**

The Ministry went to existing suppliers who are part of a current Government syndicated furniture contract to submit proposals for the national supply of furniture for the Ministry. These proposals were then evaluated by internal resources as well as specialist advice from the Ministry in Wellington Project's architect, Warren and Mahoney. An evaluation of the costs of each proposal was completed by a professional quantity surveyor.

Of particular focus for the procurement process was the providers ability to provide a wide range of products and to have a strong design and prototype arm to their business to ensure they had the flexibility to meet the Ministry's needs. Warren and Mahoney, the Ministry in Wellington's architects were comfortable the two preferred providers were excellent in these areas.

Furniture providers were asked to submit for five packages of work:

- 1. Desking and associated items
- 2. Storage
- 3. Chairs
- 4. Tables
- 5. Soft furniture

## Appointment of suppliers

The panel believes the best approach for the Ministry is to appoint:

- Aspect Furniture (<u>www.aspectfurniture.com</u>) as the sole provider of desking, storage and tables
- Vidak (www.vidak.co.nz) as the sole provider of chairs
- Both Aspect and Vidak for soft furniture

The panel believes that having two providers for soft furniture will allow for even greater variety in the soft seating requirements and will provide a level of competition to develop unique solutions for the Ministry.

## Value of contract

The total estimated value of the contract is approximately \$3-4 million over the life of the contract (the Ministry in Wellington Project expected spend is approximately \$2-3 million of this amount).

#### Recommendation

It is recommended you:

- Approve the appointment of Aspect furniture as national supplier of desking, storage and tables
- · Approve the appointment of Vidak as national supplier of chairs
- Approve the appointment of both Aspect and Vidak as suppliers for soft seating
- Note the Ministry will develop a standardised range of furniture and an online ordering catalogue with both suppliers.

Approved/Declined

Reter Hughes, Secretary for Education