### **Social Procurement**

Presenter: Rachel Orser, Director

Department: Supply Chain Management

Meeting Date: July 6, 2021



#### **Social Procurement**



### Why Social Procurement?

- Every purchase has an economical, environmental and social impact.
- When we focus on 'best value money' procurement a purchase is much more than a financial transaction.
- Procurement becomes a tool for building healthy communities.

# Social Procurement adds Social Value to Existing Purchasing



Purchaser Value

Value of good/service for Purchaser



Supplier Value

Dollar value of transaction for Supplier



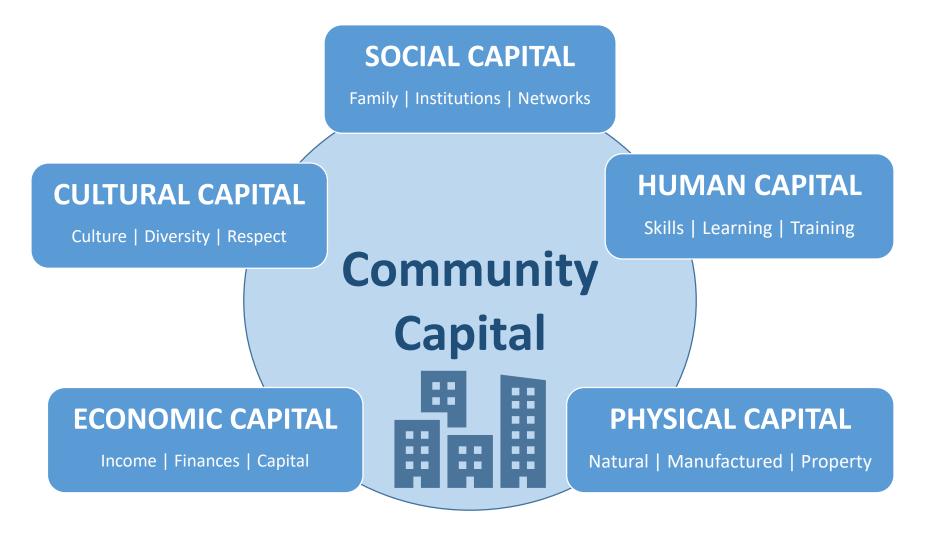
Social Value

Social value created by the purchase



**Community Value** 

### **Healthy Communities Build Community Capital**



#### **Trade Agreements:**

- The Municipality adheres to the following trade agreements:
  - New West Partnership Trade Agreement (NWPTA)
  - Canadian Free Trade Agreement (CFTA)
  - Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

#### **Trade Agreements:**

- With the trade agreements, while we cannot restrict competition, we can require community outcomes for all bidders.
- Within the trade agreements, there are exceptions for contracting with non-profits, prison labour, persons with disabilities, and others exceptions.
- The trade agreements do have financial thresholds for which procurement must be publicly posted. Below these values, Administration can work within to support local procurements.

#### Chief Administrative Officer Bylaw No. 17/021:

 In accordance with Section 11, where Council has established a Council Policy, the Chief Administrative Officer may issue direction consistent with either the Council Policy or any collective agreement in force, to the Municipality's officers and employees, as the CAO deems advisable to implement or support the intent of the Council Policy.

#### Chief Administrative Officer Bylaw No. 17/021:

 In accordance with Section 18, the CAO must not approve the terms of a Contract or execute on behalf of the Municipality a Contract Document that commits the Municipality to spend money unless the amount of the expenditure is included in a budget approved by the Council or has otherwise been authorized by the Council.

#### **Council Procurement Policy FIN-100:**

 In accordance with Section 3.2.5, procurement practices may incorporate processes to encourage positive social outcomes.
 The emphasis will be on recognizing and rewarding initiatives undertaken by our contractors and suppliers. The purpose is to enable procurement to effectively contribute to the building of a stronger community.

### **RMWB Strategic Plan**

- Building responsible government
- Employment and skill development opportunities
- Economic resilience
- Regional economic development
- Building sustainable communities
- Rural and Indigenous communities and partnerships
- Fostering equality, diversity and inclusion
- Reduce barriers to access resources
- Downtown revitalization

### Social Procurement Objectives / Outcomes

- Local job creation and the hiring of full-time residents
- Supportive employment
- Diverse hiring, including capacity building within the social profit sector
- Skills development
- Supply chain diversity, including local, Indigenous, and minority ownership
- Construction and infrastructure opportunities, in the form of community benefit agreements

### **Financial Implications**

- In 2020, approximately \$148 million dollars, which represents forty-nine per cent (49%) of municipal spending, was on local vendors
- This spending is inclusive of \$16 million dollars or five per cent
  (5%) spend with local Indigenous vendors

## Thank you