

Social Procurement Case Study

City of Calgary Benefit Driven Procurement

Tori Williamson

Director of Education & Communications

Tori@buysocialcanada.com



www.buysocialcanada.com

About Buy Social Canada

We are a social enterprise with the mission to advance and grow social procurement.

We believe that the purchasing of goods and services are more than an economic transaction, they are the means to build community capital, the foundation of healthy, vibrant communities.

We are social procurement leaders and work with social value suppliers, all levels of government, institutions, businesses and communities to help harness the power of purchasing with impact.



www.buysocialcanada.com

WEBINAR AGENDA

Social Procurement Recap

Social Procurement in Calgary

Community Advocacy

Engagement

Training

Practice & Pilots

Ideas & Examples

Resources & Tools

Our Communities Face Multiple Complex Challenges:

Social
Economic
Environmental
COVID-19 Recovery

- Local Economic Disruption
- Youth Disengagement
- Social Isolation
- Employment Challenges
- Skills Gaps
- Historic and Systemic Racism



Canada's Federal Government Purchases

\$20 Billion

In goods and services annually

\$200 Billion

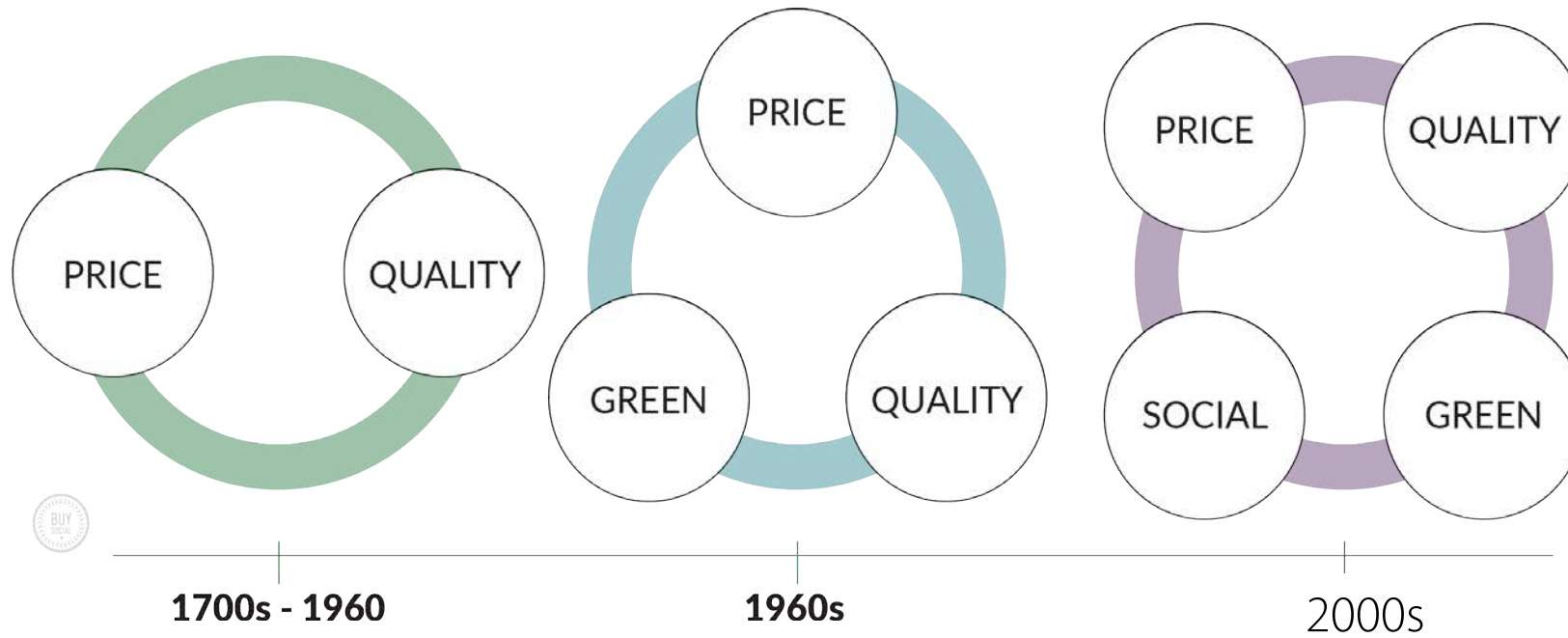
Over the next ten years in infrastructure

-
- Building Maintenance and Cleaning
 - Professional Services
 - Food Services
 - Translation
 - Office Supplies
 - Repairs & Construction
 - Landscaping
 - *Etc.*



Social Procurement leverages
a social value from existing
procurement

Evolution of Procurement



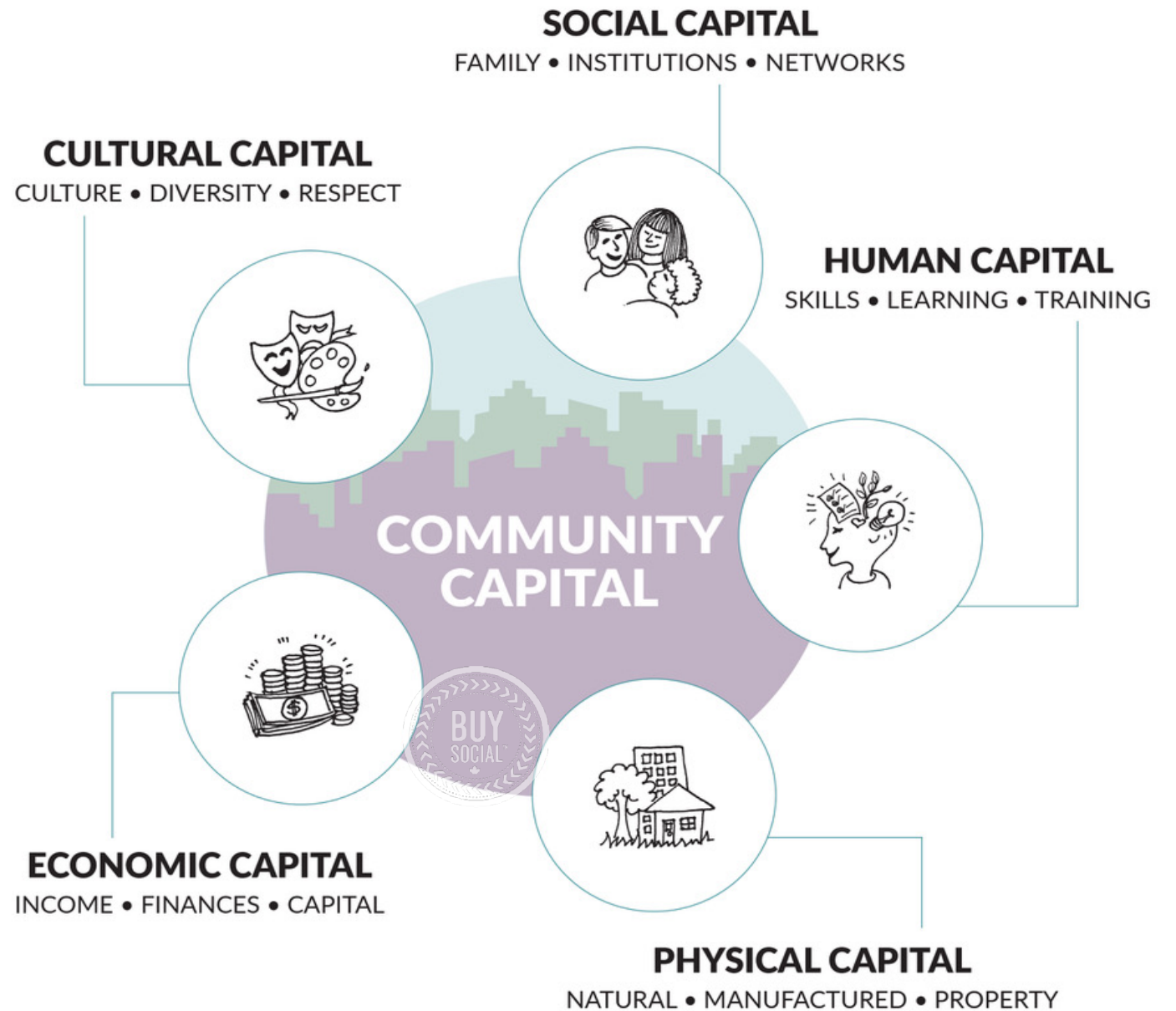


Social procurement seeks best value

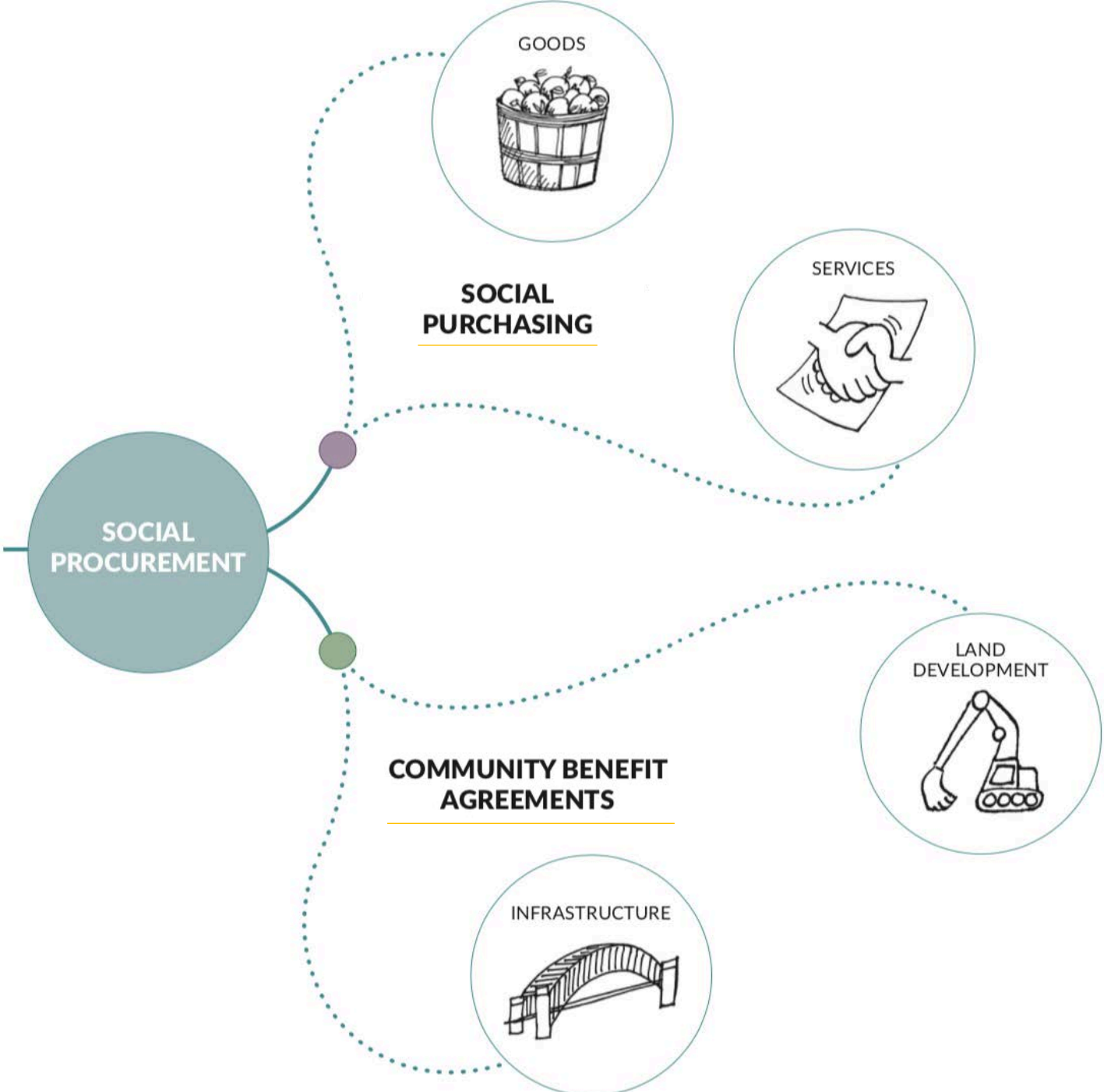
When we focus on 'best value for money' procurement is much more than a financial transaction;

Procurement becomes a tool for building healthy communities.

'Best value for money'
considers more than
economic transactions,
it creates
Community Capital



Social procurement has two primary pathways



What is **social
procurement**?

“Encouraging a shift towards procurement based on achieving multiple outcomes in addition to maximizing financial value.”

Prof. Jo Barraket
Director of the Centre for Social Impact
Swinburne, Australia

City of Calgary

Benefit Driven Procurement



Social procurement in Calgary

- ✓ Community Advocacy
- ✓ Council approves recommendations to develop social procurement policy
- ✓ Council approved and funded 3 year implementation strategy
- ✓ Stakeholder engagement through Advisory Task Force
- ✓ New name of Benefit Driven Procurement
- ✓ Implementation Pilots
- ✓ Adoption of policy

Existing Procurement Policy

Sustainable, Environmental and Ethical
Procurement Policy (SEEPP)

Community Advocacy

“By being more strategic in the design of public procurement, our city can move markets in the direction of our economic, social, and environmental goals. By better leveraging existing spending to improve social and environmental outcomes, we can improve lives and the overall bottom line.”



Council approves
recommendations to
develop social
procurement policy

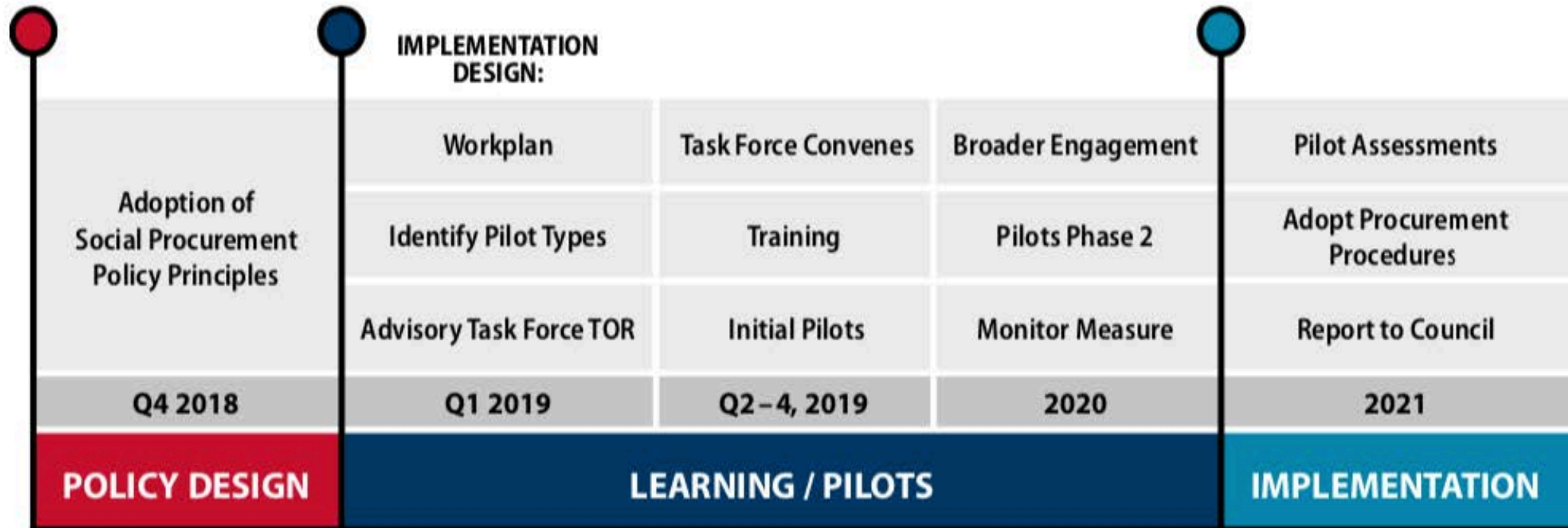
SSEEPP

- ✓ Create Advisory Task Force
- ✓ Pilot projects
- ✓ Measurement and reporting framework

SSEPP Key Objectives

- ✓ Diverse and socially inclusive suppliers and SME
- ✓ Economic opportunity for historically underrepresented groups
- ✓ Apprenticeship and training opportunities
- ✓ Prepare for Community Employment Benefits

Benefit Driven Procurement Implementation Plan



Multi-stakeholder Advisory Task Force

External Members		
Mayor's Office and Ward 9 Councilor	Calgary Construction Association (CCA)	Alberta Roadbuilders & Heavy Construction Association (ARHCA)
Chamber of Commerce	Buy Social Canada	Momentum
Federation of Canadian Municipalities	Mount Royal University	Imagine Cities
Internal Members		
Business and Improvement Areas (BIAs)	Resilience & Infrastructure Calgary	Waste & Recycling Services
Indigenous Relations	Environmental and Safety Management	Supply Management
Facilities Management	Calgary Neighbourhoods	Calgary Housing

Internal and External Training

- ✓ **Purchasers:** Internal City procurement staff
- ✓ **Suppliers:** Training on the what, why and how to fill out the Benefit Driven Procurement Questionnaire

Benefit Driven Procurement Questionnaire on a variety of goods and services:

- ✓ Food services
- ✓ Welding
- ✓ Landscaping
- ✓ Engineering
- ✓ Racism and equity consulting

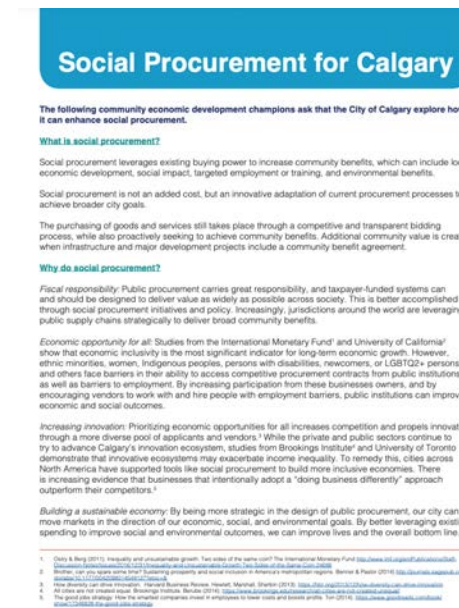
First report to council Q1 2021 (March)

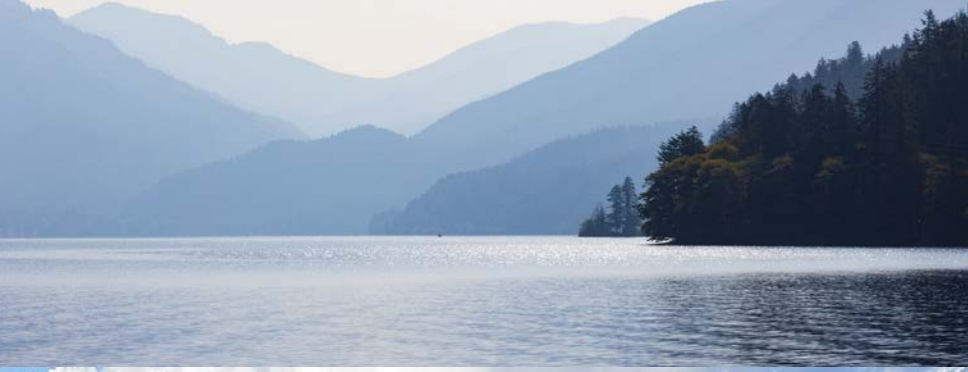
- ✓ Updates on 20+ goods and services pilots
- ✓ Measurement framework

City of Calgary

Benefit Driven Procurement

- ✓ Community Advocacy and Engagement
- ✓ Locally relevant objectives
- ✓ Training and Implementation
- ✓ Change management





Emerging Across Canada

Federal Government

Policy and Pilots for Goods & Services
Community Employment Benefit Policy

Municipalities

Toronto, Brampton, Edmonton, Wood Buffalo, Vancouver,
Surrey, Victoria, Tofino, Campbell River, Comox,

Institutions

BC Housing, Ottawa Housing, York University, Simon Fraser
University, Tourism Vancouver

Corporations

Chandos Construction, SAP

WEBINAR AGENDA

Additional Ideas & Examples

SMALL BUYS

SUPPLIER LIST

CONTRACTS

CONSTRUCTION

> SMALL BUYS

“At the City, we are trying to alleviate social conditions that impact our community - homelessness, affordable housing, unemployment, high cost of living. We see social procurement as a way to help the community thrive.”
- Leah Hamilton

City of Victoria

- Purchasing Card Spend: \$3.9M Annually
- Purchases of \$1,500 or less
- 600 people with purchasing cards
- Training and resources
- Supplier list

Social procurement:

What is possible?

Economic impact of
local suppliers

The economic multiplier effect*

For every **\$100** spent with a “local” office supply business, **\$63** is reinvested locally

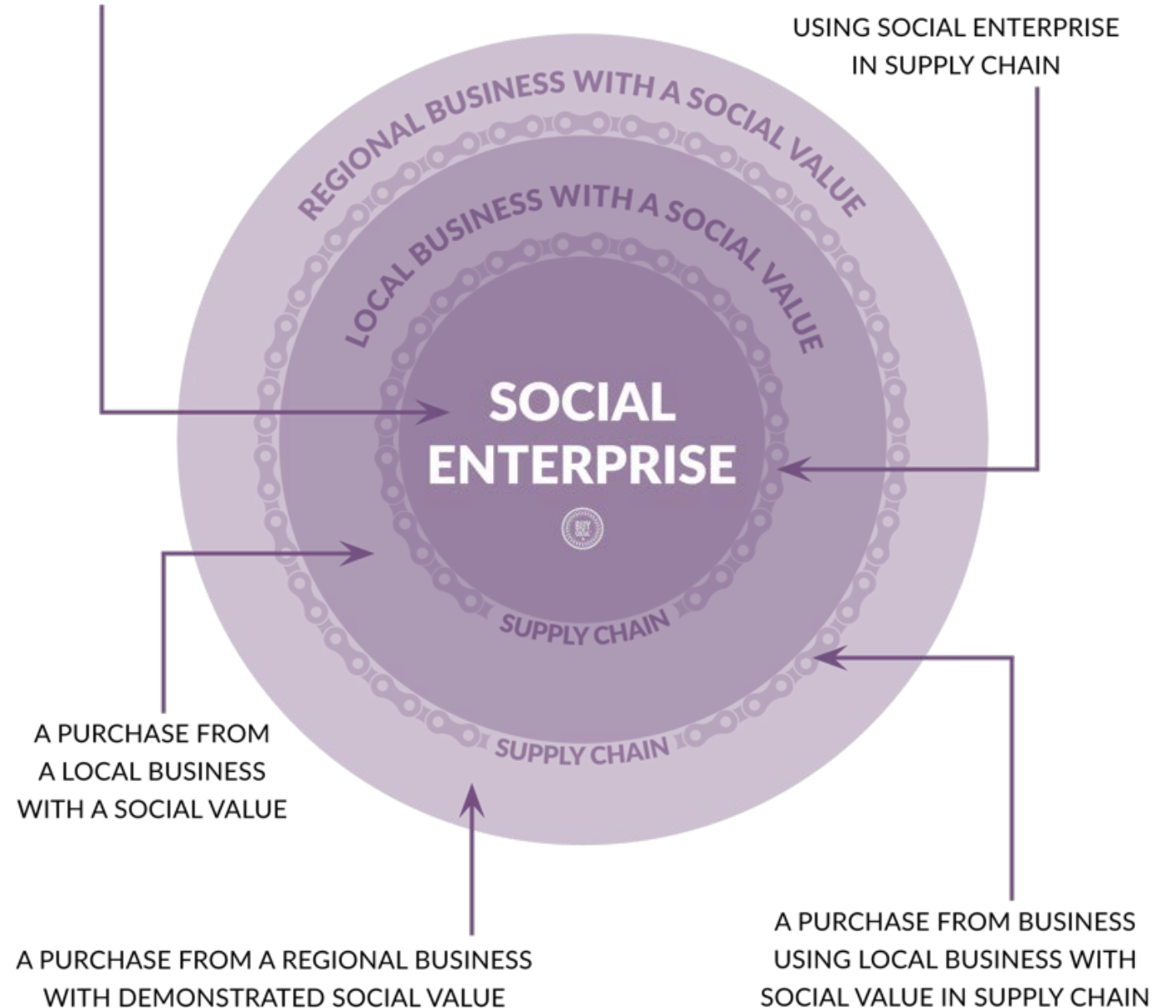
For every **\$100** spent with an “MNC” (big box), only **\$14** is reinvested locally

*Source: 2019 LOCO BC Study; ‘The Economic Impact of Local Businesses’

Concentric circle considerations

A PURCHASE FROM A SOCIAL ENTERPRISE

A PURCHASE FROM A BUSINESS USING SOCIAL ENTERPRISE IN SUPPLY CHAIN



> SUPPLIER LISTS

- ✓ Equity-seeking businesses
- ✓ Social Enterprises
- ✓ Diverse-owned businesses

Examples of Certification and Listing Organizations

- ✓ Black Business Initiative
- ✓ Buy Social Canada
- ✓ Canada Aboriginal and Minority Supplier Council
- ✓ Canada's LGBT+ Chamber of Commerce
- ✓ Covid-19 Indigenous Supplier Database
- ✓ Inclusive Workplace and Supply Council of Canada – Veterans & People with Disabilities
- ✓ Women Business Enterprises Canada
- ✓ B-Corps

Policy

“York aims to increase the number of employment apprenticeship and training opportunities for people from the University's local neighborhoods, other Equity-Seeking Communities and Indigenous People, and to broaden York's supply chain by providing diverse vendors with equitable access to tender opportunities to foster inclusive economic growth.”



Vendor List

New Markham campus construction



- ✓ Skilled Construction Labour
- ✓ Unskilled Construction Labour
- ✓ Building Material Supply
- ✓ Safety Equipment Supply
- ✓ Equipment Rentals
- ✓ Printing Services
- ✓ Catering Services
- ✓ Cleaning Services

SENCO Social Enterprise and Supplier Directory

- ✓ Diverse owned businesses
- ✓ Supports equity seeking groups
- ✓ Social and environmental sustainability

> CONTRACTS

- ✓ What do you buy?
- ✓ Is there a social enterprise that can offer that good or service?

> CONTRACTS

Tourism Vancouver Giftbox



> CONTRACTS

University of Winnipeg
food services



- ✓ Social enterprise
- ✓ Five food venues
- ✓ Delicious and nutritious food
- ✓ Employment opportunities for underrepresented groups
- ✓ Sustainably sources
- ✓ Create meaningful community through food

> CONSTRUCTION

- ✓ Large budgets
- ✓ Employment and training opportunities
- ✓ Policy
- ✓ Strong social enterprise sector
- ✓ COVID-19 Recovery

> CONSTRUCTION

Community Benefit Agreements

- ✓ Identify Community Benefit opportunities on Infrastructure and Development Projects
- ✓ An Agreement between Communities, Developers and Government
- ✓ Four key opportunity areas:
 - Employment
 - Skills & Training
 - Social Value in the Supply Chain
 - Community Development

> CONSTRUCTION

1st and Clark

BC Housing, Vancouver Coastal Health, City of Vancouver & Chandos Construction

- ✓ 10% of new hires from equity-seeking groups
- ✓ 10% of purchasing from social enterprises, third-party certified social impact companies and/or equity-seeking businesses and small businesses.



Social procurement:

What is possible?

Construction and
infrastructure projects

On a \$1M contract local suppliers create 3.6 jobs compared to 1.8 - 2.0 jobs with multi-national corporations*

**Source: Vancouver Island Construction Association paper; "Facts or Fiction?"*

Social procurement:
Does it cost more?

“There were **no known cost implications** associated with the social procurement concepts that were included in the RFP.”*

**Scott Hainsworth, Comox Valley Regional District – Water Treatment Project, 2020*

Social procurement:

Is it legally possible?

What about the trade agreements?

Yes, it is legal, and yes, the trade agreements do apply and require parameters for language and actions:

- ✓ You cannot restrict competition, but you can require community outcomes from all bidders
- ✓ Trade agreements have exceptions for contracting with non-profits, prison labour and others
- ✓ Trade agreements have financial thresholds

Leading Social Purchasers

FEDERAL



Public Services and Procurement Canada

Services publics et Approvisionnement Canada



Infrastructure Canada



Employment and Social Development Canada

Emploi et Développement social Canada

MUNICIPAL



COASTAL COMMUNITIES

Social Procurement

INITIATIVE



BRAMPTON



CORPORATIONS



CHANDOS



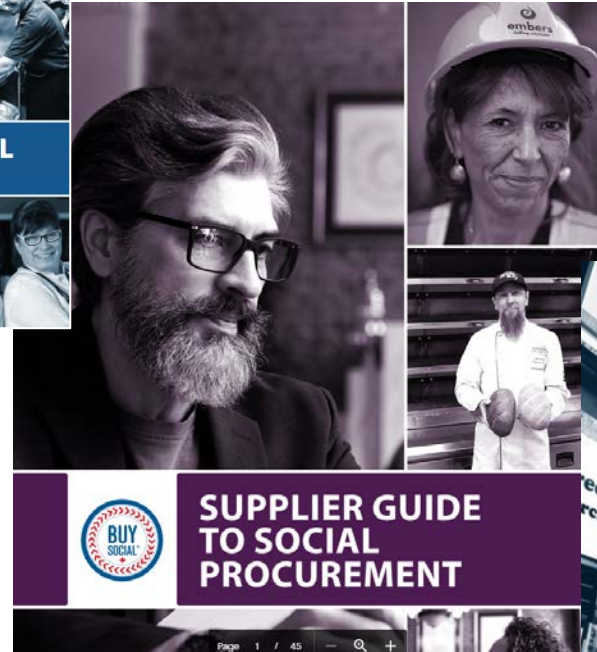
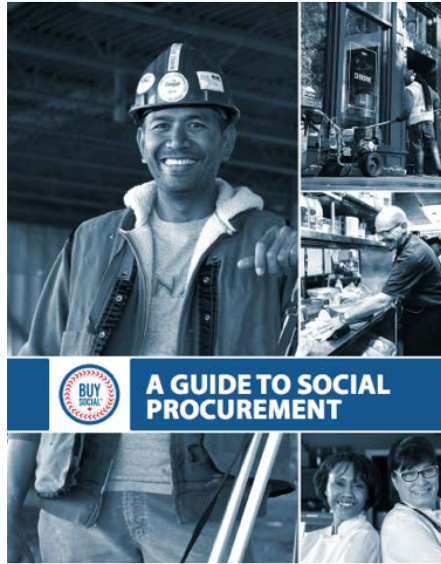
INSTITUTIONS



BC HOUSING

... and more!

Tools and Resources for Social Procurement



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SYMPOSIUM 2021

Social Procurement Today and Tomorrow

Register today

Early Bird \$19
After March 19th \$29

Online

Monday, April 26, 2021
9am - 2pm PT / 12 - 5pm ET

Register at www.buysocialcanada.com/symposium2021