Circular procurement for a sustainable learning environment

Municipality of Aalborg (Denmark)

Background

The Municipality of Aalborg in Denmark is home to around 207,000 inhabitants, making it the fourth largest city in Denmark.

Aalborg has been committed to improving the sustainability of their municipality for over two decades, even giving its name to the Aalborg Charter, which since 1994 has been used as the basis of the commitment of over 3,000 local authorities for local environmental action. Since then, the City has been continually pursuing their environmental aspirations, for example, those set out under the Aalborg Municipality’s Sustainability Strategy (2017-2021).

Denmark has also recently introduced a new school reform, which recognises the importance of differentiated learning environments for facilitating inclusion, well-being and improved learning. As a result, schools are looking for classroom designs, which are flexible and dynamic and can be tailored to classes’ learning needs.

Procurement objectives

Upon establishing a new framework agreement for school furniture, the municipality decided to use the opportunity to transform their approach away from a focus on just tables and chairs, to one that creates an inspiring learning environment, that support learners’ needs while also strengthening the circular economy. Thus, Aalborg’s approach to this procurement asked bidders not just to supply, but to inspire and challenge, and provide a comprehensive proposal for a new classroom environment.

The competitive procedure with negotiation was chosen for award of the framework agreement due to the non-standard nature of the requirements.

Preparation and approach to the procurement

In order to write an effective tender, Aalborg made use of various support services. For example, the ‘Travel Team for Green Procurement’ (which is a collaboration between the Danish Environmental Protection Agency and the Danish Standardisation body) organised two workshops for procurers on Total Cost of Ownership (TCO) and circular economy. In addition, the University of Aalborg’s ‘Green Travel Team’ (which aims to foster cooperation between students and SMEs) also supported the Municipality, with its students working with the North Denmark Network for Sustainable Development to outline a catalogue of suggestions for refurbished furniture, which could inspire the development of a circular tender. An external consultancy was also used to help write the tender.
After an initial seven market dialogue meetings, the call for tender was published in April 2017, and in May 2017 an initial pre-qualification round was conducted. In this, Aalborg assessed to what extent applicants had relevant experience in:

- Working with the principles of circular economy in connection with interior design solutions,
- Analysing interior design through dialogue with schools,
- Guaranteeing the possibility of recycling existing furniture,
- Preparing interior design proposals,
- Maintaining and refurbishing existing furniture,
- Delivering and installing new furniture,
- Responsibly disposing of excess furniture not considered suitable for reuse or recycling,
- Refurbishing existing furniture by employees on special terms, that is, employees who are disabled or receive social assistance.

In order to reflect the expected interior design tasks covered by the framework agreement, the tender included four example cases of potential classroom redesign briefs, which would allow the bidder to showcase its ability to fulfill the overall purpose of the tender. These briefs included a description of classrooms' needs, any limitations present, an overview of the furniture in use (which could be reused or refurbished), and any areas in which the designer might be expected to provide advice in. Visits to the school were also organised for bidders who made it through the pre-qualification round.

Initial bids were then required by June 2017, and these formed the basis of the negotiation phase. The latter aimed to increase the understanding of both parties of the nature, challenges and conditions of the assignment, and gave bidders the opportunity to optimise their final offer.

Criteria used

Subject matter of the contract:
Framework agreement for the procurement of sustainable learning environments.

Technical specifications:
Environmental criteria were included as minimum requirements, such as the need to:

- Provide a minimum five-year guarantee on the lifetime of new furniture
- Provide a minimum two-year guarantee on the lifetime of the refurbished part of the furniture
- Provide a minimum five-year guarantee on spare parts
- Provide a service which informs schools once a year during the total warranty period of the relevant maintenance services available and advised for each product
- Use of packaging made from only recycled materials
- Labelling of plastic parts above 50 grams for recycling
- Ensure that at least 70% of wood used comes from sustainable sources

Award criteria:
Aalborg identified the most economically advantageous tender using the following award criteria and weightings:

- Circularity - 40%
  - Lifetime - 30%
    - Product life guarantees on new furniture which exceed the minimum requirement of five years
    - Provision of an effective user manual for easy maintenance
  - Service and maintenance - 25%
    - Spare part guarantee which exceed the minimum requirement of five years
    - Products can be disassembled into different parts for replacement and refurbishment
- Reuse - 20%
  - Reuse of existing furniture (above the minimum of 20% required by the example case design briefs)
  - Handling of furniture for reuse, that is, minimisation of environmental impacts in the process, such as transport impacts
• Refurbishment - 15%
  • Refurbishment of existing furniture, that is, replacing a table top, or recoating and repainting, etc.
  • Refurbishment is carried out by employees on special terms, that is, employees who are disabled or receive social assistance
• Material recycling - 10%
  • New furniture is made of recycled materials and/or materials recycled with the refurbishment of any existing furniture at the schools
  • Any leftover furniture parts are recycled

• Quality of the offered interior design - 20%. The bidder was requested to enclose drawings of the proposed interior design solution, which among other things would demonstrate their:
  • Ability to use a varied selection of furniture adapted to the specific cases, so that furniture differs from case to case and a balance is achieved between reuse of existing furniture, refurbishment of existing furniture, and a broad product portfolio of new furniture for the framework agreement
  • Ability to understand the educational approach of each school, and account for inclusion, learning and well-being
  • Ability to adapt furniture to students needs

• Quality of advice - 20%. The bidder is invited to provide an in-depth description of the offered advisory processes. Consideration was given to the competencies and experience of the bidder in circular economics, product selection in relation to the customers’ defined wishes and experience in facilitating processes involving both teachers and students.

• Economy - 20%. The costs were assessed according to a range of measures, including the hourly rate of staff used to perform certain tasks and the price of new and refurbished furniture.

For the criteria ‘circular economy,’ ‘quality of advice’ and ‘quality of the offered interior design,’ offers were assessed on a point scale from 0 (does not meet the subcategory or sub-criterion in any respect) to 6 (fully meets subcategory or sub-criterion in all respects).

Results

Of the eight applications received in the pre-qualification round (in May 2017), five were invited to submit tenders, and three were received. Following a period of negotiation, the deadline for final offers was September 2017. The contract was signed in October 2017, and the resulting framework agreement is valid between 1 January 2018 and 31 December 2020, with the option of extending the framework agreement by up to 12 months.

In recognition for the successful completion of this innovative approach to classroom design, the Municipality of Aalborg won the IKA (Danish Association of Public Procurement) award for Denmark’s Best Call for Tender 2017.

Environmental impacts

The majority of the environmental impacts of furniture are linked to the use of material (whether wood, plastic or metal), and the processes used to manufacture these materials into furniture components. As the use phase of furniture results in virtually no environmental impacts, any extension to the lifespan of furniture items has a direct
environmental benefit. As such, a circular approach to procurement, which rewards reuse and refurbishment over the purchase of new furniture, can be considered a more holistic and sustainable approach to meeting organisations furniture needs.

As a result of Aalborg’s framework contract, the Municipality’s School Department is also in the process of setting up a register of surplus furniture for all schools and school-based leisure facilities. This register will contain information about all furniture that is deemed to be in good conditions, that it can also be reused in another establishment without refurbishment. Assessments will be made in cooperation between the Municipality of Aalborg and the winning supplier of this framework contract, while it is the responsibility of each individual school to ensure that the furniture is registered.

Lessons learned

- The market dialogue meetings held prior to the Call for Tender revealed that while the market was prepared for general environmental demands, circular procurement presented new challenges. It also became clear that some examples of re-use were already taking place, which demonstrated that these are challenges, which could be met.

- Monitoring is an important step for ensuring that framework contracts achieve their objectives. Under this framework, the supplier is required to write a report each year for the Municipality, which shows the ‘circularity’ results achieved so far, for instance, the number of re-used or refurnished furniture compared to new furniture in the designs of classrooms, and how many employees on special terms were involved in the refurbishment.

- Internal and external cooperation is very important. The procurement department, the environmental department and the schools department all worked together to devise this framework agreement. The level of external support from services such as the ‘Travel Team for Green Procurement’ and the ‘Green Travel Team’ were new steps in the process for Aalborg. But by spending this time upfront, the Municipality was able to rethink what they wanted and how to get it, and transform their approach from simply buying furniture to focusing on designing sustainable and effective learning environments.

Contact person:
Birgitte Krebs Schleemann, Municipality of Aalborg, Birgitte.schleemann@aalborg.dk

For related information, please see the European GPP criteria for Furniture and the Technical Background Report.