

BRITISH COLUMBIA
Social Procurement
INITIATIVE

July 21, 2021

Ms Karla Kozakevich
Chair - Electoral Area
Regional District of Okanagan-Similkameen
101 Martin Street
Okanagan-Similkameen BC V2A 5J9

Re: Membership Opportunity: British Columbia Social Procurement Initiative

Dear Ms Kozakevich,

We are writing to let you know about an exciting new opportunity for the Regional District of Okanagan-Similkameen to join the [British Columbia Social Procurement Initiative \(BCSPI\)](#).

Previously only available to governments in the Vancouver Island and Coastal Communities region, BCSPI has recently received support from the BC Government to expand province-wide, providing the opportunity for governments and institutional purchasers in communities across British Columbia to join.

BCSPI is a low cost, high value program that provides local governments with training, expertise, and support to integrate social procurement practices and add social value to their existing purchasing. This added social value can be connected directly to strategic or social planning goals.

For an annual membership fee equivalent to local area of government association dues, participating members and their staff get access to a full suite of professional development and training, templates, case studies, impact measurement tools and expert consultation support at no additional cost. Significantly, now is the best possible time to join. Building on the successes of the first two years, new members will join with all of the foundational work in place: over 50 pilot projects undertaken, a comprehensive library of templates and tools developed, best practice examples and thriving community of practice all available to support social procurement integration and implementation.

BCSPI (formerly CCSPI) started as a two-year pilot in the Vancouver Island and Coastal Communities region in 2019 and, since its inception, has already grown in membership from 6 to 30 local governments and institutional purchasers. BCSPI members have now procured over \$200 million of goods, services and construction with added social value to the benefit of their local economies. This means that additional local business, employment and skills & training opportunities are being generated from existing procurement dollars at a time when our local economies need it most. (The CCSPI Phase 1 report is attached for your information).

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Ms Karla Kozakevich
July 21, 2021

Social procurement is a key economic recovery and stability consideration for local governments. Joining BCSPi now will ensure that your organization has access to the training and expertise required to implement social procurement best practices, and the ability to take advantage of the opportunity to create additional community benefit from your existing spending.

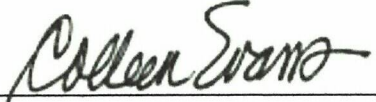
We would be happy to discuss this opportunity with you directly, or to schedule a presentation for your Council or Board to provide more information about the Initiative. If you have any questions or would like to set up a meeting or presentation, please contact Robert Fisher, BCSPi Project Coordinator by email at rfisher@scalecollaborative.ca or by phone on (250) 886-3063.

Sincerely,

Karen Elliot
Mayor, District of Squamish
Co-Chair, BCSPi Steering Committee



Colleen Evans,
Councillor, Campbell River
Co-Chair, BCSPi Steering Committee



Cc: Bill Newell, Chief Administrative Officer
Jim Zaffino, Manager of Finance

Attached: CCSPi Phase 1 Report



PHASE 1 REPORT

Coastal Communities Social Procurement Initiative (CCSPI) 2019—2021

Procurement for Community Wellbeing.

The regional initiative that's changing the culture of procurement to create community benefits.

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Executive Summary

The Coastal Communities Social Procurement Initiative (CCSPI) was established in 2018 by and for local governments on Vancouver Island and in the Coastal Communities.

In just two years, CCSPI members have realized over \$200 million in social procurement spend by adding social value to their purchasing practices, generating significant community benefits from existing procurement dollars at a time when local economies need it most.

The initiative, which is unique in Canada as a regional approach, is delivered by a partnership team of social procurement, community impact and industry experts who provide the training, tools and quality assurance required to support CCSPI members on their journey towards integrating social procurement practices. These are new practices that can help to unlock additional social value from an organization's existing spending that can align with strategic objectives and community goals.



LISA HELPS

Mayor, City of Victoria
Co-Chair, CCSPI Steering Committee

It's been wonderful to see CCSPI grow from an idea and a small collaboration among six local governments to a fully functioning social procurement initiative with almost 30 members. CCSPI provides significant value to our procurement staff by empowering them to use procurement to the benefit of our local economies and communities. We look forward to working to scale CCSPI across British Columbia to help more communities and other public agencies to align their spending with the values of their communities.



COLLEEN EVANS

Councillor, City of Campbell River
Co-Chair, CCSPI Steering Committee

Getting to this point has been a truly collaborative effort and the lessons learned, models, and templates CCSPI has developed are playing a vital role in creating healthy communities, supporting social inclusion and enhancing the wellbeing of local residents. As CCSPI membership continues to grow, we're encouraged by the enthusiasm and commitment of elected representatives and members who are actively considering what could be achieved if even just a small percentage of public spend was focused on 'value adding' to generate positive community benefits.



CCSPI Goals & Outcomes

01

GOAL: Local governments in the Vancouver Island and Coastal Communities region are embracing and implementing social procurement.

OUTCOME: 27 local governments are members of CCSPI and working towards social procurement implementation.

02

GOAL: Standardized approach to social procurement across local government, while each community has the ability to create community-specific social value.

OUTCOME: Standardized practices for procurement, vendor outreach and impact measurement are being adopted across the region. Members' strategic planning and policy inform community-specific needs.

03

GOAL: Procurement staff are trained in social procurement and have the ability to issue tenders and RFPs that result in community benefits.

OUTCOME: Over 150+ staff from CCSPI member organizations have taken part in training sessions and have access to a comprehensive library of examples, templates and other resources.

04

GOAL: Product and service suppliers are fully engaged, bidding on contracts, and responding to RFPs issued by local governments.

OUTCOME: CCSPI members are engaging with suppliers, creating a culture shift and building the capacity that allows them to respond to bid opportunities.

CCSPI Goals & Outcomes

05

GOAL: The provincial government is aware of and supportive of CCSPI.

OUTCOME: The BC Government has been represented at the CCSPI Steering Committee since its inception and is supporting the initiative's phase 2 expansion across the Province.

06

GOAL: A robust monitoring and reporting framework is in place.

OUTCOME: CCSPI has partnered with Royal Roads University to develop a standardized impact measurement framework, informed by both buyers and vendors, and connected to regional SDG targets.

07

GOAL: CCSPI is a long-term, sustainable initiative.

OUTCOME: CCSPI will be expanded through 2021-24 to advance the adoption and integration of social procurement policies and practices across British Columbia.

08

GOAL: Interest is demonstrated by the wider Municipal, Academic Institutions, Schools and Hospitals (MASH) sector.

OUTCOME: Recent CCSPI members include academic institutions and school boards. Interest is also being demonstrated by other institutional purchasers across the MASH sector.



What is Social Procurement & Why is it Important?

Social procurement is an emerging best practice that represents a significant shift from 'lowest price' to 'best value'.

Governments and other large purchasers like hospitals and post-secondary institutions collectively procure billions of dollars of goods and services. By implementing social procurement practices, these organizations can leverage a significant amount of additional social value and community benefit from this existing purchasing.

Social procurement takes into consideration not only price and quality, but also the community outcomes and potential benefits that can be generated through purchasing practices. It allows for procurement to become a tool for building healthy communities and local

economies by valuing local employment, training opportunities, social value supply chains and other community outcomes.

Social procurement can help to integrate social outcomes right across an organization's spending, from small spends that are made on a day-to-day basis, to integrating social value criteria into requests for proposals and tenders for goods and services, to major construction and infrastructure projects. Purchasing decisions can be measured against pre-determined criteria that are connected to an organization's community goals and strategic plans.

CCSPI is Delivered in Partnership by:



BUY SOCIAL CANADA

Buy Social Canada believes in building community capital: healthy communities that are rich in human, social, cultural, physical, and economic capital. By building relationships between social suppliers and purchasers, Buy Social Canada is leading the movement for community capital creators across the country.



David LePage — Managing Partner, Buy Social Canada

“CCSPI has become the showcase for community collaboration - leveraging shared resources to build resilient local economies, create local jobs, and provide opportunities for all the members of the community.”



PRESENTATIONS PLUS TRAINING & CONSULTING INC.

Presentations Plus provides expert consulting and advice on social procurement to both public and private sector organizations, and has assisted many leading Governments and companies in the implementation of social procurement best practices.



Larry Berglund — Principal, Presentations Plus

“The awareness of social procurement options, within the communities, has led to more responsive and effective outcomes.”



SCALE COLLABORATIVE

Scale Collaborative’s mission is to create a thriving, connected, and financially resilient social change sector. Scale Collaborative works with nonprofits, social enterprises, and other social purpose organizations to explore how they can become more independent, innovative, resilient, and impactful.



Kristi Fairholm Mader — Co-Founding Partner, Scale Collaborative

“It is exciting to work with local governments and buyers who are using purchasing power to help support inclusive and sustainable communities.”



VANCOUVER ISLAND CONSTRUCTION ASSOCIATION (VICA)

Vancouver Island Construction Association (VICA) serves the construction community on Vancouver Island, the Gulf Islands, and other coastal areas of British Columbia.



Rory Kulmala — CEO, Vancouver Island Construction Association

“CCSPI is the model for working locally and together across the Island and along the coast.”

CCSPI Statistics

\$200m

Procurement spend with added social value.

150+

Individual staff members trained.

50+

Pilot projects undertaken.

40+

Training sessions and webinars held.

29

Participating governments and organizations.

25+

Resources, case studies, and templates developed.

Social Procurement Myths vs. Facts

Although many governments and organizations across the world are already seeing tangible and measurable results from implementing social procurement practices, moving to this new way of buying things still represents a significant change from the status quo. Common myths and questions about social procurement exist.

These types of questions are indicators of the change taking place at a broader level, and the growing voices calling for a shift from practices that harm people and the planet. Historically, procurement has excluded smaller businesses and diverse suppliers, and has viewed environmental and social outcomes as a cost, not a benefit. Social procurement represents systemic change.

Is it legal?

Yes! It is.

Is the quality lower?

No! It isn't.

Does it cost more?

No! It doesn't.

Are the social value suppliers out there?

Yes! They are.



“Are the dollars we spend gaining the best value and outcomes for our communities?”

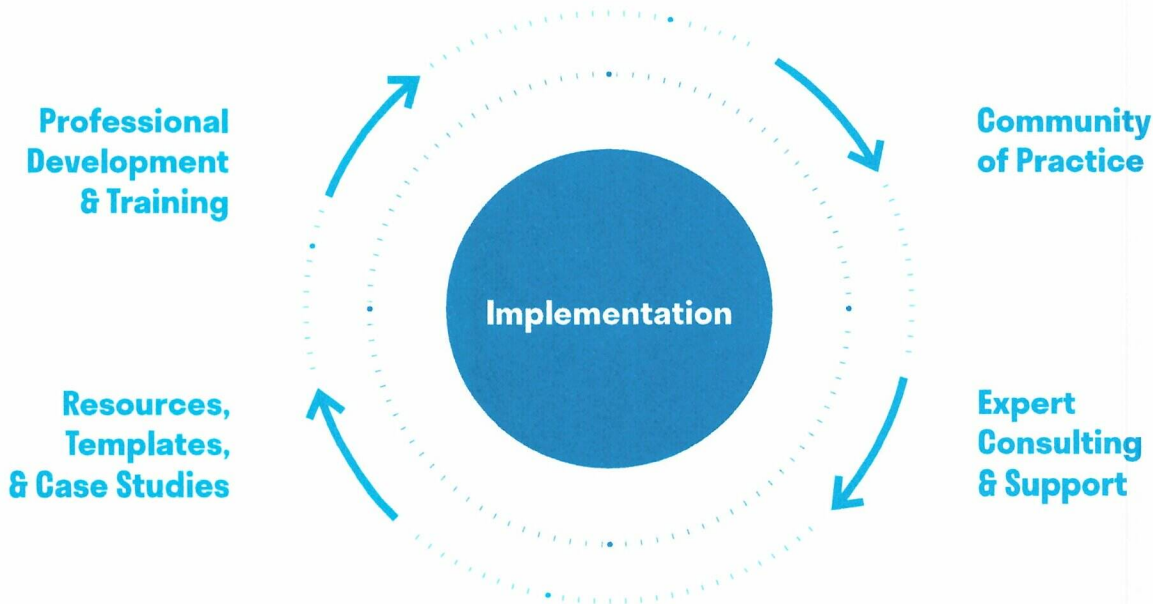
CCSPI Program Timeline

In 2016, a group of community leaders looked at the billions of dollars being spent across Vancouver Island and the Coast, and asked, “are these dollars gaining the best value and outcomes for our communities?”. Two years of development later, six local governments launched CCSPI as a 2-year pilot. Since then, CCSPI has grown to include almost 30 members (and counting) that have access to professional development and training, expert consulting and advice, a rich library of resources and tools, and a thriving community of practice.

Using these tools and resources, CCSPI members have piloted social procurement in over 50 projects across the region, from smaller credit card spends, to goods and services tenders to major construction projects.

Collectively, the membership is building a regional social value supplier database and other resources to build the capacity of suppliers to be able to bid on and deliver on government and institutional procurement opportunities.

In order to measure the important impact of this work, CCSPI is collaborating with Royal Roads University to develop a common measurement framework for CCSPI members to use that aligns with the United Nations Sustainable Development Goals (SDGs).





The Member Journey: From Onboarding to Implementation

CCSPI members are leading the way in changing the systems and culture of institutional procurement. This type of systemic and culture change can be challenging; it needs to be supported at multiple levels, including political, organizational leadership and staff level. These elements contribute to the successful adoption of social procurement:

- Support from both political and staff-level representatives
- “Champions” in positions of leadership that can set the vision for and support the implementation of social procurement practices
- Social procurement outcomes are aligned with community strategic plans and directions
- Representatives across organizational departments participate in education and training together
- Procurement and other staff are supported to learn and develop new practices
- Pilot projects are manageable and provide an opportunity for local suppliers and vendors to bid on
- Anticipation of learning and adaptation from pilot project outcome
- Support, in staff time, to learn and develop new practices

CCSPI CORE TRAINING:

SP101— Introduction to Social Procurement

SP201— Social Procurement Implementation

SP 301— Social Procurement in Construction Projects

Select Member Highlights:



Alberni-Clayoquot
Regional District

Alberni Clayoquot Regional District (ACRD)

The ACRD has trained staff in implementation of social procurement practices, and piloted social procurement in several projects. They included creating a social procurement policy as an objective in their 2021-2024 strategic plan.



Comox Valley
REGIONAL DISTRICT

Comox Valley Regional District (CVRD)

The CVRD has trained staff, and piloted social procurement in a variety of projects of different sizes with successful outcomes. CVRD has social procurement included in their purchasing policy and have included social procurement as a key service outcome in their corporate plan.



Village of Cumberland

Cumberland was the first municipality in BC to adopt a social procurement framework. Social procurement is included in the Village's purchasing policy.



City of Nanaimo

The City has trained staff and included social procurement in their sustainable procurement policy. They now intend to move ahead with pilot projects and supplier engagement.



City of
**Campbell
River**

City of Campbell River

The City has trained their staff in social procurement implementation and is piloting social procurement in a number of goods and services contracts. Moving forward they plan to add social procurement to their purchasing policy.



City of Courtenay

The City has trained staff in social procurement implementation and are intending to include social procurement in their purchasing policy before moving ahead with piloting social procurement in purchasing projects.



Cowichan Valley Regional District (CVRD)

The CVRD has trained staff and piloted social procurement practices in several projects. They released a Request for Information (RFI) to collect information about social value suppliers in the region. Developing procurement policies to promote social equity was included as an objective in their 2020 – 2022 strategic plan.



District of Port Hardy

The District has trained staff and included social procurement in their general purchasing policy. They have successfully trialed social procurement in a number of projects including their arena revitalization.

Select Member Highlights:



City of Powell River

The City has trained its staff in social procurement implementation and is currently working towards including social procurement in their purchasing policy.



Town of Qualicum Beach

Qualicum Beach has included social procurement in their purchasing policy and have piloted social value criteria in a variety of projects, leading to excellent outcomes that align with their community social objectives and goals.



City of Duncan

The City has included social procurement in their purchasing policy. They are moving towards staff training and social procurement implementation.



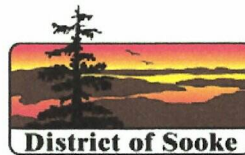
City of Victoria

The City has trained their staff in social procurement implementation. They are including social value criteria in many of their tender documents and in mandatory training for their corporate purchasing card holders. The City has also released a Request for Information (RFI) to collect information about social value suppliers in the region.



qathet Regional District

The Regional District has trained staff in social procurement implementation and updated its purchasing policy to include social procurement. They are piloting social value criteria in a number of projects some of which have led to some good local employment outcomes.



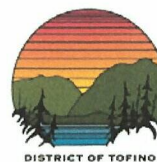
District of Sooke

Sooke has included social procurement in their purchasing policy and intends to move ahead with staff training and social procurement implementation.



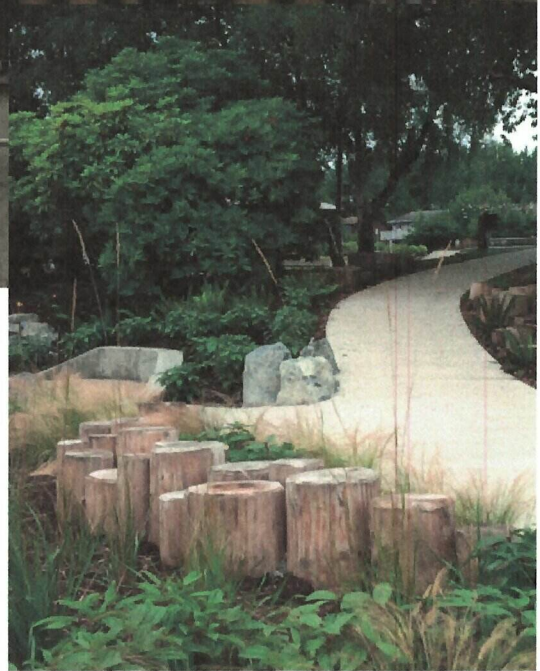
District of Squamish

The District has included social procurement in their purchasing policy and have trained their staff in social procurement implementation. Squamish has also created an internal working group to focus on supplier outreach.



District of Tofino

Tofino has trained staff in social procurement implementation. They included social value criteria in a major streetscape revitalization project that allowed local contractors to be employed for some portions of the work and they are integrating community benefit outcomes within an upcoming wastewater treatment plant project.



Social Procurement In Action

CCSPI members have now successfully piloted social procurement in over 50 projects across the region. These include small spends like corporate purchasing card procurement, RFPs for goods and services like maintenance, and large construction & infrastructure projects. These snapshots of three of the pilot projects are taken from full case studies which are available at www.ccspi.ca

CASE STUDY #1

City of Victoria: Small Spends for Community Benefit

In 2019, the City of Victoria spent approximately \$3.9M using corporate purchasing cards on purchases under \$1500. There are over 600 purchasing card holders working at the City who have discretion on where and what they purchase and regularly make purchases related to catering, travel, restaurants and office supplies

By educating and empowering these staff, the City identified an opportunity to achieve many small wins that add up quickly and significantly. Now, when making purchases, staff consider supply chains, local jobs and living wages.

“

When people are making small purchases, they don't think they can make a difference. However, telling them that the City makes a 3.9M collective purchase made them think they could do some good. This was exciting and empowering.

—Leah Hamilton
Buyer, City of Victoria

When the economic multiplier effect is applied, there is significant community benefit that can be generated from these purchasing decisions. Encouraging staff to consider social value in addition to price is a key shift and empowers them to make decisions that have positive outcomes in the community.

Moving forward, the City is continuing with mandatory internal training and building a dedicated resource site for its staff that is populated with a list of local social value suppliers and success stories.





CASE STUDY #2

District of Port Hardy: Test-Driving Community Value

Port Hardy's recreation centre is the beating heart of its community, providing health and wellness services and a place for people to gather. In 2019 the District identified various renovation work that included the refrigeration system, a new roof, and other work inside the arena. Working with one of CCSPI's sample templates, the District was able to incorporate social value definitions and used a 'descriptive' process so that proponents could describe how they wanted to achieve community benefits including any anticipated associated costs.

The resulting Request for Proposals (RFP) aimed to integrate local employment, local supply chain management and local living outcomes. One of the goals was that project managers would look for suppliers that also embody and create social value and community benefit. With respect to social value the proponents varied their responses, which included environmental conscience, employment of local labour force and individuals facing barriers, apprenticeships offered, involvement with and financial support of local community non-profit groups and unique methods of tracking energy savings upon completion of the project.

One of the key project outcomes was increased engagement with local First Nations, who use the recreation services regularly. The District consulted with local First Nations on how they would like to be involved in the project and also related business and employment opportunities.



Social procurement is about being inclusive, about the environment, and about the community, workforce and local economy.

—Allison McArrick, CAO (fmr), District of Port Hardy



How we spend taxpayer dollars should be reflective of the universal values of the communities we serve. In many cases social procurement can improve the overall value to the taxpayer by generating positive outcomes for the community without materially impacting cost.

—Scott Hainsworth, Manager of Operating and Capital Procurement (fmr), Comox Valley Regional District

CASE STUDY #3

Comox Valley Regional District: Keeping It Simple

The Comox Valley Regional District is constructing a new water treatment system with a project value of \$126M. The Regional District was able to obtain funding from a Federal grant that included Infrastructure Canada's Community Employment Benefits Program, and the project proved to be a good opportunity to incorporate social procurement concepts that included employment and skills training and apprenticeship opportunities for local marginalized people.

Proponent evaluation criteria was structured to maximize value. Response requirements included commitments of proposed community employment benefits for target groups which were evaluated alongside cost, experience and quality. The Regional District also held commercially confidential meetings with each proponent that allowed for a more collaborative process and an opportunity for engagement on desired social procurement outcomes.

The project is now well underway and on track for its original completion date. Per the latest project updates, community employment benefit hours are tracking well above the committed totals, with forecasts projecting almost twice the committed hours for underrepresented populations. Notably, there were no additional cost implications associated with the social procurement concepts that were included in the request for proposals.

Supplier & Industry Engagement

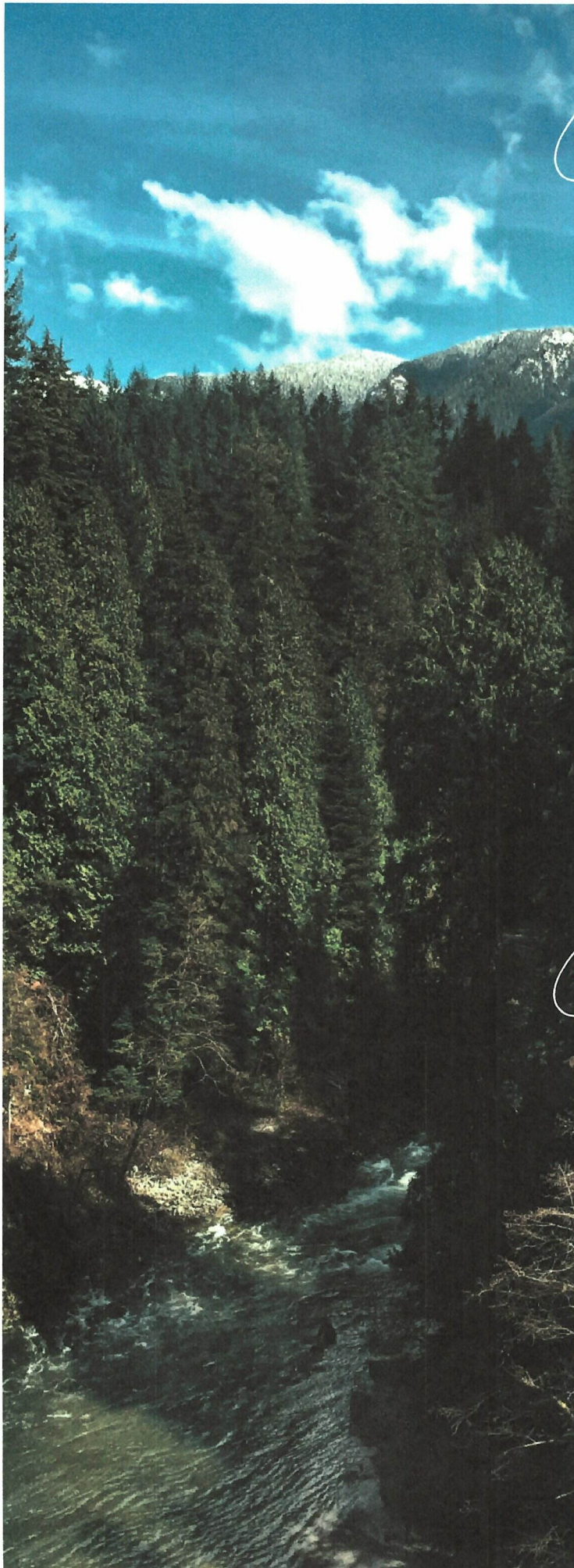


CCSPI works with its members to help identify and connect with the social value suppliers and vendors in their communities.

The initiative provides supplier education, support and resources to help social value suppliers build their capacity to respond to and deliver on institutional procurement opportunities.

Working with Chambers of Commerce and Economic Development Organizations, CCSPI members are building a regional social value supplier directory that will allow them to identify those suppliers in the region who have a social value component to their business or enterprise.

This 'whole ecosystem' approach recognizes that both purchasers and suppliers need to speak the same language, foster common understanding, and helps build bridges to lasting business relationships that can support local economies.



Social procurement, primarily through the Community Employment Benefits initiative, is important in our industry. While it can be more challenging for contractors to make community employment commitments during the tendering phase, the initiative is enabling the industry to improve and progress. I am proud of the Aecon team here at the Comox Valley Water Treatment Project as we were able to double all of our employment commitments to date (e.g., Indigenous Peoples, Under-represented Populations, and apprentices) while maintaining a workforce almost entirely local to the Island.

—Jamie Abernethy, Project Director
Aecon Water Infrastructure

AECON



Achieving meaningful, positive, social value, while remaining financially prudent, is a challenging balancing act for any organization. With the resources and best practices CCSPI has developed, through continued consultation with local suppliers and vendors, we are optimistic their members will be well equipped to realize measurable social benefits with their spending.

—Yosef Suna AScT, GSC
General Manager, Knappett Industries

 **Knappett**
INDUSTRIES

“

A regional measurement framework will provide certainty for suppliers while also creating opportunities for CCSPI members to share best practices and improve the implementation of their social procurement policies.

—Heather Hachigian, Assistant Professor, Royal Roads University



Impact Measurement

CCSPI has partnered with Royal Roads University to develop a region-wide impact measurement framework that aligns with the United Nations Sustainable Development Goals (SDGs).

Both procurement officials and the supplier community are engaged in developing meaningful and effective impact metrics and processes.

Looking Ahead

As Phase 1 draws to a close, this is a moment to reflect on all that has been achieved, and set our sights collectively on next steps.

Phase 2 will see CCSPI expand across British Columbia. The initiative will build on existing training, resources and learning and expand on supplier and vendor outreach and capacity building. BCSPI will create a connected network of local governments and institutional purchasers across the Province, who are implementing social procurement best practices. Phase 2 will also focus on the impact measurement tools and resources required to measure the impact of their social procurement, both by organization as well as across the region.



Next Steps:

→ 2021

Expand CCSPI membership on Vancouver Island and in the Coastal Communities, inviting participation from institutional purchasers like school boards, post-secondary institutions and health authorities.

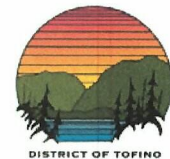
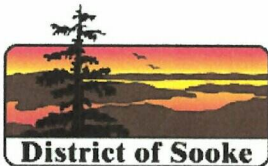
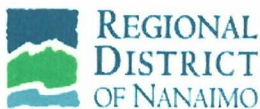
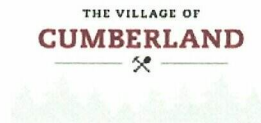
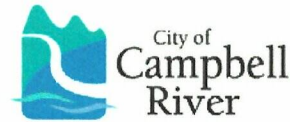
→ 2022—2024

Expand CCSPI membership to more communities across British Columbia.

What Could Be Possible If...?

- ✓ By 2024 at least 100 local governments and institutional purchasers in BC have participated in CCSPI membership offerings
- ✓ Member governments and institutional purchasers are including social value outcomes in at least 50% of their procurement
- ✓ Suppliers have been engaged and submitted RFPs or other bid documents that meet or exceed local government and purchaser objectives and expectations
- ✓ Suppliers with no previous engagement with institutional purchasers have gained the capacity to bid and deliver on contracts
- ✓ CCSPI members are utilizing a common impact measurement framework, demonstrating in full the local community impacts and benefits of their purchasing practices.

Participating Organizations



Acknowledgements

CCSPI is supported by ICET. We acknowledge the leadership shown by the steering committee and local governments, organizations and institutions who are pioneering social procurement practices in our region and beyond.



Learn more about CCSPI at www.ccspi.ca

Become a member of CCSPI:
Contact Robert Fisher, Project Coordinator at
rfisher@scalecollaborative.ca