

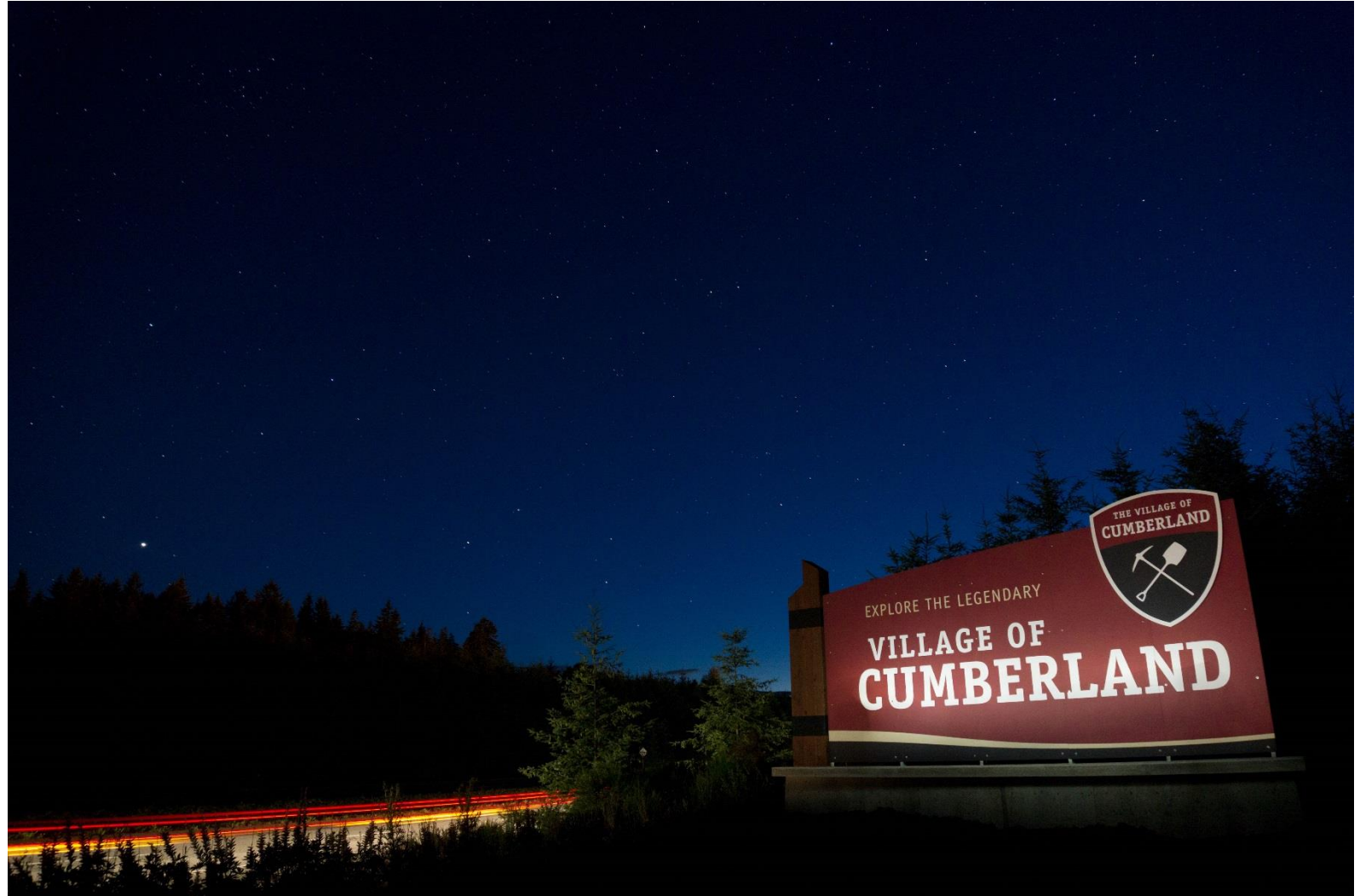
Leveraging Procurement for Community Benefit

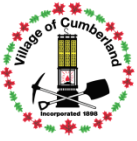
Village of Cumberland

COASTAL
COMMUNITIES

SOCIAL PROCUREMENT INITIATIVE

PREPARED BY: Sundance Topham
DATE: January 10, 2019

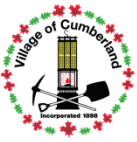




Overview

- What is Social Procurement?
- How does Social Procurement add value?
- What does Social Procurement look like?
- How do you integrate Social Procurement into your organization?
- Village's experiences with Social Procurement
- What is the Coastal Communities Social Procurement Initiative?
- How to join the Coastal Communities Social Procurement Initiative?





What is Social Procurement?

Social Procurement involves leveraging the spending that you're already doing as an organization to try and achieve social benefit for your community.

Social procurement seeks to further leverage tax dollars to achieve broad societal goals through the blending of social, environmental and economic considerations in public sector purchasing to deliver against two bottom lines:

- A commitment to purchasing the best value services and products, in keeping with the MEAT criteria, which is the Most Economically Advantageous Tender; and
- A commitment to leverage limited public resources to achieve strategic community outcomes.



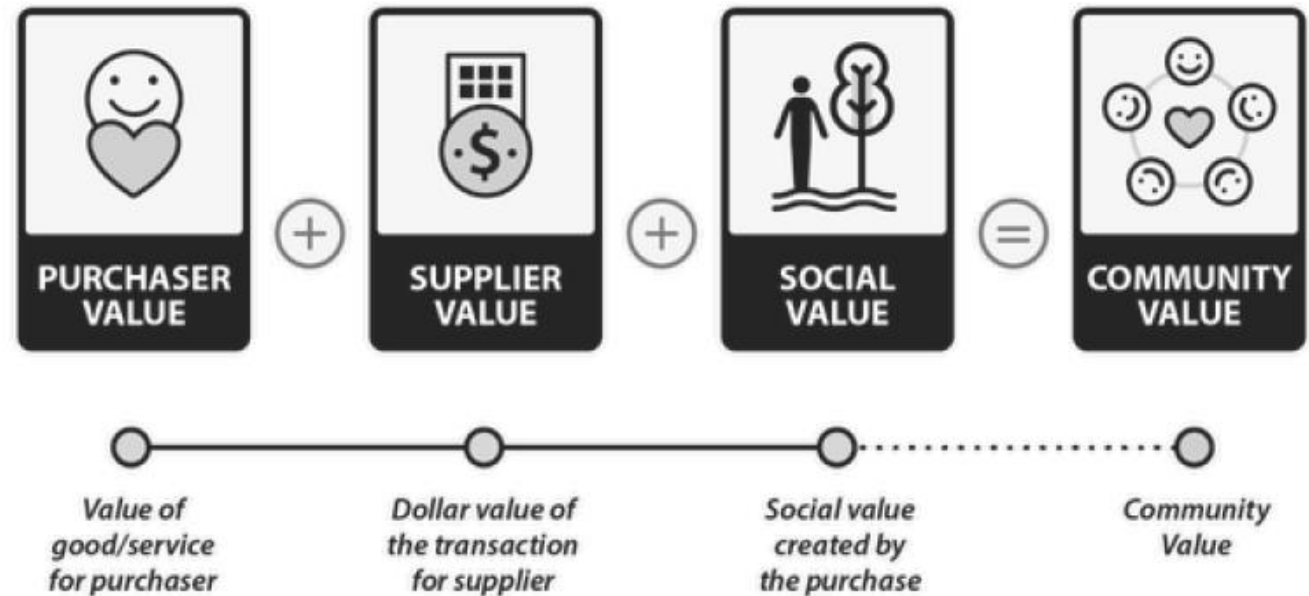


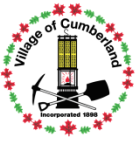
Social Procurement adds value

Social procurement can be adapted to meet specific community needs.

Some communities have integrated into RFPs criteria such as employment of marginalized population groups, local food, housing affordability, community engagement, local economic revitalization, beautification and cultural amenities.

The first step is identifying what your community's challenges and needs are, and how procurement can help address them.



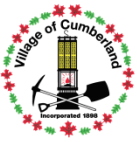


What does Social Procurement look like?

The Village's Framework hopes to address the following goals:

- contribute to a stronger local economy;
- increase diversity among suppliers;
- promote the Living Wage and fair employment practices;
- improve access to contracts for micro, small business and social enterprises;
- increase the number of local jobs that support young working families;
- increase social inclusion, by improving contract access for equity-seeking groups, such as social enterprises;
- enhance community arts and culture infrastructure;
- improve and enhance public spaces;
- increase training and apprenticeship opportunities;
- help move people out of poverty, by providing increased independence and sustainable employment for those in need; and,
- improve opportunities for meaningful independence and community inclusion for citizens living with disabilities; and,
- to stimulate an entrepreneurial culture of social innovation.



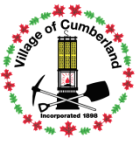


How do you integrate Social Procurement into your organization?

You need political will to make it happen. In the case of the Village of Cumberland there was a champion on Council who started the conversation. The rest of Council came on board once they understood the concept.

The Village made it a strategic priority to start investigating and implementing Social Procurement, and that in turn led to it being integrated into staff's work plan and the budget.





How does Social Procurement fit into the purchasing process?

The biggest step involved was integrating Social Procurement into the Village's Request for Proposals and Tender templates.

For the Request For Proposals the integration meant assigning a percentage value to the weighting in the scoring matrix and including a description of the Social Procurement Framework as part of the RFP template.

For the Tender process the Village came up with a two envelope pre-qualification system. The bidder needs to first meet the pre-qualification requirements for Social Procurement (envelope number one), and once that's done they will then have "qualified" for the tender, and then their submission will be reviewed (envelope number two).





Is this even legal? Does it work?

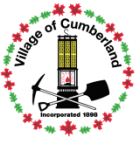
The process is legal and respects trade agreements. Social Procurement still needs to meet all the principles of fairness, integrity, accountability and transparency.

The Village's procurement framework continues to evaluate Quality, Price and Environmental considerations, while adding the fourth component of Social.

The Village has been successful in including Social Procurement requirements into most of its procurement processes, and the community has received the following tangible benefits:

- Commitments for local hiring;
- Apprenticeship programs;
- Living Wage commitments; and,
- Donated labour and equipment time and free youth camps.





Lessons learned

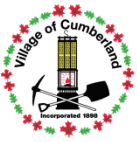
Problems associated with implementing Social Procurement have been limited mostly to the work involved in getting the program off the ground – educating staff and vendors, putting the actual procurement tools into place.

Bid prices have been coming in within budgets for most items, and this takes into account the ultra-busy construction environment on Vancouver Island.

We're looking to re-examine what the minimum requirements to meet the Social Procurement framework for tenders might be, include more defined conditions. i.e. proof of local hires.

To date the involvement of the Social Enterprises in the process has been limited.





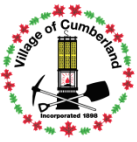
Next Steps – Coastal Communities Initiative

The Village has been utilizing Social Procurement in our purchasing since 2016, and since the process is ever evolving, the next steps include the following:

- Complete the development of a communications strategy for Village suppliers.
- Investigate possible “tweaks” for competitive bidding templates to obtain effective strategic outcomes.
- Continue to track and evaluate policy outcomes along with researching innovative procurement methods.
- Develop a method to measure and report the impacts that social procurement has had in the Village.

In order to do this, the Village has joined the Coastal Communities Social Procurement Initiative.





Coastal Communities Initiative

A two-year initiative to assist local governments in the AVICC region to implement social procurement assessments, policies, strategies and measurements

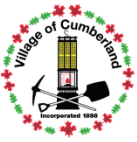
Starting February of 2019, member organizations will have access to:

- Training for procurement staff and elected officials (education).
- Education and training for suppliers and contractors
Templates, sample RFPs, best practices in social procurement, sample “Social Value Menus.”

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Coastal Communities Initiative

Vision

All local governments in the Vancouver Island and Sunshine Coast region have access to advice to develop in-house tools and skills to implement social procurement.

Mission

To improve the health of our communities and the strength of our economies by changing the culture of public sector procurement.





Background

April 2016 AVICC passes motion to advance use of social procurement in local government.

May 2016 Island and Coastal Communities Working Group struck and commenced work.

Sept 2016 UBCM endorses AVICC motion.

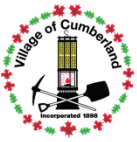
April 2017 AVICC passes motion directing Working Group to create concept for region-wide Social Procurement Hub

April 2018 Hub concept presented to packed house at AVICC session; Province appoints ADM from Ministry of Citizens Services to Working Group.

August 2018 Hub partially funded through Island Coastal Economic Trust for two years.

November 2018 Contract awarded for Coastal Communities Social Procurement Initiative.

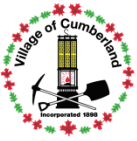




Goals

- Local governments in the AVICC region are embracing and implementing strategic procurement principles/policies/frameworks.
- There is a standardized approach to strategic procurement across local government while each local community has the ability to create the social value as determined by its elected officials/community.
- Procurement staff in local governments are trained in strategic procurement and have the know-how to issue tenders and RFPs that result in community benefits.
- Product and service suppliers are fully engaged in and supportive of the Hub and are bidding on contracts and responding to RFPs issued by local governments.
- The provincial government is aware of, engaged in, and fully supportive of the Hub.
- A robust monitoring reporting framework is in place.
- A business plan has been developed, with a sustainable funding model for either the continuation of the Community Benefit Hub or for an “AnchorVI.”
- The interest of the wider MASH (Municipal, Academic, Schools and Hospitals) sector has been piqued.





Why you should care?

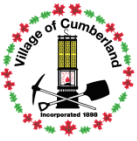
Federal government Community Benefit legislation (Spring 2018) requires reporting on Community Benefits for all large federal infrastructure projects.

Federal pre-budget report in House of Commons Finance Committee Dec 10 2018: “Support, through government procurement, initiatives with a significant social impact; finance a centre of expertise in social procurement.”

Provincial government’s new approach to procurement emphasizes social value as part of value for money.

The Coastal Communities Social Procurement Initiative will ready our region for changing expectations of senior levels of government when it comes to funding our infrastructure projects.





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Current Members

Campbell River

Cowichan Valley Regional District

Cumberland

Gibsons

Ladysmith

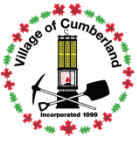
Powell River

Qualicum Beach

Tofino

Victoria





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How to become a member

Use the membership calculator to figure out the cost to your local government (you'll receive it by email).

Ready to join? Fill out a funding commitment form (you'll receive it by email) and send us your cheque.

For more information contact Mayor Josie Osborne at osborne@tofino.ca.

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