

## MEMO

**To:** Peter Hughes, Secretary for Education  
**From:** Zoe Griffiths, Ministry in Wellington Accommodation Project Sponsor  
**cc:**  
**Date of memo:** 9 September 2015  
**Action by required by:** 14 September 2015  
**Subject:** Approval of final furniture items for Ministry in Wellington Accommodation Project  
**COMMERCIAL IN CONFIDENCE**

### Purpose

To obtain approval for the final furniture items selected for both the 33 Bowen street site and the Justice Centre

### Background

We have entered into a supply agreement under the Police syndicated contract with two New Zealand based companies for new furniture. These companies either make the furniture themselves or have their assembly operations in New Zealand. These suppliers are also on the new All of Government (AoG) procurement contract, managed by Property Management Centre of Expertise.

### Questions considered when selecting furniture items and furniture suppliers.

During the furniture selection process we considered the following questions when making the selection of furniture and furniture suppliers:

#### *Is the furniture NZ made?*

The Ministry's furniture contract is with two New Zealand manufacturers who make the majority of the furniture in either Timaru or Auckland. Most items such as desks, tables, soft seating and storage is 100% NZ manufactured and assembled. There are some specific items such as meeting chairs and task chairs which are imported by these companies in component parts and assembled in NZ

#### *Is the furniture of a quality that will provide value for money in the long term?*

Yes, the furniture all is high quality with the majority having a 10 year warranty (excluding fabric) with the exception of some meeting chairs which have a 5 year warranty.

#### *Are we reusing furniture?*

The majority of furniture in the buildings will be new. New furniture purchases have been kept to a minimum in recent years given the main lease at St Pauls was expiring and the Ministry was likely to relocate into a more efficient work space. Most of the current work stations are large work stations that will not fit into the new buildings given the greater density of staff. The work stations which have been recently purchased and are a similar specification will be used in new regional accommodation projects.

Some of our existing meeting room furniture is of an acceptable standard and will be re-used in our new accommodation. Our property team will oversee the donation or sale of furniture which

**We get the job done** Ka oti i a mātou ngā mahi

**We are respectful, we listen, we learn** He rōpū manaaki, he rōpū whakarongo, he rōpū ako mātou

**We back ourselves and others to win** Ka manawanui ki a mātou me ētahi ake kia wikitoria

**We work together for maximum impact** Ka mahi ngātahi mō te tukinga nui tonu

**Great results are our bottom line** Ko ngā huanga tino pai ā mātou whāinga mutunga

is surplus to our requirements and which can usefully be passed on to other organisations. Furniture which cannot be re-used will be handed on for recycling.

***Why do we have such a range of work settings?***

Work settings in the new environment are much more varied than is currently the Ministry's experience and a wider range of furniture options and settings is possible. This will support the full range of activities our people undertake every day. It is critical for the introduction and acceptance of the flexible work environments.

The most noticeable difference in furniture options is the range of quiet-focus or collaborative settings, which include four-person booths, quiet-zone chairs, quiet-zone runway desks and casual tables and benches for breakout spaces and collaboration project areas.

***Why did we select this specific furniture?***

The standard furniture setting for staff engaged in computer-based work, will be desks and chairs, selected for reliability and ease of adjustment. Throughout both buildings, approximately 15 to 20% of all desks will be electric sit-to-stand models. These all also meet strict AS/NZS standards.

Staff with special technology or accessibility requirements will be contacted ahead of the moves to ensure there is a clear understanding of their requirements, so that the correct furniture options are in place for them.

New furniture settings have been trialled to help assess the suitability of the furniture for the new work environment.

***Are the costs for lounge chairs under [REDACTED] per unit?***

On average the cost for lounge chairs is [REDACTED] per item. All these items are of commercial grade fabrics and use commercial grade foam and structures to ensure they last. A domestic lounge chair in these environments would need to be replaced every 1-2 years, making the life cost of going for a cheaper option much higher.

***What is the average cost of meeting tables?***

The average price of standard meeting tables is [REDACTED]

***What are the collaborative tables made from?***

These are made from solid ash and are very hard wearing. These areas will be high use and other surfaces often get damaged. As solid hard wood they will stand up to significant damage and can also be refinished if they are scratched.

***Why are we including meeting pods rather than meeting rooms?***

Meeting rooms are expensive to create and provide an inflexible environment should the needs of the Ministry change. The meeting pods provide space for four people to have a meeting at a significantly reduced cost when you take the construction of a meeting room, furniture and services for the meeting room into account.

These have been tested through our concept office and have been received well by staff. They are used on a regular basis.

***How does our spend compare with other agencies?***

The Ministry will spend approximately \$3600 per square metre on furniture for the new building. This compares with other government and corporates who spent or will spend between \$3394-\$4000 per square metre.

***Final Furniture Selections***

On 6 July 2015 you reviewed the proposed furniture for the two Wellington buildings and asked the project to prepare formal costings for these items for your approval. You previously approved the workstations and task chairs, the attached spreadsheets contain the remaining furniture items for your approval.

Some of the furniture items have a 10-12 week lead time from placing orders. We are now in a position where sign off is required to ensure furniture will be installed prior to the building opening.

**Recommendation**

It is recommended you:

**Note** the background to selection of furniture for the Wellington Accommodation project

**Approve** the purchase of the furniture in the attached spreadsheet for both Bowen Street and the Justice Centre.

Approved/~~Not Approved~~

A handwritten signature in black ink, consisting of a large, stylized 'P' followed by 'eter Hughes'.

Peter Hughes  
Secretary for Education

Date





REDACTED



REDACTED

