

**Calgary**



# **SOCIAL PROCUREMENT POLICY IMPLEMENTATION**

# Background

The City of Calgary adopted in principle a social procurement policy and strategy to create a Sustainable, Social, Ethical and Environmental Procurement Policy, (SSEEPP), that will advance the utilization of existing procurement to create local social, economic and environmental value.

The social procurement policy will integrate social value into the existing SEEPP procurement process.

The key local economic and social issues that SSEEPP will contribute to addressing are:

- Increased access to City contracts for a more diverse, more resilient, and more socially inclusive small- and medium-sized business sector
- Greater economic opportunity and integration for marginalized groups in Calgary
- Increased apprenticeship, paid work-experience, and entry-level opportunities in the trades and other career-track employment, especially for marginalized community members, e.g. Indigenous peoples, women, and immigrants
- Increased preparedness to respond to Infrastructure Canada's recent requirement for Community Benefit Employment Agreements for infrastructure investments. And the ability to provide greater community benefit for large construction projects.

This report responds to Council's request that Administration return to the Priorities and Finance Committee with a:

- *Work Plan for Implementation of the Social Procurement Strategy.* A three year flexible, agile approach will allow ample opportunities to test, verify, and implement sound policy and effective practices. – Page 3
- *Terms of Reference for the Advisory Task Force.* A multi-stakeholder group comprised of city, private sector, and community representatives. – Page 11
- Scoping Report for the *Pilot Project Framework and Examples.* Multiple pilots will use variable models to test the options and opportunities of social procurement. – Page 16

# Work Plan for Implementation of the Social Procurement Strategy

IMPLEMENTATION DESIGN:				
Adoption of Social Procurement Policy Principles	Workplan	Task Force Convenes	Broader Engagement	Pilot Assessments
	Identify Pilot Types	Training	Pods Phase 2	Adopt Procurement Procedures
	Advisory Task Force TOR	Initial Pilots	Monitor Measure	Report to Council
	Q4 2018	Q1 2019	Q2–4, 2019	2020
<b>POLICY DESIGN</b>	<b>LEARNING / PILOTS</b>			<b>IMPLEMENTATION</b>

YEAR ONE 2019	YEAR TWO 2020	YEAR THREE 2021
DESIGN & INITIATE	ENGAGE & MEASURE	EVALUATE & REPORT
<ul style="list-style-type: none"> <li>Prepare Work Plan</li> <li>Design Governance Framework</li> <li>Initiate the Advisory Task Force</li> <li>Develop Objectives, Outcomes and Measurement Criteria</li> <li>Internal Staff Training</li> <li>External Stakeholder Engagement</li> <li>Explore Community Benefit Agreement Options for Green Line</li> <li>Identify Key Opportunities</li> <li>Select Pilots</li> <li>Communications Plan</li> <li>Change Management Strategy</li> <li>Implement Pilot Projects</li> <li>Report to Council</li> </ul>	<ul style="list-style-type: none"> <li>Purchaser and Supplier Engagement</li> <li>Social Procurement Roundtable</li> <li>Evaluate Initial Pilots</li> <li>Design and Initiate Next Three (3) Pilots</li> <li>Develop Social Procurement Procedures</li> <li>Report to Council</li> </ul>	<ul style="list-style-type: none"> <li>Measure Pilot Outcomes</li> <li>Implement Procurement Procedures</li> <li>Complete Project Analysis</li> <li>Update the SEEPP Policy to include Social Procurement</li> <li>Final Report to Council</li> </ul>

# Work Plan Summary

## PHASE 1

### January 2019 to December 2019

- Prepare three-year Work Plan
- Design Social Procurement Project Governance Framework
- Initiate the Advisory Task Force
  - Appoint Members
  - Provide Orientation / Training for Members
- Develop Objectives, Outcomes and Measurement Criteria
- Design and Initiate Internal Staff Training
- Design and Initiate External Stakeholder Engagement
- Develop Communications Plan
- Develop Change Management Strategy
- Identify Opportunities
  - Goods & Services Purchasing
  - Green Line Infrastructure
- Scope Green Line Community & Employment Benefit Agreement
- Implement Initial Pilot Projects
- Report to City Council

## PHASE 2

### January 2020 to December 2020

- Maintain Purchaser and Supplier Engagement Process
- Initiate Social Procurement Roundtable
- Evaluate Initial Pilots
- Design and Initiate Next Three (3) Pilots (“*Pilots Stage 2*”)
- Develop and Adopt Procurement Procedures
- Report to City Council

## PHASE 3

### January 2021 to December 2021

- Implement Pilots Stage 2
  - Measure Pilot Outcomes
- Implement Procurement Procedures
- Complete a Project Analysis
- Update the SEEPP Policy to include Social Procurement
- Final Report to City Council

# Work Plan Detailed Process

## PHASE ONE

### January 2019 to December 2019

- Prepare three-year Work Plan
- Design Social Procurement Project Governance Framework
  - Complete Terms of Reference for Advisory Task Force
- Initiate the Advisory Task Force
  - Appoint Members
  - Provide Orientation/Training for Members
- Identify Opportunities for Pilot Projects
  - Develop Objectives, Outcomes and Measurement Criteria
- Scope the Green Line Community Benefit Agreement Options
- Design and Initiate Internal Staff Training
- Design and Initiate External Stakeholder Engagement
- Develop Communications Plan
- Develop Change Management Strategy
- Implement the Initial Pilot Projects
- Report to City Council

### Develop Social Procurement Objectives, Outcomes and Measurement Criteria

The recommended objectives for consideration in the design and measurement of pilots may include:

- Increased access to contracts from The City for small- and medium-sized businesses and social enterprises that demonstrate social value outcomes

- Increased opportunities for small businesses and social enterprises to access sub-contracting through enhanced relationships with The City's prime contractors
- Support for capacity building for small- and medium-sized businesses and social enterprises to be prepared to participate in sub-contract supply opportunities and Community Benefit Agreements
- Increased preparedness to comply with Alberta Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program
- Green Line Community Benefit Agreement Design with developer and community engagement

### Design and Initiate Internal Staff Training

City Staff Training Plan: Introduction to Social Procurement Workshop

1. 2-hour introduction for Procurement staff and Advisory Task Force
  - In-person
  - Webinar recorded and available on-demand

### Training Objective:

Internal City departments will be provided with learning sessions and social procurement guidelines to effectively contribute to the program design, implementation and success.

After the training the Stakeholders will have the capacity to consider and evaluate opportunities:

- Identify key procurement opportunities from both the purchasing side and supply side
- Identify 'low hanging fruit' within existing purchasing items and services

- Engage and identify social procurement opportunities through Calgary Housing Company (CHC)
- Examine contract opportunities emerging over the next 1-5 years allowing potential proponents to prepare to bid successfully
- Work with major contractors and suppliers, Tier 1, to identify potential opportunities for sub-contracting
- Work with social enterprises and small- and medium-sized businesses to identify capacity matching opportunities through a supplier capacity analysis
- Understand the applicable trade agreements
- Understand Community Benefit Agreement options and employment opportunities

### **Training for City Purchasers**

- Review existing procurement policy for barriers and opportunities
- Adjust the criteria requirements in all bid request documents to include social value considerations
- Decide social value weighting ranges for commonly procured goods and services
  - E.g. Catering, construction, landscaping, maintenance services, vehicles and technical equipment
- Understand the applicable trade agreements
- Access extended learning and training opportunities via the Social Enterprise Institute

### **Design and Initiate External Stakeholder Engagement**

Workshops and Training Opportunities for Potential Suppliers

- Opportunity Identification
- How to Respond to RFP
- Pre-qualification Requirements
- Community Benefit Agreement Process

### **Explore Community Benefit Agreement Opportunities**

- Engage construction industry representatives and community members regarding Green Line application of Canada – Alberta Integrated Bilateral Agreement for the Investing in Canada Infrastructure Program which states that “*we will report on community employment benefits, provided to at least three (3) of the federal target groups (apprentices, Indigenous peoples, women, persons with disabilities, veterans, youth, new Canadians, or small-medium-sized enterprises and social enterprises*”.
- Review and identify infrastructure or major development projects for Community Benefit Agreement (CBA) opportunities

### **External Stakeholder Engagement will include:**

- Providing coaching to increase awareness and participation by local businesses and social enterprises
- Providing regular information and training sessions for current and potential suppliers
- Encouraging major suppliers, construction industry contractors to implement social procurement in their supply chain
- Providing learning events and engagement activities
- External cross-sector supplier and purchaser events
- Host trade shows for large contractors to meet social value suppliers
- Identifying and preparing a list of pre-qualified social value suppliers that provide low dollar procurement opportunities directly for business units.
  - E.g. Catering, couriers, temporary labour, printing services

## Develop Communications Plan

Staff will prepare an internal and external communications plan to inform stakeholders on the new policy, including goals, expected outcomes and processes.

## Develop Change Management Strategy

Staff will integrate the Social Procurement Policy expectations and change process into existing staff learning and procedural programs.

## Identify and Initiate Pilot Project Opportunities

The implementation of different types of pilot projects will test and design multiple outcomes and be agile in order to fail fast and learn fast. This will help us to reach our goal of achieving multiple outcomes that put the citizen first in addition to maximizing financial value. This includes the inclusion of more small- and medium-sized businesses and social enterprises. This process will be advised by the Advisory Task Force, City staff and be led by The City.

## Examples of Phase One Pilot Program Opportunities

### Low value Purchases:

Explore trade agreement financial threshold opportunities to do direct small item purchasing

- Examine The City's previous purchases under the \$25,000 amount (e.g. catering, printing, couriers, events, etc.) for potential direct contracting where social objectives can be achieved:
  - Indigenous-owned catering service
  - Non-profit space for events

## Trade Agreement Exceptions:

Explore Trade agreement exceptions that meet the "*legitimate public welfare objectives*" using Non-profit Suppliers and Persons with Disability Suppliers

- Trade agreements allow exceptions for direct purchasing from non-profits
  - Purchase temporary labour support from non-profit employment training provider
  - Utilize non-profit social enterprise for maintenance services for Calgary Housing repairs

## Include Social Value Language in RFP's for Targeted City Departments:

- Example: Calgary Housing opportunities to work with suppliers that employ residents to do:
  - Apartment and unit refurbishing
  - Interior and exterior maintenance
  - Catering, cleaning, maintenance, and recycling

Pilot RFPs with additional weighting for social value for upcoming procurement opportunities for services that would be a good fit for social procurement

- Examples: catering, landscaping, etc.

Each pilot project will measure options for data collection and reporting systems, such as:

- The number and financial value of contracts maintained with local businesses and social enterprises
- The number and financial value of new contracts awarded to local businesses and social enterprises
- The number of targeted employment positions filled
- The number and financial value of supplier sub-contracts

- The number of apprenticeships and training positions created and completed
- Increased knowledge of procurement process for small businesses
- Increased knowledge from City staff on how to create social benefit through purchasing
- Increased number of small businesses responding to procurement opportunities
- Number and dollar value of jobs created for targeted marginalized groups
- A count of equivalent full time employees per contract, reported by supplier
- Amount of payroll to targeted employees, reported by supplier
- Contracts directed to or won by diverse suppliers and social enterprises
- Number of contracts awarded that have a social value component, reported by The City
- Dollar Value of Contracts that have a social value component, reported by The City
- Assess annual City purchasing percentage awarded to small- and medium-sized businesses
  - Assess by postal code
  - Assess by business sector

Assess internal implementation progress using an annual updated SSEEPP leadership questionnaire to evaluate social procurement progress toward the goals identified by the Task Force. Metrics that measure outcomes will be preferred.

#### **Community Benefit Agreements:**

Phase 1 pilots will include scoping and advising on a CBA and Community Employment Benefit Plan that may be implemented as part of the SSEEP policy framework as applied to the Green Line Project.

## **PHASE TWO**

### **January 2020 to December 2020**

- Maintain Purchaser and Supplier Engagement Process
  - Social Procurement Roundtable
  - Evaluate Initial Pilots
  - Design and Initiate Next Three Types of Pilots (“*Pilots Stage 2*”)
  - Develop Procurement Procedures
  - Update to Council, Q1 2020

#### **Maintain Purchaser and Supplier Engagement Process**

- Initiate Community of Practice through a multi-stakeholder, facilitated Social Procurement Engagement
- Engage Anchor Institutions in the process

#### **Evaluate Initial Pilots**

- Utilize measurement criteria to evaluate outcomes
- Assess barriers and prepare adjustment strategy
- Use Advisory Task Force perspective and experience

#### **Design and Initiate Pilots Stage 2**

- RFPs social value criteria and weighting on a major purchase
  - Social value opportunity for Tier 2 and 3 suppliers
- Private sector partner engagement in a social procurement project

### **Develop Procurement Procedures**

- Advisory Task Force and Supply Management co-creation process
- Review solicitation processes (including RFQs, and RFIs), including but not limited to:
  - Criteria and weighting
  - Application of trade agreements
- Assess opportunity identification and supplier matching
- Draft and circulate findings in a memo for review and comment

### **PHASE THREE**

#### **January 2021 to December 2021**

- Implement Pilots Stage 2
  - Measure Pilot Outcomes
- Implement Procurement Procedures
- Update to Council, Q1 2021
- Provide Final Report to Council, Q1 2022

#### **Implement Pilots Stage 2**

- Use Advisory Task Force, External Stakeholders and Staff input to do a comprehensive analysis of pilot projects and create report

#### **Complete Design and Implement Procurement Procedures**

- Use Phase 2 Consultation Process to develop procedures
- Review and adjust procedures with internal City staff from:
  - Law and Legislative Services
  - Finance
  - Supply Management

#### **Prepare Final Assessment and Project Report**

- Outcomes Analysis
- Stakeholder Evaluation
- Social Value Outcomes

# Work Plan Time Line and Resources

## PHASE ONE

TASK	PHASE ONE TIME LINE	LEAD RESPONSIBLE
WORK PLAN	Q1 2019	STAFF
Initiate the Advisory Task Force	Q2	Staff
Design and Initiate Internal Staff Training	Q2-3	Consultant
Explore Community Benefit Agreement Options	Q2	Task Force
Design and Initiate External Stakeholder Engagement	Q2-3	Consultant
Develop Communications Plan	Q3	Staff
Develop Change Management Strategy	Q3	Staff
Identify Opportunities and Initiate Initial Pilot Projects	Q2-Q4	Task Force / Staff

## PHASE TWO

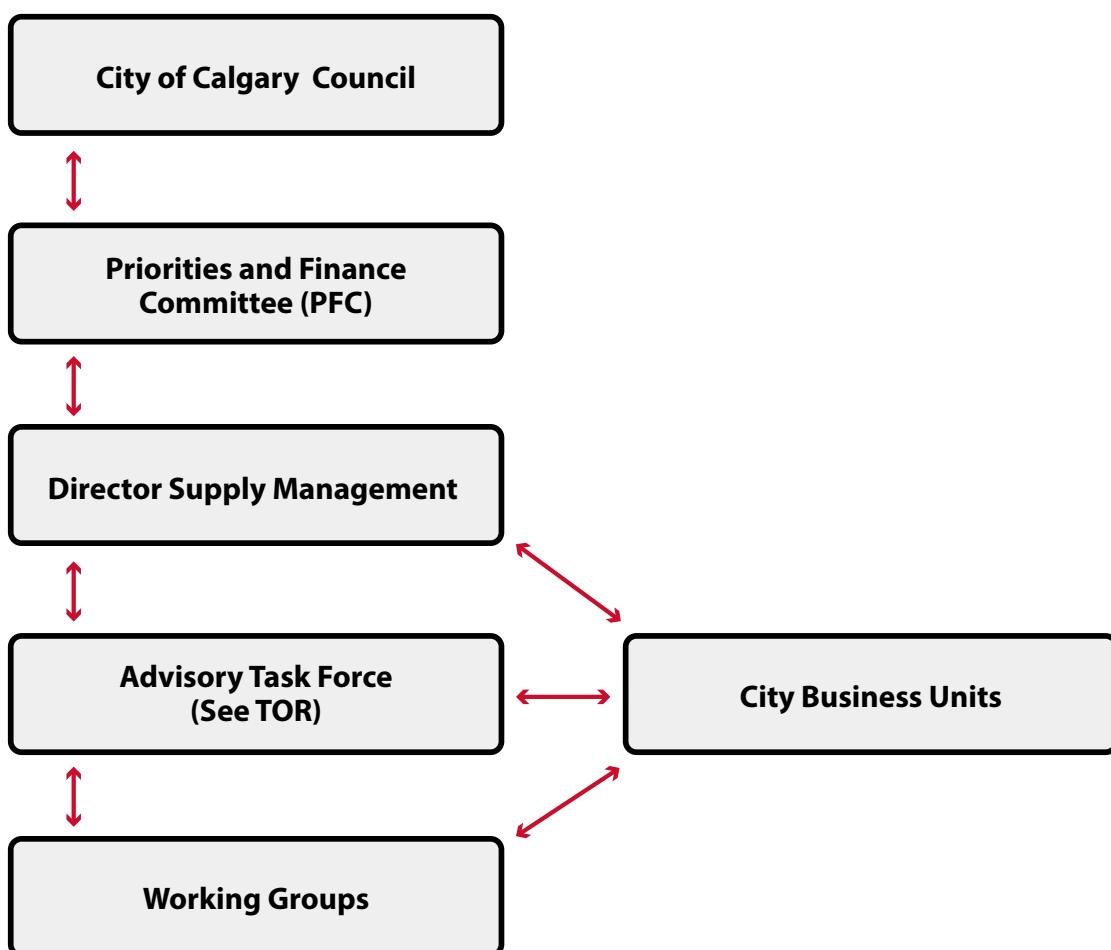
TASK	PHASE TWO TIME LINE	LEAD
WORK PLAN	Q1 2020	STAFF
Report to Council	Q1	Staff / Task Force
Purchaser and Supplier Engagement Process	Q1-Q2	Consultant
Identify Multiple Pilot Opportunities: test, evaluate, pivot, implement, report	Q2	Task Force
Initiate Social Procurement Roundtable	Q2	Consultant
Design and Initiate Next Three (3) Pilots	Q3	Task Force / Staff
Develop Procurement Procedures	Q3	Staff

## PHASE THREE

TASK	PHASE THREE TIME LINE	LEAD
WORK PLAN	Q1 2021	STAFF
Report to Council	Q1	Staff
Complete Pilots Stage 2	Q1-Q2	Staff
Measure Phase Pilot Outcomes	Q2	Task Force
Implement Procurement Procedures	Q3	Staff
Report to Council	Q1-2022	Staff

# Terms of Reference for the Advisory Task Force

## SOCIAL PROCUREMENT POLICY STRATEGY GOVERNANCE MODEL



## **TERMS OF REFERENCE:** **Social Procurement Implementation Advisory Task Force**

### **1. Background**

The City of Calgary has accepted in principle a social procurement policy and strategy to create a Sustainable, Social, Ethical and Environmental Procurement Policy, SSEEPP, that will advance the utilization of existing procurement to create local social, economic and environmental value.

The primary purpose of the Social Procurement policy is to respond to local economic and social issues, with potential outcomes:

- Increased access to City contracts will contribute to a more diverse, more resilient, and more socially inclusive small and medium-sized business sector
- Support for economic recovery with greater opportunity and integration for marginalized groups in Calgary
- Increased apprenticeship, paid work-experience, and entry-level opportunities in the trades and other career-track employment, especially for marginalized community members, e.g. Indigenous peoples, women, and immigrants.
- Increased prepared to respond to Infrastructure Canada's recent requirement for Community Benefit Employment Agreements for infrastructure investments.

### **2. Purpose**

The Advisory Task Force is a multi-stakeholder group to advise and support The City on the process of designing, implementing and measuring a social value into the existing procurement process.

Members of the Advisory Task Force acknowledge and agree that the outcomes and responsibilities expected of them are to:

- Support and monitor integration into existing City of Calgary social objectives: Calgary's Resilience Strategy (under development), imagineCALGARY, Enough for All, etc.
- Inform City staff and Task Force Members with stakeholder value and process issues
- Support mitigation of supplier and construction sector fears and perceived barriers
- Build relationships between suppliers and purchasers
- Identify social issues and measurable benchmarks for success consistent with existing City policy
- Identify 'low hanging fruit' and pilot project opportunities
- Support the development and application of the outcomes measurement process

### **3. Roles and Responsibilities**

The role of the Advisory Task Force is to advise the Director of Supply Management on the implementation of the Social Procurement Program. The Task Force will support the implementation process to: create the appropriate goals, establish the measurement criteria and the reporting methodology. The Social Procurement process will build upon existing policies, programs and strategies of the SSEEPP Policy as presented to The City of Calgary at the regular meeting on December 2018 (<https://pub-calgary.escribemeetings.com/filestream.ashx?DocumentId=75350>).

The Advisory Task Force is by its purpose and design intended to be advisory only. It is not a decision making body. The public members are expected to represent a sector voice and perspective to positively contribute to the policy implementation.

The Advisory Task Force will, at a minimum, meet quarterly and will be responsible to submit annual progress reports to City Council through the Director of Supply Management.

Advisory Task Force members agree to participate in regular meetings and appropriate training opportunities, prepare for meetings, and contribute professionally as required from time to time.

#### **4. Reporting Relationships**

The Advisory Task Force reports to and is responsible to the Director of Supply Management.

#### **5. Decisions**

Collaboration and mutual respect are basic principles of the Advisory Task Force conduct.

Decision-making of the Advisory Task Force will strive to reach consensus by all members in attendance. However, if the Co-Chairs determine that consensus cannot be reasonably reached and the Task Force is at quorum, a vote shall be held and the decision shall be made by the simple majority. If there is a tie, The City co-chair will decide.

#### **6. General**

##### **6.1 Membership**

Membership as defined within the policy:

- One (1) Representative from Supply Management - Co-chair
- One (1) Representative from Supply Management - Project Lead and Secretariat
- One (1) Representative from Resilience and Infrastructure Calgary
- One (1) Representative from Calgary Neighbourhoods
- One (1) Representative from Environmental and Safety Management
- One (1) Representative from Facility Management
- Two (2) Representatives from City Corporations
  - E.g. Attainable Homes Calgary Corporation, Calgary Arts Development, Calgary Economic Development, Calgary Housing Company, Calgary Municipal Land Corporation, Calgary Technologies

- One (1) Representative from the Calgary Construction Association
- One (1) Representative from the Calgary Road Builders Association
- One (1) Representative from Calgary Economic Development
- One (1) Representative from the Chamber of Commerce
- One (1) Representative from Respect for the Earth and All People (REAP)
- One (1) Representative from Momentum
- One (1) Representative from Anchor Institution
- At large appointment(s)

The initial Advisory Task Force members will be selected by the Director of Supply Management.

The main Task Force may create working groups to meet at other times to address and report back on identified and specific issues. Each task force will have a defined topic, described outcome and reporting timeline.

Terms and processes will comply with Council Policy on Governance and Appointments of Boards, Commissions and Committees as published at <http://www.calgary.ca/CA/city-clerks/Documents/Council-policy-library/CP2016-03-Governance-Appointments-BCCs.pdf>.

##### **6.2 Term**

Term begins upon appointment by of the Director of Supply Management.

Term ends on December 31, 2021 unless terminated earlier.

If a member terminates prior, then The City staff Co-Chair may appoint a replacement representing a similar stakeholder perspective or experience.

### **6.3 Meeting Chair**

The Advisory Task Force will elect one Co-Chair from the non-City members of the Task Force. The Co-Chair will contribute to the agenda preparation, the meeting content, and report preparations.

### **6.4 Agenda Items**

Supply Management is responsible for the administrative and secretariat requirements of the Advisory Task Force. The Project Lead will coordinate the secretariat function of the Task Force. In addition to agenda compilation, this role also includes provision of analysis, technical support and subject matter expertise.

Any member can raise or propose agenda items. Agenda items are to be provided two weeks in advance of meetings to the secretariat for agenda inclusion. The agenda and supporting documentation will be forwarded to Task Force members one week prior to meetings.

The agendas for the quarterly meetings will generally follow the topic areas outlined in the Project Plan, subject to periodic decisions about scheduling and deliverables made by members of the Task Force.

Facilitation may be provided for Advisory Task Force general meetings as required and determined by the Director of Supply Management.

### **6.5 Minutes**

The minutes will be prepared by Supply Management and will be circulated to the Task Force. Records of meetings will be managed by Supply Management.

### **6.6 Frequency and Duration of Meetings**

The Task Force will meet for 2 hours quarterly or more often subject to relative progress based on the Project Plan and schedule, meetings may occasionally be cancelled or the agenda items dealt with through e-mail, teleconference or Skype, etc.

Additional meetings may be set for Task Force members or smaller sub-sets to deal with specific agenda items or deliverables.

### **6.7 Delegates & Proxies**

If a member of the Task Force is not available to attend a meeting, a delegate will be permitted to attend provided the delegated representative has appropriate decision-making authority. The delegated representative is expected to bring information back to the absent member.

### **6.8 Quorum Requirements**

Quorum is defined as a simple majority of the total membership of the Task Force. In general, this will mean half of the total number of members.

### **6.9 Review of Terms of Reference**

The Terms of Reference will be reviewed once a year.

### **6.10 Confidentiality**

Task Force members will be required to treat all communications as confidential and are not to disclose any internal information without the prior written consent from one of the City Staff Task Force Co-Chair on any matter that may impact the success of the process or create a real or perceived conflict of interest.

### **6.11 No Employment, Service, Agency Relationship**

Membership on the Advisory Task Force does not constitute employment with The City of Calgary or any other City department or agency. Nothing in this Agreement is intended to create, creates or shall be interpreted or construed as creating a partnership, joint venture or the relationship of principle and agent, or of employer and employee between you and The City or any other City department or agency.

## 6.12 Reimbursement

Task Force members will not be compensated for their time.

## 6.13 Intellectual Property

All property and property rights including intellectual property rights and interests and claims in or to any record produced by one or more members of the Task Force or by anyone on behalf of the Task Force for the purposes of this agreement or fulfilling their responsibilities as a member of the Advisory Task Force, shall immediately, as soon as they come into existence, vest in and remain the property of The City of Calgary. Members must ensure that any and all agreements and arrangements between themselves and anyone acting on your behalf or for them comply with this provision. Members agree to assist The City including signing any documents that may be required to be signed to give effect to this provision. This assistance shall be provided without any further consideration being paid or otherwise provided to the member. This provision survives the expiry or early termination of this agreement.

## 6.14 Conflict of Interest

Conflict of interest is as defined by The City of Calgary Conflict of Interest Policy HR-LR-004 (<http://publicaccess.calgary.ca/lldm01/livelink.exe?func=ccpa.general&msgID=MsrsKK-SKqL&msgAction=Download>).

Members must, in undertaking their responsibilities under this agreement and as a member of the Advisory Task Force, act honestly, only in the public interest, and at all times in a manner that upholds the highest ethical standards so that public confidence and trust in the integrity, objectivity and impartiality of government are conserved and enhanced. In carrying out their responsibilities as a member of the Advisory Task Force, members must not act in any way to further their own or a family members' private or personal interests.

Furthermore, members must not knowingly take advantage of, or benefit from, any information, confidential or otherwise, that is obtained in the course of undertaking their responsibilities under this agreement and as a member of the Advisory Task Force, which is not generally available to the public, either during the term of this agreement or after its expiry.

If members anticipate they may find themselves or are in a situation that constitutes an actual or perceived conflict of interest, they must inform The City of Calgary Director of Supply Management immediately in writing and complete any required documentation disclosing the nature of the conflict. Members agree to abide by any instructions provided by The City of Calgary to address the conflict up to and including removing themselves or being removed as a member of the Advisory Task Force.

This provision survives the expiry or early termination of this Agreement.

## 6.15 Termination

Should a member wish to end membership on the Advisory Task Force, they must inform The City of Calgary in writing and provide the date on which their membership will end.

Missing 3 consecutive meetings may be cause for termination.

The City of Calgary may terminate membership on the Advisory Task Force at any time without notice or reason and membership ceases on the effective date of that termination.

The City of Calgary may terminate this agreement at any time without notice or reason and membership ceases on the effective date of that termination.

This Agreement terminates on the date that membership ends, but the confidentiality clause remains in affect even after termination.

# Pilot Project Framework and Examples

The social procurement pilots will have three (3) key objectives:

1. Establish the data collection and reporting systems for measuring outcomes
2. Use variable models to test the options and opportunities of social procurement models
3. Provide the framework and basis for permanent social procurement procedures

## Pilot Projects Evaluation Framework: Alignment with City of Calgary Policy & Programs

Each pilot project will evaluate the options for data collection and reporting systems for measuring outcomes, which may include items such as:

- The number and financial value of contracts maintained with local businesses and social enterprises
- The number and financial value of new contracts awarded to local businesses and social enterprises
- The number of targeted employment positions filled
- The number and financial value of supplier sub-contracts
- The number of apprenticeships and training positions created and completed
- Increased knowledge of procurement process for small businesses
- Increased knowledge from City staff on how to create social benefit through purchasing
- Increased number of small businesses responding to procurement opportunities

- Number and dollar value of jobs created for targeted marginalized groups
- A count of equivalent full time employees per contract, reported by supplier
- Amount of payroll to targeted employees, reported by supplier
- Contracts directed to or won by diverse suppliers and social enterprises
- Number of contracts awarded that have a social value component, reported by The City
- Dollar Value of Contracts that have a social value component, reported by The City
- Assess annual City purchasing percentage awarded to small- and medium-sized businesses
  - Assess by postal code
  - Assess by business sector
- Assess internal implementation progress using an annual updated SSEPP leadership questionnaire to evaluate social procurement progress toward the goals identified by the Task Force.

**The pilots will use variable models to test the options and opportunities of social procurement models**

### Examples of Potential Phase One Pilot Program Opportunities

#### Low value Purchases:

Explore trade agreement financial threshold opportunities to do direct small item purchasing

- Examine The City's previous purchases under the \$25,000 amount (e.g. catering, printing,

couriers, events, etc.) for potential direct contracting where social objectives can be achieved:

- Indigenous owned catering service
- Non-profit space for events

#### **Trade Agreement Exceptions:**

Explore Trade agreement exceptions that meet the “*legitimate public welfare objectives*” using Non-profit Suppliers and Persons with Disability Suppliers

- Trade agreements allow exceptions for direct purchasing from non-profits
- Purchase temporary labour support from non-profit employment training provider
- Utilize non-profit social enterprise for maintenance services for Calgary Housing repairs

#### **Social Value Language and Weighting in RFP’s for Targeted City Departments:**

- Example: Calgary Housing opportunities to work with suppliers that employ residents to do:
  - Apartment and unit refurbishing
  - Interior and exterior maintenance
  - Catering, cleaning, maintenance, and recycling

Pilot RFP with additional weighting for social value for upcoming procurement opportunities for services that would be a good fit for social procurement

- Examples: catering, landscaping, packaging, fulfilment, etc.

## Provide the framework and basis for permanent social procurement procedures

Based upon the pilot projects evaluations and learnings the Supply Management staff will design and implement permanent social procurement procedures.

### Social Procurement Pilot Objectives Meeting City of Calgary Policy Goals:

The following City of Calgary policies, strategies and frameworks were reviewed to identify how the five types of social procurement pilot projects can contribute to meeting The City's priorities and aspirations.

- **Pilot 1** – Direct Award: Under Financial Threshold
- **Pilot 2** – Direct Award: Trade Agreement Exception
- **Pilot 3** – Social Value Weighting RFP
- **Pilot 4** – Sub-Contract Opportunity
- **Pilot 5** – Green Line Community Benefit Agreement

Policy Objectives	More diverse more resilient, and more socially inclusive small and medium-sized business sector.	Greater economic opportunity and integration for marginalized groups.	Increased apprenticeship, paid work-experience, and entry-level opportunities in the trades and other career-track employment.	Increased preparedness to respond to Infrastructure Canada's investments.
PILOT ALIGNMENT				
Pilot 1	✓	✓		
Pilot 2	✓	✓	✓	✓
Pilot 3	✓	✓		
Pilot 4	✓	✓		
Pilot 5		✓	✓	✓

Policy Objectives	More diverse more resilient, and more socially inclusive small and medium-sized business sector.	Greater economic opportunity and integration for marginalized groups.	Increased apprenticeship, paid work-experience, and entry-level opportunities in the trades and other career-track employment.	Increased preparedness to respond to Infrastructure Canada's investments.
<b>CITY OF CALGARY ALIGNMENT</b>				
One Calgary	✓	✓	✓	✓
Council Directives	✓	✓	✓	✓
Calgary 2020	✓	✓	✓	
Triple Bottom Line Policy	✓	✓	✓	
Municipal Development Plan	✓		✓	
imagineCalgary	✓	✓	✓	✓
Capital Infrastructure Investment Principles			✓	✓
SEEPP	✓			
White Goose Flying	✓		✓	
Capital Infrastructure Investment Principles			✓	✓
Community Economic Development Neighbourhood Framework	✓	✓		✓
Welcoming Community Policy	✓	✓		
<b>PARTNERSHIP STRATEGY ALIGNMENT</b>				
100 Resilient Cities Framework	✓	✓	✓	✓
Calgary Economic Development Strategy	✓	✓	✓	
Enough for All		✓	✓	
Calgary Local Immigrant Partnership – Local Settlement Strategy	✓	✓	✓	

