



Committee of the Whole Report

For the Meeting of February 27, 2020

To: Committee of the Whole **Date:** February 4, 2020
From: Susanne Thompson, Deputy City Manager and Chief Financial Officer
Subject: Coastal Communities Social Procurement Initiative Update and Proposed Purchasing Policy Amendments

RECOMMENDATION

That Council direct staff to amend the City's Purchasing Policy by expanding the Community Benefit section to include the following foundational factors and priorities for social procurement based on the Council endorsed values, principles and considerations for the equity lens:

1. Objective: Removing barriers
2. Guiding principles for policy application:
 - a. Practical
 - b. Achievable
 - c. Transparent
 - d. Measurable
3. Evaluation criteria considerations as outlined in Appendix A: Descriptive rather than prescriptive using an intersectional approach

EXECUTIVE SUMMARY

The City is partnering with other local governments on Vancouver Island and the Sunshine Coast in the Coastal Communities Social Procurement Initiative (CCSPI), which is a two-year project to assist local governments in implementing social procurement in their communities. On behalf of the local governments involved, the City led the procurement process to hire a consultant and the City administers that contract. The successful bidder was a team from Scale Collaborative, Buy Social Canada, Vancouver Island Construction Association, and Presentations Plus Training & Consulting Inc.

This report and accompanying presentation provides the background on social procurement (the 'why, what and how'), the progress to-date both through CCSPI and specifically at the City, and seeks Council's direction on proposed amendments to the City's Purchasing Policy to expand social procurement factors and priorities.

The focus of social procurement is to shift procurement practices to overall best value from a traditional narrow evaluation of price and quality only. Unlike many other municipalities, the City's procurement practice already involves determining best value when evaluating requests for proposals. In addition, the City's Purchasing Policy (attached as Appendix B) includes a "Community Benefit" section that provides for evaluation criteria to be added to procurement competitions.

Important to the success of implementing a social procurement policy is vendor 'readiness' to ensure that the vendor community is able and willing to respond to such procurement competitions. In addition to assisting municipalities with policies, templates and training, part of the scope for CCSPI is to work with the vendor community to increase awareness and understanding. Furthermore, the scope includes working with the Provincial Government so that provincial policies mirror and reflect social procurement principles, and to secure funding for training for companies and social enterprises involved in local government procurement in the coastal communities region.

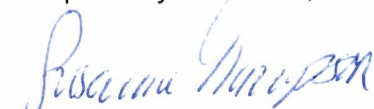
In June 2019, Council directed staff to "*Embed distributional, procedural, structural and intergenerational equity into the City's corporate policies guiding hiring, staff training and professional development, procurement and civic engagement*". At a workshop in October 2019, Council provided feedback on values related to adopting an equity lens, as well as guiding principles for development and implementation of an equity framework for the City. Core values articulated by Council included taking a social justice perspective to remove barriers, intersectionality (reflect multiple lived experiences), quality of life (health, happiness and satisfaction), and building a resilient and prosperous community that is inclusive and accessible for all. In January 2020, Council directed staff to use the feedback on equity values, guiding principles, equity considerations, and implementation considerations as a foundation for developing an equity lens. These values, principles and considerations are attached as Appendix A.

Building on this work, it is recommended that these same values, guiding principles and considerations be incorporated into the City's Purchasing Policy. It is also recommended that the criteria considerations (the items that would gain points when evaluating proposals) be descriptive rather than prescriptive. In rolling out a new policy, having a broader scope and focussing on intersectionality would allow respondents more flexibility in demonstrating the social value their organization provides to the community and could result in greater success both in terms of the number of bids received in response to a procurement competition, and also in understanding the scope of programs/initiatives that organizations are partaking in and supporting. By allowing this flexibility, staff would start with a few pilots to test and improve on the evaluation criteria before expanding the use of the criteria in all procurement competitions.

Staff have actively advanced this initiative over the past year. Recognizing that the City spends approximately \$4 million annually through purchasing cards, this presents an opportunity to shift spending to add social value. As such, purchasing staff delivered training to staff across the organization specific to small value purchases. Also, staff are developing an internal resource site, and have participated and will continue to participate in the various training opportunities through CCSPI. Finally, one request for proposals has been issued to pilot social procurement criteria.

The accompanying presentation outlines the mission and purpose of CCSPI, the overarching goal of social procurement as well as outcomes, and how social procurement adheres to legislation and trade agreements. It also highlights various pathways, implementation options and opportunities.


Respectfully submitted,



Susanne Thompson
Deputy City Manager and Chief Financial Officer

Report accepted and recommended by the City Manager:

Date:


Feb 18, 2020

List of Attachments:

Appendix A: Proposed Purchasing Policy Foundational Factors and Priorities

Appendix B: City of Victoria Purchasing Policy