

# Chair Procurement Exercise - Appendix 1

## Specification

A minimum specification was determined that the chairs must meet the following objective criteria:

|              |                   |
|--------------|-------------------|
| User weight  | minimum 150 kgs   |
| Stackability | minimum 10 chairs |
| Warranty     | minimum 5 years   |

And that points would be awarded or deducted, and weighted, for exceeding the minimum specification in a manner that adds a value benefit

|                          |  |
|--------------------------|--|
| Weight of chair          | the lower the better                       |
| Repairability            | extends lifespan                           |
| Availability of Trolleys | aid storage and manoeuvrability            |
| Ergonomics / Comfort     | subjective judgement by a group of testers |

## Weighting

The parameters and weighting to be applied for each of the criteria were determined as:

|                        |     |  |
|------------------------|-----|--|
| User weight            | 15% | one extra point per 10 kgs over minimum  |
| Stackability / Storage | 10% | one extra point per two chairs above minimum of 10, plus an extra point for availability of storage trolleys |
| Warranty               | 10% | two points for every year more than minimum 5 years  |
| Weight of chair        | 30% | five points for the lowest weight, minus one point per ½ kg above  |
| Repairability          | 10% | one point for evidence of repairability  |
| Ergonomics / Comfort   | 20% | chairs assessed by 15 volunteers on 1 – 7 scale and averaged   |

Note that price is not a factor at this stage.

## Sampling and Evaluation

A total of seven chairs were submitted from three suppliers. Two of the chairs offered were subsequently disqualified from consideration:

- Chair no.2 did not meet the minimum user weight standard (only 120kgs)
- Chair no.7 was offered at a very competitive price but based on surplus end-of-run stock with insufficient availability for the required quantity.

The five chairs surviving that initial appraisal were then scored and weighted as detailed in the attached Appendix 2

## Value for money

Value for money can be defined as the best mix of quality and effectiveness for the least outlay over the expected lifespan of the goods or services required. It is often referred to by the acronym MEAT (Most Economically Advantageous Tender). Tenders are not judged on price alone and it is not about justifying the lowest upfront cost.

To determine the best value the offered total prices (80 chairs plus storage trolleys) were divided by the weighted scores to give an objectively weighted cost on a 'Pounds per Quality Point' (PQP) basis, as follows :

|            |  |                       |                         |
|------------|--|-----------------------|-------------------------|
| Chair no.1 | £ 71.50 x 80 =<br>(trolleys not available) |                       | £ 5720.00 ÷ 2.03 = 2818 |
| Chair no.3 | £ 71.95 x 80 =<br>plus £ 195.00 x 3 =      | £ 5756.00<br>£ 585.00 | £ 6341.00 ÷ 2.33 = 2721 |
| Chair no.4 | £ 59.80 x 80 =<br>plus £ 229.00 x 3 =      | £ 4784.00<br>£ 687.00 | £ 5471.00 ÷ 4.17 = 1311 |
| Chair no.5 | £ 98.50 x 80 =<br>(trolleys not available) |                       | £ 7880.00 ÷ 2.37 = 2951 |
| Chair no.6 | £ 63.75 x 80 =<br>plus £ 229.00 x 3 =      | £ 5100.00<br>£ 687.00 | £ 5787.00 ÷ 4.56 = 1269 |

The PQP does not represent an actual monetary value but is purely a comparator of relative value for money, with the lowest score representing the best value.

This clearly identifies chairs 4 and 6 virtually tying, the only significant difference between them being that chair no.6 scored more highly on comfort.

Please note that this is not the 'cheapest' option, being second (of 5) on unit price and third (of 5) on total cost but, on the specified criteria, it does represent the best value overall.

**It is therefore recommended that Council approve the purchase of qty 80 x chair no.6 plus 3 x storage trolleys at a total cost of £ 5787.00.**