

Calgary



Benefit Driven Procurement

Dispelling the Myths

Industry Engagement, December 9, 2020

***Matthew Sutherland, The City of Calgary and
David Lepage, Buy Social***



- ✓ Benefit Driven Procurement
- ✓ Myths vs Facts
- ✓ The City of Calgary – Learning First
- ✓ Shared Outcomes
- ✓ Questions

Benefit Driven Procurement

Every purchase has an economic, environmental and social impact, whether intended or not.

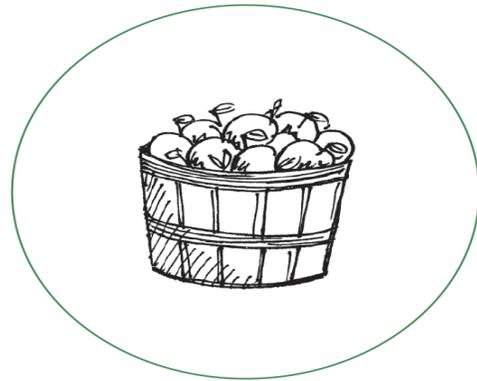


Adding Social Value



PURCHASER VALUE
VALUE OF GOOD/SERVICE
FOR PURCHASER

+



SUPPLIER VALUE
DOLLAR VALUE OF
TRANSACTION FOR SUPPLIER

+



SOCIAL VALUE
SOCIAL VALUE CREATED
BY THE PURCHASE

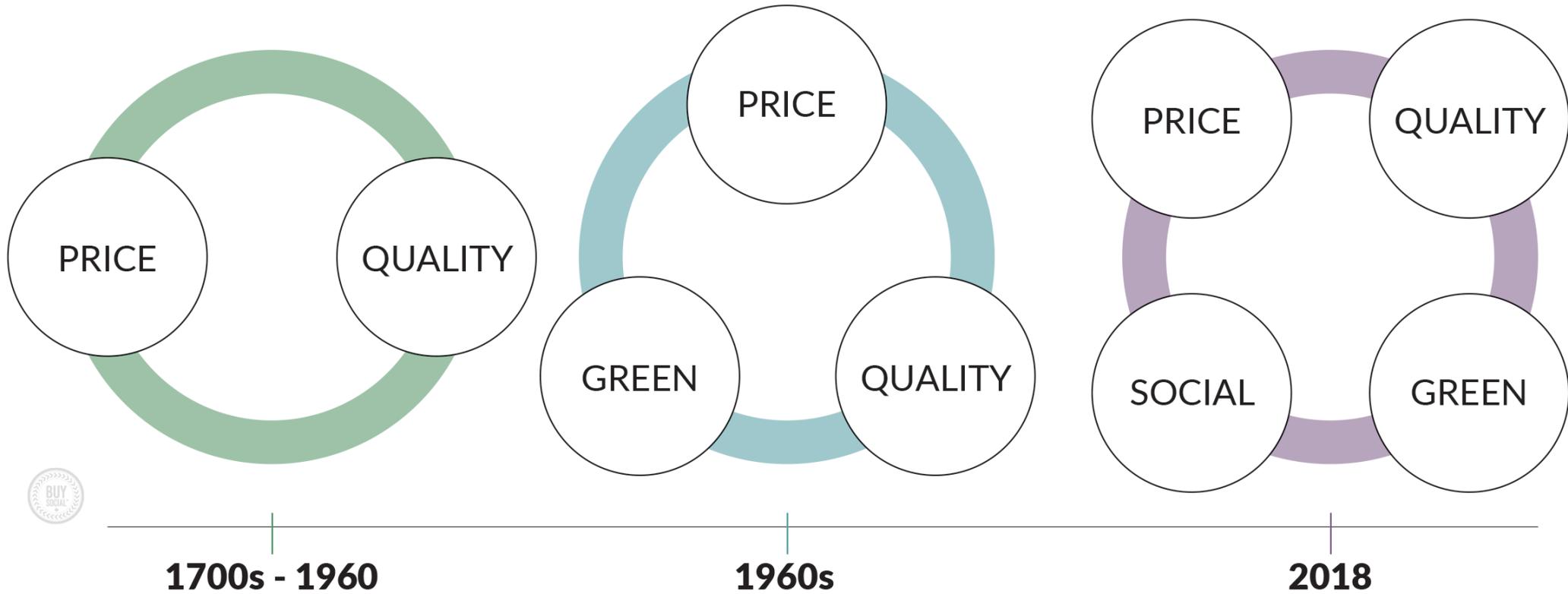
=



COMMUNITY VALUE



The Evolution of Procurement





Emerging Trends Across Canada and Internationally

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, Cumberland...

In Process:

Halifax, Peterborough, Winnipeg, Ottawa

Internationally

Scotland, Australia, UK

City of Surrey

DMAF Program procurement targets

- ✓ 20-30% of employment hours carried out by individuals who fall into at least one of the CEB - Groups;

and

- ✓ 50% of purchasing from target enterprise types - small, medium or social enterprises.

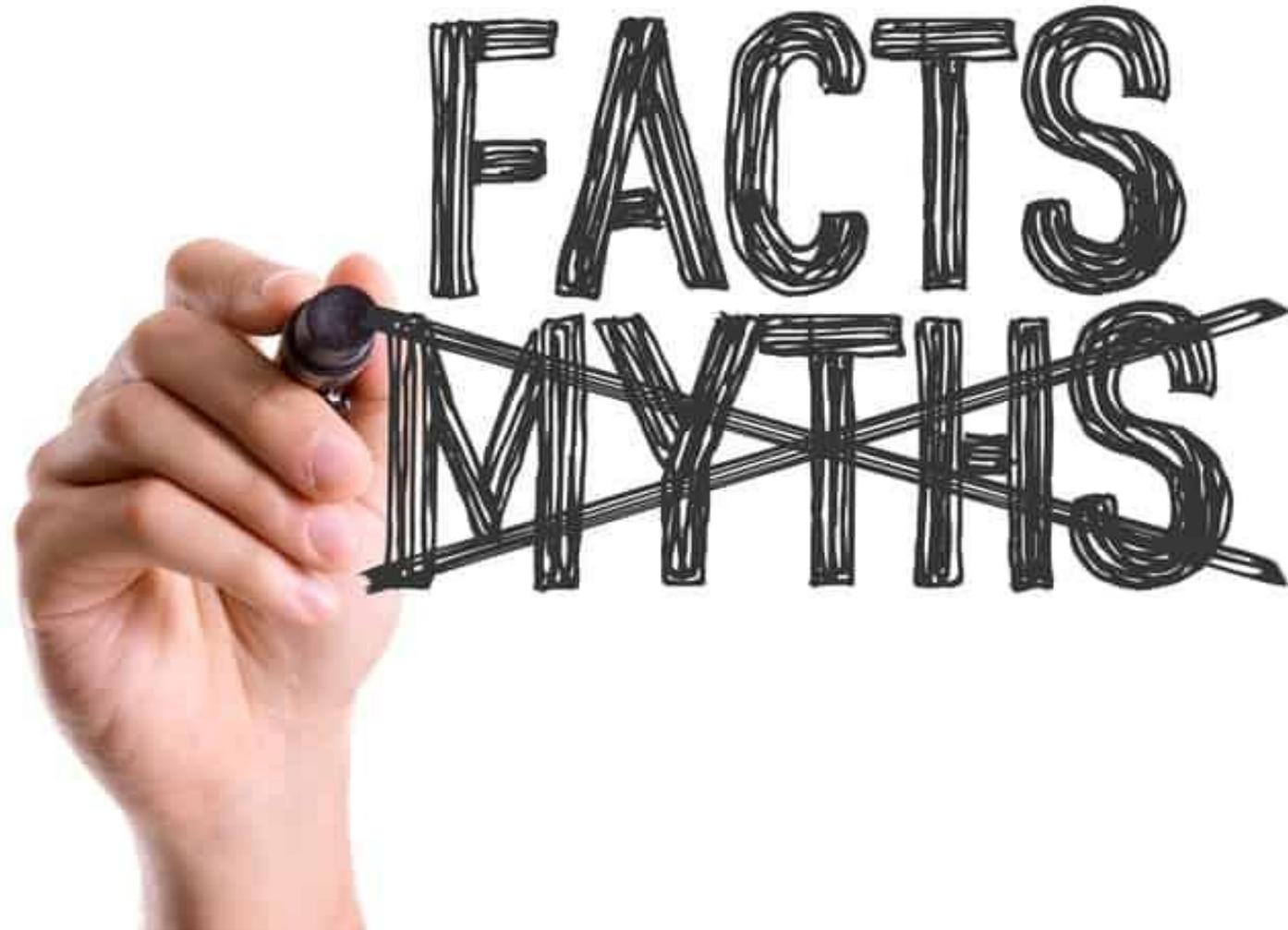
Comox, BC

\$120M Water Filtration Project

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

“Community employment benefit hours are tracking above the committed totals, with forecasts projecting almost twice the committed hours for underrepresented populations.”

Scott Hainsworth, Comox Valley Regional District;
Water Treatment Project, 2020

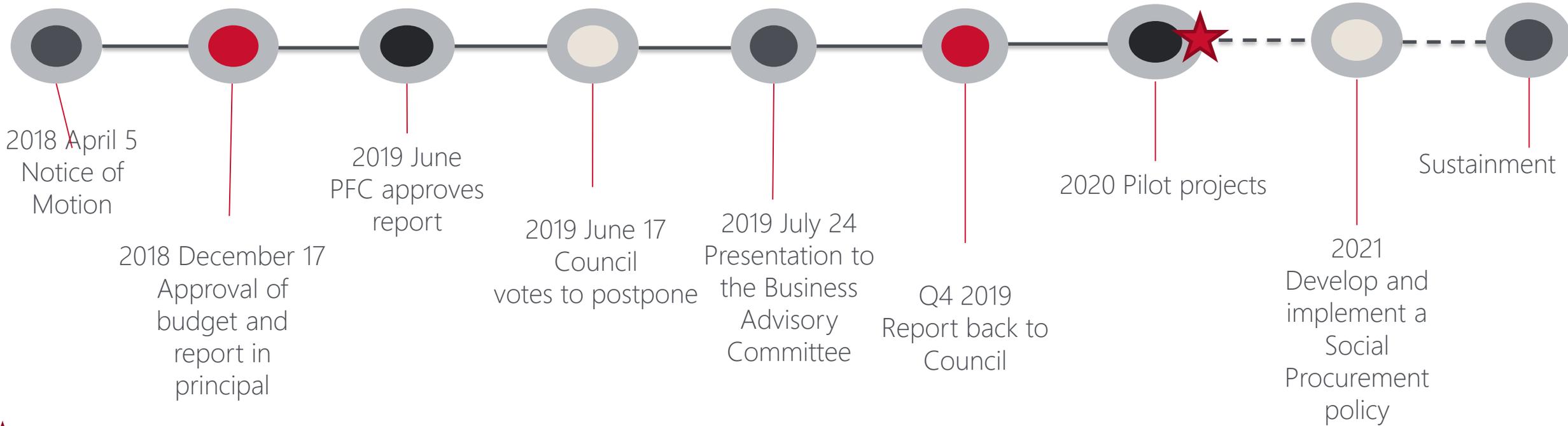


Sustainable Environmental & Ethical Procurement Policy (SEEPP)

The City's Sustainable, Environmental and Ethical Procurement Policy (SEEPP) provides guidelines to govern procurement activities at The City of Calgary. This means purchasing products and services at reasonable prices while considering key environmental and social benefits such as worker health and safety, energy efficiency, minimal packaging, or other sustainability aspects over the entire life-cycle of the product or service.



Three-year Process



December 9, 2020



The City of Calgary – Learning First

Three-year process

- Test, verify, and implement sound policy and informed and effective practices
- Reports to Council

Multi Stakeholder Advisory Task Force

- City, Private Sector, Community Representatives

Pilots to explore options and opportunities

- Test and Verify Variable Models
- RFX language and Weighting Options
- Trade Agreement Parameters
- Opportunities Below Financial Thresholds



Multi-Stakeholder Advisory Task Force

- An advisory group made up of internal and external stakeholders.
- Advise and support the process of designing, implementing and measuring a social value into the existing procurement process.
- Provide recommendations to the Director of Supply Management.
- Meet quarterly at minimum.
- Terms ends on December 31, 2021 (to coincide with end of Pilot) unless terminated earlier.

External Members		
Mayor's Office and Ward 9 Councilor	Calgary Construction Association (CCA)	Alberta Roadbuilders & Heavy Construction Association (ARHCA)
Chamber of Commerce	Buy Social	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

**as of 2020-12-09*

Pilots to Explore Options and Opportunities

Currently two methods being implemented:

- RFP language and weighting for social value -
Within trade agreement parameters
- Small buys below financial thresholds –
Credit cards/P cards



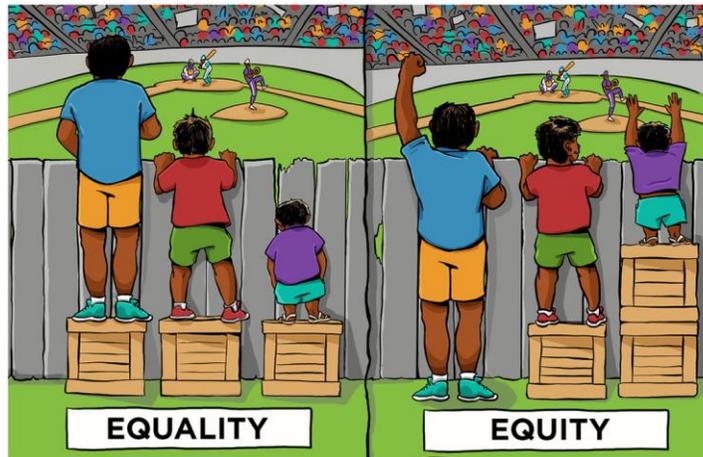
Shared Outcomes



Small Business, Diverse Suppliers, and Socially Inclusive Supply Chains



Apprenticeships and paid work experience



Underrepresented Groups



Trades and other career-track employment

Questionnaire Section 1 -

Small / Medium Size Business, Diverse suppliers and socially inclusive supply chains

1. Are you a Small or Medium enterprise?
 - Do you have a 3rd party certification from any of the following organizations verifying that you are a social enterprise, your social impact, or membership of any organization verifying diverse ownership?
2. Does your organization have a social procurement policy?
3. Do you currently track the number of contracts and/or dollars spent with diverse and socially inclusive small and medium-sized businesses in your supply chain?
4. Do you have a strategy for how you will ensure a diverse supply chain that is accessible to all types of business, including where appropriate diverse and socially inclusive small and medium-sized businesses in the delivery of this contract?

Questionnaire Section 2 -

Economic Opportunity and Integration for Underrepresented Groups

1. In the last 3 years, have you implemented any programs or Initiatives to ensure greater economic opportunity and integration for marginalized groups including: Indigenous peoples, youth, women, recent immigrants, peoples with disabilities, and people with experiences of homelessness in the community?

Questionnaire Section 3 -

Apprenticeships and Paid Work Experience Opportunities

1. Do you currently have an Apprenticeship program?
2. Do you currently have an Apprenticeship program that targets any of the following traditionally marginalized groups: Indigenous peoples, youth, women, recent immigrants, people with disabilities and people with experience of homelessness?
3. Does your organization currently provide work experience opportunities?
4. Does your organization currently provide work experience opportunities that target traditionally marginalized groups including but not limited to, Indigenous peoples, youth, women, recent immigrants, people with disabilities and people with experience of homelessness?

Questionnaire Section 4 -

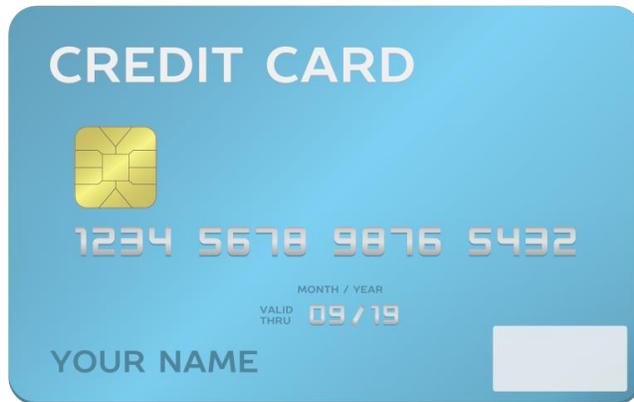
Opportunities in the Trades and Other Career-Track Employment

1. Does your organization currently have strategies or policies around inclusive employment practices to ensure you are providing employment opportunities for marginalized groups?
2. Does your organization currently provide employment readiness training or access to employment readiness training opportunities that prepare traditionally marginalized groups including, but not limited to, Indigenous peoples, youth, women, recent immigrants, people with disabilities and people with experience of homelessness. to be employed in entry-level opportunities including in the trades and other career-track employment?
3. Please provide the number of positions that would be made available for entry-level opportunities including in the trades and other career-track employment for marginalized community members in the delivery of this contract. Provide this as a % of all new entry-level opportunities and explain why this number is the maximum number of positions that could be made available to marginalized groups.

Questionnaire Section 5 -
Living Wage Policy

1. Does your organization have a living wage policy that includes paying both directly employed staff as well as all contracted service staff the Living Wage?
2. Does your organization have a policy that suppliers in your supply chain must have a Living Wage Policy?
3. What percentage of current employment opportunities that will be involved in the delivery of this contract currently provide a living wage? Please provide a number below and how you would monitor and measure this throughout the contract reporting period.
4. What percentage of new employment opportunities that will be involved in the delivery of this contract will provide a living a wage? Please provide a number below and how you would monitor and measure this throughout the contract reporting period.

Low Value Purchasing



- ✓ Maximize Spend with Local Suppliers
- ✓ Define 'local' Definitions
- ✓ Establish Current Spending Baseline
- ✓ Explore Options to Improve Outcomes

Calgary



Questions

