



**Good Jobs  
+ Good Business  
= Better Community**

**THE MAYOR'S TASK FORCE ON SOCIAL ENTERPRISE  
AND SOCIAL PROCUREMENT DRAFT ACTION PLAN**



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CORNERSTONE CAFÉ, FERNWOOD VILLAGE – A COMMUNITY SOCIAL ENTERPRISE

## RECOMMENDATIONS AT A GLANCE

### Recommendation #1: Social Procurement

**Action #1.1:** Establish a Social Procurement Framework at the City of Victoria (See Appendix A for focus of proposed Framework)

**Action #1.2:** Educate City staff

**Action #1.3:** Develop and disseminate educational materials about City's Social Procurement Framework, including opportunities for businesses and social enterprises

**Action #1.4:** Survey and engage businesses to shine light on the extent of their current community benefit practices and identify ways to enhance

**Action #1.5:** Educate social enterprises, social entrepreneurs and business sector

**Action #1.6:** Take part in Vancouver Island Social Procurement Pilot

**Action #1.7:** Strengthen Capacity for Supportive Employment Models

**Action #1.8:** Focus on First Nations

### Recommendation #2: Social Enterprise Development

**Action #2.1:** Identify and survey social enterprises in the city

**Action #2.2:** Convene cross-industry/multi-sector events to increase exposure and opportunities for social enterprises

**Action #2.3:** Strengthen existing and aspiring social enterprises

**Action #2.4:** Build a co-op enterprise network in Victoria including but not limited to health and social service co-ops, housing co-ops, and worker co-ops

**Action #2.5:** Build relationships and connect the dots between the pool of human and financial capital that will support social enterprise, social entrepreneurship and social purpose business

**Action #2.6:** Create a mechanism for larger companies to support smaller companies in supply chain access

**Action #2.7:** Educate new social entrepreneurs through post-secondary channels

**Action #2.8:** Support social enterprises to find spaces to lease

### Recommendation #3: Leading Economic Change

**Action #3.1:** Review and continuously improve City's Social Procurement Framework

**Action #3.2:** Support a living wage policy (SEE APPENDIX B)

**Action #3.3:** Promote culture of social enterprise and social procurement

**Action #3.4:** Measure economic disparity

**Action #3.5:** Celebrate social enterprise, social procurement and the community benefits they produce

# Background

The Mayor's Social Enterprise and Social Procurement Task Force was a recommendation of the Task Force on Economic Development and Prosperity. The Economic Development Task Force concluded its work in the fall of 2015 with the publication of the City's Economic Action Plan, *Making Victoria: Unleashing Potential*. That Action Plan identifies six sectors that serve as the primary engines to driving economic prosperity, generating jobs and raising household incomes. One engine that encompasses the rest is entrepreneurship and social enterprise.

The Social Enterprise and Social Procurement Task Force has developed an Action Plan with recommendations that are meant to strengthen and reward our small business sector, help people who are out of the workforce get to work, and grow a strong, inclusive economy at the same time. The Action Plan is in three parts. First, there are recommended actions the City can take to ensure it is procuring goods and services in a way that also maximizes community benefit, and social and environmental sustainability. Second, there are recommendations to strengthen the small business and social enterprise sectors to the benefit of the community. Third, there are recommendations that can drive larger scale economic change.

Many businesses in Victoria already do business in such a way as to benefit the community. The aim of the recommendations in this Action Plan is to recognize and reward these and to increase the number of businesses operating in this way.

There is also some educational work to do to understand the term “social enterprise”, which has been used since the early 1980s. Few people outside the non-profit sector have a clear understanding of what a social enterprise is, and the benefits that it can offer to both the host organization and to the community. Even within the non-profit sector, social enterprise, as an opportunity for non-profit development, is only now becoming commonly accepted. And still only a relatively small number of for-profit and non-profit businesses in our region have successfully adopted a social enterprise model. There is great opportunity to increase awareness of how to integrate social enterprise principles into for-profit business models, recognizing the economic, social, and environmental benefits that can result from this values-based approach. (SEE APPENDIX A FOR DEFINITIONS.)

The knowledge gap is even worse for social procurement, despite significant efforts to introduce social procurement policies around the world, including at the national level in Scotland and the UK, and globally through the United Nations. Sustainable public sector procurement includes a triple bottom line balance of economic, environmental and social goals that in turn create community benefit. While environmentally sustainable practices are now more commonly required in public sector procurement, those that have social impact are still rare. Social procurement is an effort to bring increased social sustainability to procurement.



One of the important goals of this Task Force is to raise awareness of the value of both social enterprise and social procurement, in order to build a community where there is always an opportunity for everyone to prosper. The members of the Social Enterprise and Social Procurement Task Force believe that to build a truly sustainable economy, we must create an inclusive economy. An inclusive economy includes opportunities created with and for those who are so often left behind including youth, First Nations people, people with mental health and addictions challenges, people who have been homeless, those with disabilities, and people released from prison. In addition to sometimes lacking the skills and training needed for employment, many of the people in these groups also face stigma from employers or it is simply 'easier' not to hire them because of the sometimes multiple barriers they face or are perceived to face.

The members of the Mayor's Task Force on Social Enterprise and Social Procurement believe that the City's procurement practices and social enterprise and social purpose business development should be focused to a large degree, though not exclusively, on efforts to ladder the unemployed, underemployed and marginalized into employment. Access to meaningful work is part of what gives us dignity as human beings and it is also a key indicator of individual and community well-being. In addition, achieving the outcomes recommended by the Task Force will reduce pressure on social services budgets and resources throughout the region which is a benefit to all levels of government and the broader population.



SOCIAL ENTERPRISE CATALYST EVENT, VANCOUVER ISLAND

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# Task Force Membership

**Lisa Helps**  
Task Force Chair  
Mayor, City of Victoria

**Marianne Alto**  
Councillor, City of Victoria

## Members

**Stuart Bowness**, Vice President, Learning Software, Development, Workday  
Stuart has a passion for online education, international business, growing the technology and talent ecosystem in Victoria, and encouraging gender diversity in the workplace. He is an experienced executive within Victoria's thriving technology scene and most recently he sold his startup MediaCore to Workday, which is a leader in Human Capital Management and Financials.

**Christina Clarke**, Executive Director, Songhees Nation  
Focusing on regional First Nations economic development and advancing the strategic objectives of the Songhees Nation for economic and community development. Christina.clarke@songheesnation.com, 250.386.1043 ext 110

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**Vanessa Hammond**, Chair, Health Care Co-op Federation of Canada  
Area of passion and expertise – co-operative enterprises. Current work: the development, establishment and growth of co-ops including workers co-ops, and wellness, health, social service and medical co-ops across Canada and around the world. firstownershiopcoop@gmail.com or vichealthcoop@gmail.com, 250.415.9272

**Lee Herrin**, Executive Director,  
Fernwood Neighbourhood Resource Group Society  
Area of expertise: non-profit leadership and social enterprise. Current work: leading the enterprising Fernwood Neighbourhood Resource Group Society. www.fernwounrg.ca, 250.381.1552

**Andrew HOLETON**, CED Program Manager,  
Community Social Planning Council of Greater Victoria  
Andrews' interests are social enterprise, social procurement, and community economic development strategies that decrease poverty while creating a more inclusive local economy. His current work includes a regional youth employment network, living wage advocacy, and support to early stage social enterprises. andrew@communitycouncil.ca, 250.383.6166



**Katie Hooper**, Band Administrator, Esquimalt Nation

Katie is the Executive Director of Esquimalt Nation. She is currently engaged in a number of administrative, political, environmental, and economic projects with the intentions of enhancing opportunities and developmental growth for Esquimalt Nation and its members.

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**Dave Howe**, Chair, CRD Finance Committee, Greenangels Financial Ltd.

Greenangels Financial Ltd was founded in 1998 under the motto “making a difference while making a dollar”. Combining David Howe’s background in finance with his wife, Ina Timmer’s marketing expertise, GFL consults with emphasis, re; impact investing. Dave is currently Southern Gulf Islands CRD Director, Vice Chair CRD Board, Chair of Finance, and Chair Hospital & Housing Committee.

**Solomon Lindsay**, Camosun Student

Area of passion: promoting youth engagement in local community and municipal initiatives. Current work: studying computer engineering with a renewable energy focus at Camosun College to pursue humanitarian architecture implementing sustainable technologies. sol.lauder.lindsay@gmail.com, 250.514.9001

**Rasool Rayani**, President and Owner, Heart Pharmacy Group

A serial entrepreneur with experience in the software, healthcare, and organic grocery industries. Continues to maintain my passion for technology as an active angel investor and involved with several tech companies as a mentor and advisor.

He serves on a number of non-profit and early stage business boards including the Victoria Foundation, VIATEC and Checkfront Software. He is a proud father of two young daughters.

**Kristi Rivait**, Co-founding Director, Scale Collaborative

Area of passion and expertise: building capacity in non-profit organizations to increase their impact through financial diversification and providing entrepreneurial capacity to move forward business opportunities. Current work: coaching multiple non-profit organizations and social entrepreneurs to develop, pilot and scale financial strategies and partnering to actualize social enterprises.

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**Wendy Townsend**, Manager Programs, Correctional Services Canada

Expertise and Focus: Public Safety and the Management of Programs, Education, Training and Employment opportunities to assist offenders with successful and safe community reintegration. Creating Aboriginal partnerships to address First Nations cultural needs in the correctional system. Enhance public awareness of Correctional Services.

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**Robin McLay**, Executive Director, Social Innovation, Ministry of Social Development & Social Innovation

Interest in the area of policy research and evidence-based policy-making and experience in developing creative and innovative ways of linking research to policy. In recent years he has shown a strong interest in the role that social innovation can play to support sustainable and more inclusive economic growth. robin.mclay@gov.bc.ca, 250.217.7962.

## Support

**Emily Barz**

Business Ambassador, City of Victoria

**Keith Hennessey**

Manager, Supply Management Services  
City of Victoria

**Kerri Moore**

Manager, Strategic Relations & Business Development, City of Victoria

# The Approach

We're all in this together. As in *Making Victoria: Unleashing Potential*, the Social Enterprise and Social Procurement Task Force recommends taking an ecosystem-based approach to community economic development. The idea of the economy as an ecosystem is not new. Yet approaching community economic development in this way generates a particular line of inquiry. It requires the City, businesses, and the non-profit sector to ask: What are your needs in this situation? In what ways are your needs or goals aligned with others? What other stakeholders might also benefit from collaborating? How will our decisions affect those around us? Can we adjust our actions for greater mutual benefit? How can we help our neighbours and benefit ourselves through their prosperity? How can we create and sustain a positive feedback cycle?



LAUNCH OF DRAFT ACTION PLAN AT GREATER VICTORIA CHAMBER OF COMMERCE AND TOURISM VICTORIA MIXER

# Community Economic Development and Genuine Well-Being

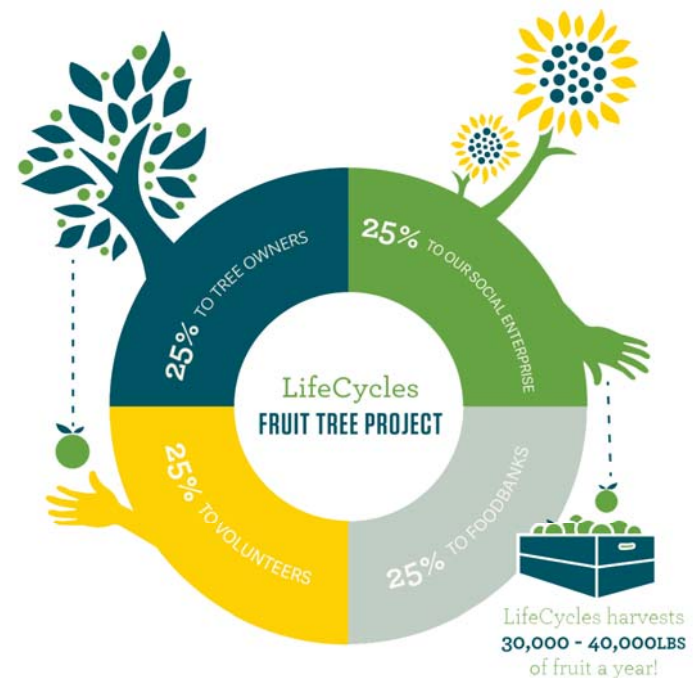


The ultimate purpose of community economic development is to increase the genuine well-being of citizens.

Well-being is defined as a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity. (World Health Organization)

Community economic development objectives that improve well-being include:

1. Moving people from unemployed to employed
2. Increasing incomes for those who earn less than the median income
3. Reducing number of Victorians living below the low-income cut-off
4. Implementing recommendations from the Mayor's Task Force on Housing Affordability in order to increase workforce housing
5. Reducing red-tape and barriers for small business and social-enterprise start-ups
6. Supporting innovation, creativity and collaboration
7. Increasing connections, belonging, trust, and community cohesion



# The Strategic Focus

At the time of publication of this plan, the Greater Victoria Region has the second lowest unemployment rate in the country at 4.9%. The unemployment rate is the percentage of people not working and actively seeking work. There is also an acute labour shortage. At the same time, there are groups of people in the city and the region who are un- or under-employed including people who have recently exited homelessness, people with mental health and addiction challenges, First Nations people, youth, those with disabilities, and people recently released from prison. The strategic focus of the actions in this plan is to both address the labour shortage and to create employment opportunities for those who have been on the margins of the economy and may not be currently actively seeking work.

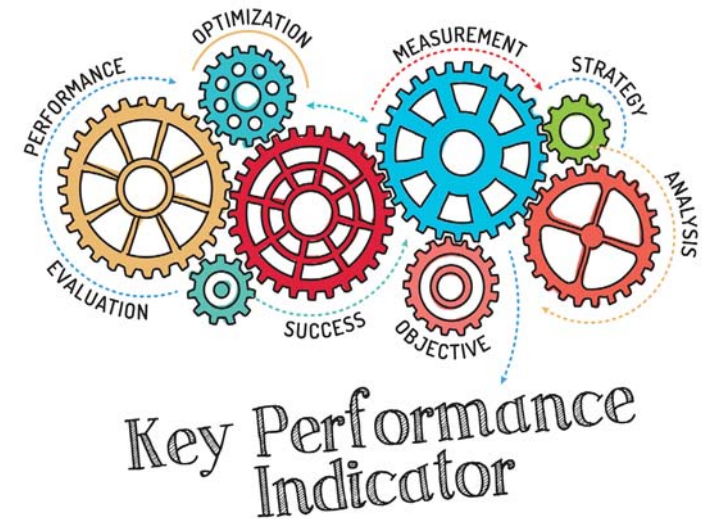


DOWNTOWN VICTORIA BUSINESS ASSOCIATION – CLEAN TEAM MEMBER



# Our Commitment to Performance Measurement and Sustainable Impact

The City of Victoria will develop an appropriate performance measurement framework including outcome mapping processes and tools to collect relevant data. This commitment to monitoring, evaluation and performance measurement will generate relevant data, information and other forms of evidence that will inform decision making in order to support and sustain social innovation for maximum community benefit. The integration and use of performance metrics and systems to capture impact into planning processes will not require complicated methods or large investments. It will however serve to ensure that the City of Victoria is procuring the kinds of services that are achieving its intended economic, social, environmental and cultural impacts.



# Values, Assets and Obstacles

## Values

As a City and community committed to social procurement and the development of social enterprises as an approach to community economic development we value:

1. Inclusive, sustainable economic growth
2. Creating community benefit through economic activity
3. Community wellness
4. Diversity, inclusion and an egalitarian approach
5. Learning by doing/testing and learning
6. Celebrating successes
7. Celebrating the courage to try and learning through failure
8. Leadership, modelling the way and sharing our learning
9. Intergenerational collaboration and learning
10. A recognition that we're all in this together

## Assets

This plan builds on existing and emerging assets for developing social enterprises, sustainable and social procurement as an approach to community economic development.

### At the City:

1. Orientation towards community benefit in the City's current spending – 70% of City's vendors are from the region
2. There is \$40 – \$60 million of annual City spending on goods and services that the Task Force recommendations can influence
3. Current procurement already has a focus on community benefit
4. Staff in the City's Supply Management Services are already working on thinking like this

### In the Community:

1. Values alignment; a sense that creating belonging, inclusion and adding social value is important
2. Two First Nations and the Victoria Native Friendship Centre working on economic development
3. Partnerships already exist to build the supply side, e.g. Vancouver Island Social Innovation Zone and the South Island Prosperity Project
4. The provincial government has social innovation on its radar. BC Housing and the Ministry of Social Development and Social Innovation recognize social impact in their procurement.
5. Developed models and practices around the world that we can draw on

6. Diverse economy industry/sector on the supply side
7. A large non-profit community looking for social enterprise opportunities in order to diversify their revenues and to increase their community benefit, as well as many for-profit businesses integrating social and/or environmental missions into their operations
8. A large number of investors in town, including socially-minded investors
9. Three strong post-secondary institutions to generate a pipeline of social enterprises and to provide relevant education and training

## Obstacles

1. Lack of understanding of social enterprise, and social procurement in general as sustainable community economic development tools
2. Trade agreements are often perceived to be an obstacle to considering social procurement options, which can sometimes stop the conversation
3. Readiness of people who have been marginalized to engage in work or to re-enter the workforce
4. Discrimination, especially against First Nations and people with mental health and addictions challenges, and people released from prison
5. Not enough companies willing to respond to Requests for Proposals (RFPs) that include delivering a community benefit as well as a product or service
6. Supply side readiness (social enterprises and small and medium sized businesses) with specific challenges in the areas of:
  - a. Access to capital
  - b. Lack of risk-taking culture
  - c. Workforce
  - d. Networks
  - e. Subcontracting opportunities
7. Red tape/bureaucracy
8. Ineffective communication regarding RFPs and RFQs that the City puts out for tender
9. Too hard for small business to interface with government
10. No opportunities for pilot projects with local government – to test concepts
11. Not enough City capacity to look at companies for social value – staff time to do the needed work
12. Investors lack awareness of blended-value opportunities
13. Limited networks for connecting capital to the blended-value opportunities offered through social innovation and social enterprise
14. Landowners lack awareness of blended-value opportunities, and limited willingness to take risks on tenants operating social enterprises
15. No financial incentives for landlords to rent to social enterprises and social purpose business start-ups
16. Co-operatives are not included as an enterprise model in school, college and university curricula except for a very small focus on co-ops for students already oriented towards this model

# Overview of City's Procurement Expenditures

A review of the City's annual capital and operating budgets reveals that there is between \$40 to \$60 million annually that the recommendations in this Action Plan can influence and that can be used to create social value in the community.

The City typically procures between \$40 and \$60 million in materials, equipment and services each year. As outlined in the City's 2016 Financial Plan, approximately 18% of the operating budget, or \$40 million, is planned to be spent for these categories. On top of that is capital spending, which is delivered partially in-house, and partially contracted out.

The City's Statement of Financial Information (SOFI) for 2015 lists all payments made to suppliers, including payments made to government agencies such as WorkSafeBC and Canada Revenue Agency. In 2015, \$87 million was listed in total. Removing payments that are statutorily obligated or to other governmental agencies, and payments made for the Johnson Street Bridge replacement, the City spent approximately \$48.3 million, which is in line with the typical annual spending level.

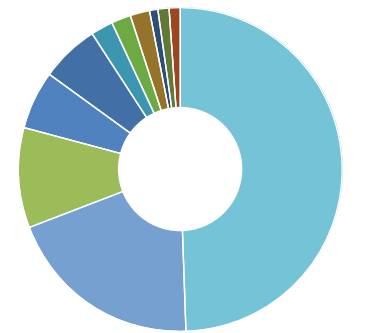
To provide further context, the 2015 accounts payable information was grouped by type of expenditures (equipment, materials and services) and the level of skill required for each type. Here is the high-level summary:

Highly Technical..... \$10.4 million  
 Mixed Skill ..... \$36.2 million  
 Low Skill ..... \$4 million

Some municipalities have focused their social procurement efforts in areas that are not highly technical. This analysis represents the City's expenditures at a particular point in time, and provides an indication of the relative level of expertise required to meet the City's needs in terms of what it purchases.

## Operating Expenditures by Type

2016 Budget Expenditures (\$223.9 million)



- Salaries and Benefits – 50%
- Internal Transfers – 20%
- Material and Supplies – 10%
- Fiscal – 6%
- Contracted Services – 6%
- Equipment – 2%
- Grants – 2%
- Miscellaneous – 2%
- External Transfers – 1%
- Other Personnel Costs – 1%
- Strategic Objectives – 1%



## Recommendation #1: Social Procurement

The current objectives contained in the City's current Purchasing Policy are "to balance the efficiency of purchasing processes to obtain goods, services and construction services to achieve the City's objectives, and to obtain the best value for all funds expended." In its purchasing, the City is committed to open, transparent, fair and accountable access to City business, utilizing leading practices and adhering to legislation and applicable trade agreements.

To help Victoria's economic ecosystem thrive and improve the well-being of Victoria residents, we must adjust our thinking and realize the potential to drive social good and economic opportunity at the same time as prudently, responsibly, and transparently managing tax dollars and spending decisions. Purchases should be leveraged to improve the economic, social and environmental well-being of the community.

### Outcomes

1. The City of Victoria has implemented a procurement policy that weighs, on a case-by-case basis, innovation, social value, value for money, and employment creation for people currently on the margins of the economy.
2. City staff, businesses, and social enterprises understand what social procurement is and are engaged in creating community benefit through the City's procurement process.
3. City staff and businesses understand what social enterprises and social purpose businesses are and know how to engage them to be part of the supply chain.
4. Social enterprises and businesses understand the City's procurement process and feel confident in submitting qualified bids.
5. There are new part-time and full-time employment opportunities generated for people currently unemployed or underemployed including people who have recently exited homelessness, First Nations, youth, those with disabilities, and people released from prison.
6. There are supportive employment opportunities for people with mental health and addictions challenges who need support to hold a job.



SONGHEES WELLNESS CENTRE FOOD TRUCK

## RECOMMENDATIONS

### Action #1.1: Establish a Social Procurement Framework at the City of Victoria (See Appendix A for focus of proposed Framework)

**Lead:** Department of Finance, City Council

**Support:** Business Hub

#### Tasks:

- **Year 1:** Begin with targeted outreach to current City of Victoria vendors about new procurement policy and approach and ask for their input
- **Year 1:** Brief Chamber of Commerce, BC Construction Association and other relevant industry associations and get their input on proposed policy direction
- **Year 1:** Review and revise City of Victoria procurement policies to ensure future procurements maximize social value, incorporating weighting as recommended in Appendix B. Make policy plain language and user friendly
- **Year 1:** Put in place a measurement system to evaluate the social value and community benefit driven out by this approach
- **Year 1:** Communicate proactively with the vendor community about the City's Social Procurement Framework Policy to ensure the purposes of the policy are well understood and that vendors can put their best foot forward in responding
- **Years 3 – 5:** Create case studies of successful social procurements and share these with other municipalities, institutions and the vendor community to inspire more use of social procurement tools and better responses

### Action #1.2: Educate City staff

**Lead:** Business Hub, Department of Finance

**Support:** Vancouver Island Social Innovation Zone

#### Tasks:

- **Year 1 and Ongoing:** Host initial and annual information session with City staff so they understand the City's Social Procurement Framework and policies related to driving community benefit through procurement

**Action #1.3: Develop and disseminate educational materials about City's Social Procurement Framework, including opportunities for businesses and social enterprises**

**Lead:** Department of Finance

**Support:** Business Hub, Department of Engagement, Vancouver Island Social Innovation Zone

**Tasks:**

- **Year 1:** Make website easy to access and understand and clearly highlight social procurement opportunities
- **Year 1 and Ongoing:** Hold annual workshop for private sector on how to:
  - Hire and re/train people or partner with other agencies that are doing so
  - Sub-contract with and incorporate employment-focused social enterprises into their supply chains
- **Year 2:** Identify businesses already creating community benefit through their procurement practices. Ask them to help draft a "How we benefit from buying from social enterprises and social purpose businesses" document to help the City and other interested businesses in adding social enterprises and social purpose businesses to their supply chain
- **Ongoing:** Highlight successes of social procurement using City's website, press releases and social media channels; measure and promote positive economic and social impact on a contract-by-contract basis
- **Ongoing:** Provide information through established events to encourage and highlight procurement opportunities and successes. Some events might include seCatalyst, Vancouver Island Economic Summit, Association of Vancouver Island and Coastal Communities events, Union of BC Municipalities, Thinklandia, Vancouver Island Social Innovation Zone events

**Action #1.4: Survey and engage businesses to shine light on the extent of their current community benefit practices and identify ways to enhance**

**Lead:** Department of Finance, Business Hub

**Support:** Chamber of Commerce, Downtown Victoria Business Association (DVBA), Tourism Victoria

**Tasks:**

- **Year 1:** Survey current City of Victoria vendors with three simple questions:
  - a) Do you consider the business that you do and the way you do business to have a community benefit?
  - b) What are the community benefits?
  - c) What supports/tools/resources do you need to integrate community benefits into your business and/or enhance existing community benefits?
- **Year 2:** Survey Chamber, DVBA and Tourism Victoria members with three simple questions:
  - a) Do you consider the business that you do and the way you do business to have a community benefit?
  - b) What are the community benefits?
  - c) What supports/tools/resources do you need to integrate community benefits into your business and/or enhance existing community benefits?
- **Years 3 – 4:** Celebrate and highlight businesses that provide community benefits
- **Years 3 – 4:** As appropriate, adapt supports/tools/resources identified by businesses to enhance community benefits
- **Year 5:** Re-survey all groups identified above and track change in extent of community benefit practices

### Action #1.5: Educate social enterprises, social entrepreneurs and business sector

**Lead:** Department of Finance, Vancouver Island Social Innovation Zone

**Support:** South Island Prosperity Project, Business Hub

#### Task:

- **Year 1 and Ongoing:** Host initial and annual information session with social enterprises and businesses so they understand the City's Social Procurement Framework and policies related to driving community benefit through procurement
- **Year 1 and Ongoing:** Host regular workshops (two per year) for social enterprises and businesses on how to bid on City contracts

### Action #1.6: Take part in Vancouver Island Social Procurement Pilot

**Lead:** Department of Finance and Sandra Hamilton, Business Consultant

**Support:** Vancouver Island Construction Association, Association of Vancouver Island and Coastal Communities (AVICC) Working Group

#### Tasks:

- **Year 1:** Participate in a social procurement pilot with at least two other local governments in the AVICC region
- **Year 1:** Evaluate results of pilot project
- **Year 2:** Based on learnings from pilot project, work with Vancouver Island Construction Association and other AVICC local governments to advance the practice of social procurement

### Action #1.7: Strengthen Capacity for Supportive Employment Models

**Lead:** Vancouver Island Social Innovation Zone, Community Social Planning Council

**Support:** Victoria Foundation, Department of Finance, agencies who work with people who are economically marginalized and/or un- or under-employed

#### Tasks:

- **Year 2:** Learn from existing employment social enterprises and create tools and resources for social enterprises that want to develop supportive employment models
- **Year 2:** Collaborate with local social agencies that understand the needs and opportunities for people in our community with barriers to employment, and that offer pre-employment skills and job readiness programs.
- **Years 3 – 5:** Measure increase in number of employment social enterprises and number involved in City procurement either directly or as part of supply chain



**Action #1.8: Focus on First Nations\***

**Lead:** Songhees and Esquimalt Nations, Aboriginal Coalition to End Homelessness, Victoria Native Friendship Centre

**Support:** Business Hub, Vancouver Island Social Innovation Zone, Songhees Innovation Centre, South Island Prosperity Project

**Task:**

- **Year 1 and Ongoing:** Engage with First Nations through the Songhees Innovation Centre, South Island First Nations Economic Development Community Dialogue Series and South Island First Nations Economic Development Round Table
- **Year 2 and Ongoing:** Collaborate with the Victoria Native Friendship Centre to support the urban Aboriginal population; connect individuals with programs and mentors to develop pre-employment skills, job readiness and job opportunities

\*First Nations are overrepresented as a percentage of the homeless and underemployed population compared to their representation in the population as a whole.



ESQUIMALT NATION JOB FAIR/EXPO

### Recommendation #2: Social Enterprise Development

These recommended actions are meant to strengthen and grow the businesses already doing business with community benefit in mind and to grow the social enterprise sector.

#### Outcomes

1. There are more viable social enterprises, social entrepreneurs and social purpose businesses in Victoria.
2. There is a clear process for social impact and venture capital to help stimulate social enterprise and social entrepreneurship.
3. There is more general awareness about social enterprise and social procurement as community economic development tools.
4. Social enterprises have places to rent or lease in a way that allows them to grow sustainably.



SOCIAL ENTERPRISE CATALYST EVENT, VANCOUVER ISLAND

PHOTO CREDIT: CONCEPT PHOTOGRAPHY

#### Action #2.1: Identify and survey social enterprises in the city

**Lead:** Vancouver Island Social Innovation Zone

**Support:** Community Social Planning Council, [www.hubcapbc.ca](http://www.hubcapbc.ca)

#### Tasks:

- **Year 1:** Build on the social enterprise and social innovation mapping currently hosted on [www.hubcapbc.ca](http://www.hubcapbc.ca) and list all Victoria social enterprises and social purpose businesses (Vancouver Island information was recently populated on this site by Vancouver Island Social Innovation Zone) <http://visocialinnovation.ca/resources-2/social-innovation-map/>
- **Year 1:** Publicize Victoria-based businesses and social enterprises registered on [www.hubcapbc.ca](http://www.hubcapbc.ca) to all institutional purchasers in the Capital Region
- **Year 2:** Survey all social enterprises and other small and medium-sized enterprises and social purpose businesses to establish baseline measures, including measures of supply chain access (SEE ALSO ACTION 1.3)
- **Year 3 and beyond:** Maintain the list of social enterprises using [www.hubcapbc.ca](http://www.hubcapbc.ca) and survey at suitable intervals to update measures, track progress, and account for any increase in number of social enterprises

### Action #2.2: Convene cross-industry/multi-sector events to increase exposure and opportunities for social enterprises

**Lead:** Vancouver Island Social Innovation Zone

**Support:** Community Social Planning Council, Vancouver Island Green Business Certification (VIGBC), Business Hub

#### Tasks:

- **Year 1:** Identify a prospective list of non-profits, social enterprises, local government and institutional purchasers, and socially-minded companies and invite to a focused event to identify the opportunity represented by social enterprise and social procurement, and to encourage people to create new ties across industries and sectors
- **Year 1:** Follow-up with participants to assess outcomes, document connections made and deal flow, and to build momentum
- **Year 2:** Host additional functions to introduce social entrepreneurs and social enterprises to sources of social venture capital and to highlight how all sectors can work together to alleviate social issues in our communities
- **Years 3 – 5:** Evaluate first two years and continue the event(s) if there is momentum

### Action #2.3: Strengthen existing and aspiring social enterprises

**Lead:** Scale Collaborative, Community Social Planning Council (CSPC)

**Support:** Business Hub, Vancouver Social Innovation Zone, Victoria Foundation

#### Tasks:

- **Year 1 and Ongoing:** Hold workshops featuring successful local social enterprises and co-ops including but not limited to VIATEC, Fernwood NRG, Adrenaline Motorcycle Co-op, Stocksy, Women In Need, Victoria Health Co-op, Home Hardware, Pharmasave, and social enterprises from the seCatalyst network as well as incorporating successful examples from elsewhere including but not limited to Teamworks in Thunder Bay, Ontario, Y's Owl Maclure Cooperative Centre in Ottawa, Ontario, Open Sky Cooperative in Sackville, New Brunswick
- **Year 1 and Ongoing:** Partner with Vancouver Island Social Innovation Zone and support the efforts to launch best practice incubator and accelerator program(s) for social enterprise – and also leverage existing social enterprise capacity-building assets such as CSPC social enterprise incubator, Scale Collaborative offerings, post-secondary offerings, etc
- **Year 2 and Ongoing:** Host workshops on the benefits and how-to's of co-ops as a corporate form

## RECOMMENDATIONS

**Action #2.4:** Build a co-op enterprise network in Victoria including but not limited to health and social service co-ops, housing co-ops, and worker co-ops

**Lead:** Victoria Health Co-op

**Support:** Credit Unions

**Tasks:**

- **Year 1 and Ongoing:** Victoria Health Co-op to offer workshops tailored for people re-entering or entering the workforce, focusing on basic wellness awareness, dealing with stress, good sleep, nutrition, etc
- **Year 1 and Ongoing:** Hold regular networking events for co-ops to increase purchases made between co-ops
- **Ongoing:** Work with financial institutions and Co-op Zone to provide the financing and co-op training

**Action #2.5:** Build relationships and connect the dots between the pool of human and financial capital that will support social enterprise, social entrepreneurship and social purpose business

**Lead:** Scale Collaborative, Vancouver Island Social Innovation Zone, Greenangels Financial Ltd.

**Support:** Credit Unions, Victoria Foundation

**Tasks:**

- **Year 1 and Ongoing:** Make existing funding opportunities for social entrepreneurship and social enterprise more widely known and accessible
- **Years 1 – 2:** Examine successful models from elsewhere
- **Years 1 – 2:** Identify and approach donors and investors interested in contributing to a social enterprise/social purpose venture fund
- **Years 3 – 4:** Develop criteria for investment and launch fund

**Action #2.6:** Create a mechanism for larger companies to support smaller companies in supply chain access

**Lead:** Business Hub, Greenangels Financial Ltd.

**Support:** Vancouver Island Social Innovation Zone, Vancity

**Tasks:**

- **Year 2:** Investigate and share local success stories (e.g. Ralmax) where larger companies facilitate the involvement of smaller suppliers, both social enterprises and businesses
- **Year 3:** Based on above, create a Joint Venture Platform, between social entrepreneurs and traditional suppliers to the City; supporting social enterprises and small suppliers with insurance, bonding, past experience/track record, WorkSafeBC, etc



### Action #2.7: Educate new social entrepreneurs through post-secondary channels

**Lead:** Business Hub, CityStudio Victoria

**Support:** Coast Capital Savings Innovation Centre at UVIC, Camosun and Royal Roads social innovation certificate programs, CityStudio courses

#### Tasks:

- **Year 1:** Develop materials for post-secondary students that present social enterprise, social entrepreneurship and social finance as viable career paths
- **Years 2 – 5:** Make presentations during university/college clubs week and career fairs
- **Years 2 – 5:** Seize opportunities with post-secondary institutions to ensure that students and community have access to Vancouver Island-based education in social innovation, social enterprise and social finance, through individual courses, programs and/or certificates

### Action #2.8: Support social enterprises to find spaces to lease

**Lead:** Business Hub

**Support:** Local leasing agents

#### Tasks:

- **Year 1:** Establish a database of landlords that understand social enterprise and social entrepreneurship
- **Year 1 and Ongoing:** Help match social enterprises with vacant spaces
- **Year 1 and Ongoing:** Support social enterprises with the development of business cases that establish a win-win for landlords and social enterprise tenants e.g. shorter term lease, rent geared to income, etc

### Recommendation #3: Leading Economic Change

Taken together, the recommendations in this Action Plan are meant to lead change in the mainstream economy, making it more inclusive, sustainable, and ensuring that there is always an opportunity for everyone to prosper.

#### Outcomes

1. It is common sense for the City of Victoria and others to purchase with community benefit in mind.
2. Social procurement, social enterprise development and social entrepreneurship become the preferred way of doing business in Victoria; the City's economic policy drives economic change in the mainstream economy.
3. "Internal economies" of existing charities, non-profits and businesses have been examined to maximize community benefit opportunities through procurement. It's not all just about City procurement.
4. Economic disparity is decreased.



SKOOKUM CAFÉ – A YOUTH-LED SOCIAL ENTERPRISE

PHOTO CREDIT: CATHIE FERGUSON

#### Action #3.1: Review and continuously improve City's Social Procurement Framework

**Lead:** Department of Finance, Mayor

**Support:** Business Hub, Vancouver Island Social Innovation Zone, Chamber of Commerce, Downtown Victoria Business Association

#### Tasks:

- **Year 1:** Establish a stewardship body as mechanism for review and refinement of Social Procurement Framework with representatives from City, business, social enterprise and social services communities
- **Ongoing:** Capture and incorporate learnings on a continuous basis
- **Ongoing:** Annually report out on impact of Social Procurement Framework, practice and engagement. Is the Social Procurement Framework helping to drive the social and economic outcomes identified in this Action Plan?
- **Ongoing:** Every five years, review and update Social Procurement Framework

**Action #3.2: Support a living wage policy (SEE APPENDIX B)**

**Lead:** City Council

**Support:** Community Social Planning Council

**Tasks:**

- **Year 1:** Adopt a living wage policy at the City of Victoria to model corporate responsibility as a building block of social enterprise
- **Year 2 – 5:** Promote the Living Wage campaign with local businesses and institutions. Encourage other employers to explore the business benefits and societal impacts of paying a living wage

**Action #3.3: Promote culture of social enterprise and social procurement**

**Lead:** Department of Engagement, Business Hub

**Support:** Business Hub, media and community partners, Vancouver Island Social Innovation Zone, Department of Finance, Chamber of Commerce, Downtown Victoria Business Association (DVBA), Greater Victoria Harbour Authority (GVHA) Tourism Victoria

**Task:**

- **Year 2 and Ongoing:** Share the City's approach to social procurement in order to promote social procurement in other organizations and businesses through workshops, info sessions, 'lunch and learns' for businesses, not-for-profits, and institutional players in the community
- **Year 2:** Collaborate with the Chamber, DVBA, GVHA, Tourism Victoria and Synergy Enterprises to create a network of local businesses committed to social procurement
- **Year 2 and Ongoing:** Create regular social enterprise and social procurement networking opportunities
- **Ongoing:** Create information sharing and best practice platform (potentially through partnership with an existing platform such as [www.hubcapbc.ca](http://www.hubcapbc.ca))

**Action #3.4: Measure economic disparity**

**Lead:** To be determined; potentially UVic researchers – professors or graduate students

**Support:** Community Social Planning Council

**Tasks:**

- **Year 2:** Establish standards by which a decrease in disparity can be measured, set out objective benchmarks for a reasonable degree of difference between the top and bottom levels of earned income
- **Year 3 – 5 and beyond:** Annually measure economic disparity in Victoria

**Action #3.5: Celebrate social enterprise, social procurement and the community benefits they produce**

**Lead:** Business Hub, Vancouver Island Social Innovation Zone

**Support:** Department of Finance

**Task:**

- **Ongoing:** Consider awards, recognition dinner, and/or use existing channels to share stories of success such as Douglas Magazine, Vancouver Island Economic Alliance, EcoStar Awards, Thinklandia, Victoria Leadership Awards, etc.

## Appendix A – Elements to be Included in City’s Social Procurement Framework

The City of Victoria Procurement Framework should include weighting for the hiring and training/retraining of unemployed and underemployed people, especially First Nations, youth, those with disabilities, those who have recently exited homelessness, those with mental health and addictions challenges, and those who have recently been released from prison. City procurement activities provide preference for vendors that hire and, if needed, train these groups or have as part of their supply chains social enterprises or SMEs that do so.

RFPs and City procurement activities include and have a priority for vendors that hire from or work with EI programs and programs for those on disability benefits.

RFPs and City procurement activities provide preference for vendors who can demonstrate they are hiring skills-retrained employees, employees returning to the workforce after parental leave or other types of leave.

Support current and potential City vendors in the hiring and training/retraining of unemployed and underemployed people, especially First Nations, youth, those with disabilities, those who have recently exited homelessness, those with mental health and addictions challenges, and those recently released from prison.

City RFPs and procurement activities have links to federal and provincial employment programs that support youth, First Nations, people with disabilities, people with mental health and/or addictions challenges, people released from prison and any other related program for employers wishing to hire unemployed or underemployed people.



SOCIAL ENTERPRISE CATALYST EVENT, VANCOUVER ISLAND

PHOTO CREDIT: CONCEPT PHOTOGRAPHY

## Appendix B – Definitions

### Living Wage

The Living Wage rate reflects the real costs of living through the hourly wage required to enjoy an adequate quality of life. In 2016, the Living Wage required in the Capital Region is calculated at \$20.02 per hour.

This calculation assumes two adults working 35 hours per week each, while providing a home for two children, one in preschool and the other in grade two. More than a survival wage or minimum wage, it is not an affluent wage.

This Living Wage calculation does include sick time benefits but does not include other employment benefits such as extended health, pension plans, bonuses, or transportation incentives. In determining whether a business pays a Living Wage, such benefits would need to be included in the calculation.

The Community Social Planning Council of Greater Victoria calculates the local Living Wage each year, based on the best data available about costs in the Capital Regional District.

### Sustainable and Social Procurement

Procurement is called sustainable when it integrates requirements, specifications and criteria that are compatible and in favour of the protection of the environment, of social progress and in support of economic development, namely by seeking resource efficiency, improving the quality of products and services and ultimately optimizing costs.

Through sustainable procurement, organizations use their own buying power to give a signal to the market in favour of sustainability and base their choice of goods and services on:

- economic considerations: best value for money, price, quality, availability, functionality;

- environmental aspects, i.e. green procurement: the impacts on the environment that the product and/or service has over its whole life-cycle, from cradle to grave; and
- social aspects: effects of purchasing decisions on issues such as poverty eradication, international equity in the distribution of resources, labour conditions, human rights

Source: <https://www.ungm.org/Public/KnowledgeCentre/SustainableProcurement> )

Sandra Hamilton, Canada's first Social MBA and leading social procurement advisor notes that "Social procurement moves us beyond the 'Do no harm' of the environmental movement to pro-actively leveraging tax dollars to 'Do some good'. Social procurement works on the premise that tax payer-funded contracts should enhance, rather than diminish social value in our communities. Social procurement better leverages existing public expenditure to diversify supply chains and improve small business access to government contracts. Social procurement involves educating public sector buyers in how to structure and evaluate contracts to maximize value for taxpayers."

Source: [http://www.sandrahamilton.ca/assets/uploads/sandra\\_hamilton\\_\\_avicc\\_public\\_policy\\_\\_web\\_59814.pdf](http://www.sandrahamilton.ca/assets/uploads/sandra_hamilton__avicc_public_policy__web_59814.pdf)



### Social Enterprise/Social Venture

The purpose of social enterprises is to utilize business strategies to earn revenues and achieve social, environmental and/or cultural impact. These are also referred to as social ventures, impact businesses or social purpose businesses. Non-profits, co-ops and community contribution companies tend to be called social enterprises, whereas for-profits are social ventures. For the purposes of this Action Plan, we use these terms interchangeably.

Source: Vancouver Island Social Innovation Zone Strategic Plan

[http://visocialinnovation.ca/Vancouver Island Social Innovation Zone-strategic-plan-august-2016/](http://visocialinnovation.ca/Vancouver%20Island%20Social%20Innovation%20Zone-strategic-plan-august-2016/)

### Social Innovation

Social innovation provides new ways of approaching persistent problems faced by society. At the heart, social innovation involves collaboration between governments, institutions, businesses, non-profit organizations and communities. By working together, these groups can creatively re-mix ideas, expertise and resources to build new solutions that inspire lasting social change.

Source: Vancouver Island Social Innovation Zone Strategic Plan

[http://visocialinnovation.ca/Vancouver Island Social Innovation Zone-strategic-plan-august-2016/](http://visocialinnovation.ca/Vancouver%20Island%20Social%20Innovation%20Zone-strategic-plan-august-2016/)

### Social Value

Social Value is about maximizing the impact of public expenditure. It's a way of thinking about how scarce resources are allocated and used. It involves looking beyond the price of each individual contract and looking at what the collective benefit to a community is when a public body chooses to award a contract. Social value asks the question if a dollar is spent on the delivery of services, can that same dollar be used to also produce a wider benefit to the community at the same time? Social value is created when resources, inputs, processes or policies are combined to generate improvements in the lives of individuals or society as a whole.

Sources: Social Enterprise UK, via <http://socialvaluebusiness.com/social-value/>

NACVA, via <http://socialvaluebusiness.com/social-value/>

Social Return on Investment (SROI): Exploring Aspects of Value Creation," Jed Emerson, Jay Wachowicz, and Suzi Chun, Harvard Business School: <http://hbswk.hbs.edu/archive/1957.html#3>

## Appendix C – Social Enterprises Needed in Victoria

The Task Force has identified some of the types of social enterprises that could help meet some of the community needs and opportunities in Victoria. This list is a starting point and is not meant to be complete or exclusive:

- Train and employ people who have recently exited homelessness
- Train and employ youth
- Train and employ First Nations people
- Provide supportive employment opportunities for people with mental health and addictions challenges
- Provide supportive employment opportunities for people with disabilities
- Hire and support people released from prison
- Homecare
- Childcare
- Food co-op
- Wellness education and support enterprises



SOCIAL ENTERPRISE CATALYST EVENT, VANCOUVER ISLAND

# Appendix D – Vancouver Island Social Innovation Zone

## Background

Vancouver Island Social Innovation Zone (VISIZ) grew out of a series of events and conversations, primarily Social Enterprise Catalyst (2014 and 2015) and Catalyst Conversations (2015). Together, the seven partners applied to the McConnell Foundation to advance social innovation on Vancouver Island through research, mapping and a strategic planning process. The founding members of VISIZ include: Social Enterprise Catalyst, University of Victoria, Royal Roads University, Camosun College, Victoria Native Friendship Centre, Community Social Planning Council, and Vancity.

## Vision

The Vancouver Island Social Innovation Zone envisions Vancouver Island as the place to test and grow enterprising solutions to social issues. Vancouver Island is home to a collaborative ecosystem that supports social innovation, social enterprise and social finance that generates positive economic, social and environmental impacts.

The purpose of VISIZ is to:

- strengthen collaborative relationships, activities and initiatives of post-secondary institutions, community, economic actors and government in support of enterprising approaches to social innovation on Vancouver Island
- incubate, accelerate and scale innovation, through social enterprise, social venture, collaborative impact and social finance
- be grounded in research, education and engagement between communities, students and post-secondary institutions
- connect students and community members to inspiring ideas, models and processes
- be informed by sector leaders and economic actors
- benefit the communities of Vancouver Island





