

Office furniture and the public sector buyer – a failure of process



Rt. Hon. Francis Maude MP, Minister for the Cabinet Office and Paymaster General)

The companies chosen for the office furniture section of the new Government Procurement Service framework agreement evidence a process that at best was farcical, and at worst, downright dangerous.

The new agreement facilitates office furniture purchases by all UK public sector and not-for-profit organisations from a selection of six suppliers over at least the next four years. The UK is blessed with several very strong, long established office furniture companies. The ten largest employ more than 5,400 and account for over £80 million of exports.

Seven of these ten applied for the GPS Furniture framework; only two were successful. The other four appointed include a business which only last year struggled out of insolvency, a relatively small manufacturer of “niche” rather than mainstream products and two companies better known as dealers than manufacturers.

Five “first division” UK office furniture manufacturers were rejected in favour of four from the lower divisions. How can this be in the interests of a UK manufacturing industry which is already struggling in the recession? Public sector purchases typically make up 40% of the UK market and this was a missed opportunity for the State to encourage some of Britain’s biggest employing manufacturers and their suppliers in really tough times.

This new framework is short-sighted, exclusively seeking lowest prices and doing little for UK manufacturing.

A letter to Francis Maude, the cabinet minister responsible, outlining these issues remains unanswered. Considering the all-round recklessness of this recent process, maybe that’s how matters will remain.

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