

## Reusing and refurbishing furniture in a new office

Public Health Wales (PHW) National Health Service (NHS) Trust, Wales (United Kingdom)

### Background

**Public Health Wales (PHW)** is a statutory body, established in 2009, which aims to improve public health and well-being and reduce health inequalities in Wales. As part of its mission, PHW aims for all of its activities to contribute towards its public health objectives, including procurement of goods and services.

In 2016 the organisation relocated from nine smaller satellite offices to a new larger 4,700m<sup>2</sup> open-plan office in Cardiff Bay. It decided to use this move as an opportunity to embed the core principles of 'sustainability' and 'maximising public value' in the new office, and created a vision for a space which encouraged collaboration, socialisation, focus and learning.



By embedding these principles, PHW aimed to address numerous challenges, including: achieving cost efficiency in a time of public sector austerity; meeting the legal duties placed on public bodies by the [Wellbeing of Future Generations \(Wales\) WFGA Act 2015](#), which requires the adoption of sustainable development as a key tenet; avoiding the disposal of a high volume of items; overcoming staff resistance to open-plan working; and securing value for money while also achieving sustainable procurement outcomes.

### Procurement objectives

Moving to a new office space normally results in the need to purchase new furniture. However, PHW recognised that they already owned a large amount of quality furniture and fittings, and that with some cleaning, refurbishment and redesign; these items could be repurposed and combined with other new or re-used furniture in a cohesive and functional style appropriate for the new office space.

As such, PHW decided to adopt a new mindset when procuring for the design and supply of office furniture, equipment and floorings, and sought suppliers who could reuse as much of the existing items as possible. This included repairing and refurbishing existing items where necessary and adding new elements as required by the design.

The procurement exercise was based on an outcomes-based approach using an 'open procedure', with suppliers invited to provide tenders which would meet the client's functional design and supply needs, without specifying how these should be met, thus leaving room for creativity and innovation. PHW also wanted to encourage social enterprises to participate in the procurement exercise. Before a route to market was determined, engagement with potential suppliers was undertaken via an 'open day' – held on 7 January 2016. Around 30 suppliers attended and received detailed information about the brief and were able to ask questions. Details of the 'open day' programme are available [here](#).

While office refurbishments normally use framework agreements, the market engagement suggested that this would not be the most appropriate method in this case, and instead it was decided to undertake a process using the [Official Journal of the EU](#) (OJEU) and issuing a Prior Information Notice (PIN). The [PIN was issued on 6 November 2015](#).

## Criteria used

### Subject matter of the contract:

Design of the Office Space and Supply of Office Furniture for New Offices for PHW NHS Trust.

The PIN included a description of the nature of the procurement, whereby PHW stated that it was “actively seeking to satisfy sustainability initiatives in terms of purchasing refurbished/remanufactured furniture” while recognising that “this may be subject to availability and that some new furniture from sustainable sources may be required to fully satisfy the requirements”.

### Technical specifications:

#### Design

The specifications were developed to ensure key issues for PHW were addressed, that is:

- The need for a design which would meet collaborative workspace requirements.
- The need to re-use as much of the existing furniture as possible and augment this with pre-owned items, with new furniture being the least favoured option.

Plans also needed to take into account the sustainability requirements of the [Well-being of Future Generations \(Wales\) Act 2015](#).

The design brief and specification was orientated around seven key areas: Functionality, Collaboration, Focus, Learning, Socialisation, Departmental Operational Requirement, and Environment.

The design brief specifically addressed sustainability by requiring that the successful design contributes to:

- The NHS Trust’s key drivers in terms of promoting sustainability through its procurement activities.
- The ambition of PHW to incorporate existing, reused, refurbished furniture within the design where possible and only procure new where necessary to satisfy the design.
- The ways in which the activities of the successful contractor can promote sustainability.
- The expectations in terms of end of life disposal – including attention to lifetime optimisation through reuse and remanufacturing and ultimately recycling of furniture at end of life.

#### Timber

While the preference was for re-used furniture, where new timber and wood-derived products for supply or use in performance of the contract were necessary, it was specified that materials must come from a verifiably legal and sustainable source. PHW accepted evidence including any certification scheme recognised by the [UK Government as set out in the UK Government Timber Procurement Policy: Criteria for Evaluating Certification Schemes](#), or documentary evidence that provides assurance that the timber meets the same criteria (such as independent audits and declarations by the Contractor or suppliers, and disclosure of all virgin timber sources – that is, plantation and all subsequent places of delivery throughout the supply chain).

Alternatively, Forest Law Enforcement, Governance and Trade ([FLEGT](#)) evidence was accepted as proving that wood-derived products are being exported from a timber-producing country that has signed a bilateral FLEGT Voluntary partnership Agreement (VPA) with the EU and have been licensed for export by the producing country’s government. Equivalent evidence includes independent verification that a country has met all the requirements for a FLEGT licence.

#### Chemicals

The supplier was required to specify items which have coatings and whether these utilised hazardous chemicals, environmentally preferable products, or environmentally considerate lubricants.

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### Packaging

Packaging was also specifically targeted in terms of reduction and recycling. The following, among others, were included:

- Packaging must be manufactured so as to permit reuse or recovery in accordance with specific requirements;
- Noxious or hazardous substances in packaging must be minimised in emissions, ash or leachate from incineration or landfill.
- Packaging must be sufficiently robust to ensure equipment is securely contained and must consist of readily recyclable materials, and/or materials taken from renewable resources.
- All packaging materials shall be easily separable by hand into recyclable parts consisting of one material (e.g. cardboard, paper, plastic, textiles).
- The supplier will remove packaging and dispose of this responsibly and at no cost to PHW.

In addition, the tender specification stated that the supplier shall minimise packaging as far as possible, providing examples of how items will be shipped. All packaging materials must be recyclable and obtained from ethical sources, and suppliers should indicate whether packaging can be returned to the supplier for re-use. In situations where packaging became the responsibility of PHW, the supplier was asked to identify costs associated with its disposal. These packaging requirements were developed from standard NHS Wales procurement requirements as well as in discussion with the project team.



The suppliers' compliance with these requirements was checked on delivery by the on-site project management team, who also checked that requirements around the disposal of waste were being adhered to.

### Community benefits

A commitment to deliver community benefits through procurement was also included to ensure that wider social and economic issues were taken into account when spending public money. This included a need to consider opportunities to recruit and train persons from groups, such as those with a disadvantaged worker status, unemployed status, or that are recognised as disabled and/or over 50 years old.

### **Award criteria:**

An 'Inventory of Current Furniture' was included in the tender specification, and it was made clear that a proposed design which maximised the use of existing stock and re-used furniture was preferable.

Award criteria were based on a 60% weighting for quality and a 40% weighting for price. The award criteria for quality included:

- Overall design (40%) - comprising functional design (70%) and environmental design (30%).
- Fitness for purpose (15%) - including warranties.
- Sustainability (20%) - including:
  - Logistics (10%) - bidders were required to produce a logistics plan minimising delivery frequencies and, if applicable to the submission, addressing its proposal for economically transporting any furniture to be used from the existing PHW Estate or as part of the buy-back process. Evidence of carbon offsetting, if available, could also be submitted.
  - Recycled packaging (15%) bidders were asked to describe their approach to using recyclable packaging and provide details of disposal processes.
  - Disposal (50%) - in instances where disposal of furniture or equipment was required, bidders were asked to state how each product would be decommissioned safely and sustainably at the end of its life, and provide details of processes relevant to sustainable disposal. They were also asked to provide details of any non-renewable materials used in their products (i.e. hardwoods and chemicals), confirm their processes and procedures for disposal, and describe their process for managing surplus furniture acquired by them from PHW as part of the 'buy back' transaction.
  - Eco-labelling and ethical standards (25%): details were asked regarding any ecolabels/ethical standards associated with the supply of goods offered by the bidder.

- Equality (10%) - bidders were asked to demonstrate the adaptability of their design to ensure future staff and members of the public (visitors and partners) with specific disabilities could be accommodated without restriction.
- Account management (5%).
- Project management and implementation (10%).

An Evaluation Team (consisting of 12 members) was established to score the bids. First, each member of the Evaluation Team individually reviewed submissions and provided a 'suggested score'. Next, a consensus evaluation session was held, to allocate scores to bids (criterion by criterion) and record the scoring rationale.

## Results

The final value of the contract was €459,657. A total of eight tenders were submitted, including two from SMEs. Two were ruled out in the initial screening of pass/fail questions, and six went forward to full assessment. The contract was awarded to a single supplier in June 2016.

The winning bid was from a consortium which included a sustainable office design service, a furniture manufacturer and a community interest company, with specific objectives to support low-income and long-term unemployed people in areas of high social deprivation. The consortium successfully developed new ways of working, met the ambitions of the tender and avoided waste (figures are available in the following section), and created additional greater public value by creating training and meaningful employment opportunities.

Consultation with stakeholders with disabilities on the office design also resulted in the building being commended for its high attention to detail regarding accessibility, for example, its use of a carpet design which assists the visually impaired.

In recognition of its sustainable approach to procurement, this purchase won the 'Tender Procedure of the Year' in the [2017 Procura+ Awards](#) organised as part of the [Procura+ European Sustainable Procurement Network](#).

## Environmental impacts

The procurement process addressed the three main principles of circular procurement: sourcing, maximising utilisation, and closed-loop recovery. Instead of being sent to landfill, many items were given a new lease of life, and have been integrated successfully into a comfortable, modern office setting. By procuring 'circular' solutions, PHW has also contributed to the establishment of a viable remanufacturing and reuse sector in Wales.

Out of the 2,563 items used in the new office:

- 45% of items were re-used
- 49% of items were remanufactured
- Only 6% of items were sourced from new stock

In total, around 41 tonnes of waste were diverted from landfill, and the project saved around 134 tonnes of CO<sub>2</sub>e (carbon dioxide equivalents) based on the:

- Re-use of 729 office/meeting room desks (saving 50.04 tonnes of CO<sub>2</sub>e)
- Re-use of 979 office/meeting room chairs (saving 57.70 tonnes of CO<sub>2</sub>e)
- Re-use of 522 office pedestals (saving 20.67 tonnes of CO<sub>2</sub>e)
- 670sqm of re-used carpet tiles (saving 5.7 tonnes of CO<sub>2</sub>e)

The consolidation of nine offices into a single open-plan space also helps improve the utilisation of public sector buildings (typically between 20-40%) and in doing so reduces overall use of consumables and optimises product lifetime rates through better utilisation. This in turn helps reduce both the carbon and ecological footprint of the building and the items within it.



## Lessons learned

The project has demonstrated that by using existing procurement processes and working differently with suppliers – including social enterprises – outstanding results can be achieved.

By remanufacturing and refurbishing items, PHW demonstrated that it is possible to break the cycle of having to accept the lowest cost for new furnishings, which can lead to a lock-in of an institutional aesthetic, poor styling, poor ergonomics and poor sustainability. Instead, it is possible to purchase good quality furniture, which aligns with broader public health principles.

Finally, dialogue and communication throughout the process is very important. Staff who were initially resistant to change became supportive as the social, economic and environmental sustainability story emerged, and feedback from post-occupancy evaluation is now very positive.

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Reference source (also for further information): [Case Study: An Inspirational and Collaborative Workplace – Environmental and Sustainable Procurement impacts achieved](#) (Wrap Cymru).

For related information, please see [European GPP criteria for Furniture](#) and the [Technical Background Report](#).

See the [video presentation from PHW](#) of this good practice case