



Social Procurement Update

Executive Committee - 2023 June 1



Recommendation

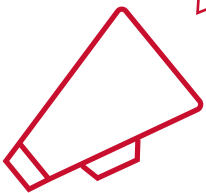
That the Executive committee recommend that Council receive this report for the Corporate Record.



Why Social Procurement?

We have an opportunity to leverage The City's purchasing power to create additional community value.

Supply Management has **responded to industry feedback** on The City's Procurement process.



Our Community



Calgarians

- Using public funds to **buy with intent**
- **Meeting expectations** of progressive and socially ethical procurement practices



Suppliers & Businesses

- **Reducing cost barriers** to increase diversity and fuel innovation
- Providing **competitive advantage** to underrepresented groups and small-and medium-sized businesses

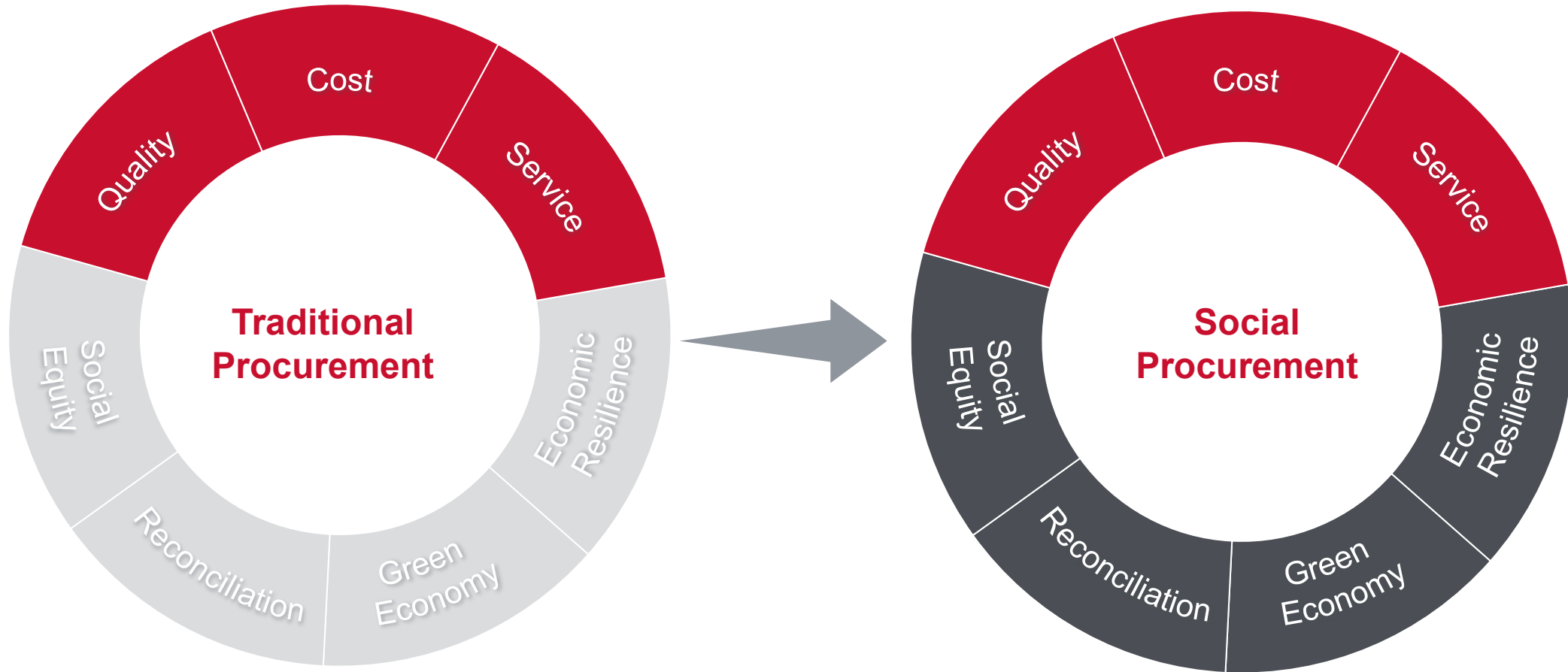


The City

- Achieving **faster and better service** through modernizing the bid process
- Adding capacity for City resources to **focus on increasing targeted outcomes**



We are evolving to a more sustainable procurement practice

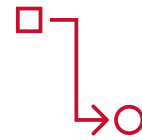




We are modernizing and removing barriers

Sample of Questions on the Social Procurement Questionnaire:

- Economic Category:**
*Does your company have a third-party certification to show ownership from an **underrepresented group**?*
- Social Category:**
*Does your company have a specific Indigenous policy to support outcomes for **Indigenous communities**?*
- Climate & Environmental Category:**
*Does your company have **climate or environmental targets**?*
- Governance – OH&S & Ethics Category:**
*Does your company promote a **respectful working environment** ...?*



Adjustments made



What this unlocks

Removed the cost to bid

- **Greater opportunities** for small-and medium-sized businesses
- Greater **economic development** in Calgary

Customized questionnaire

- Suppliers & Businesses **incentivized** and **recognized** for providing opportunities for underrepresented groups

Digitized questionnaire

- **Ease of doing business** with The City
- **Automates scoring** – The City’s resources can focus on more strategic outcomes



The journey to get it right



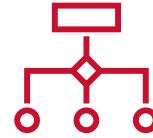
Notice of Motion C2018-0396

2018 APRIL



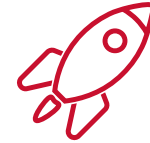
First Pilot Procurement for
Benefit Driven Procurement

2020 JULY



Contract Management System
Goes Live

2022 JUNE



Launch of Social Procurement
Questionnaire 2.0 and
Digitization

2023 MAY

Mobilize

Questionnaire Being Used

2019 MAY

Benefit Driven Procurement
Advisory Task Force Kick-Off



2021 SEPTEMBER

PFC2021-1282
Transition from Pilot to Operations
Following Recommendations from
Council

Public Value through Procurement
Council Policy Approved



2023 JANUARY

Benefit Driven Procurement Taskforce
Transition to Public Value Advisory
Committee

Customization of Questionnaire Categories





With a solid foundation in place, we are now focused on targeted outcomes

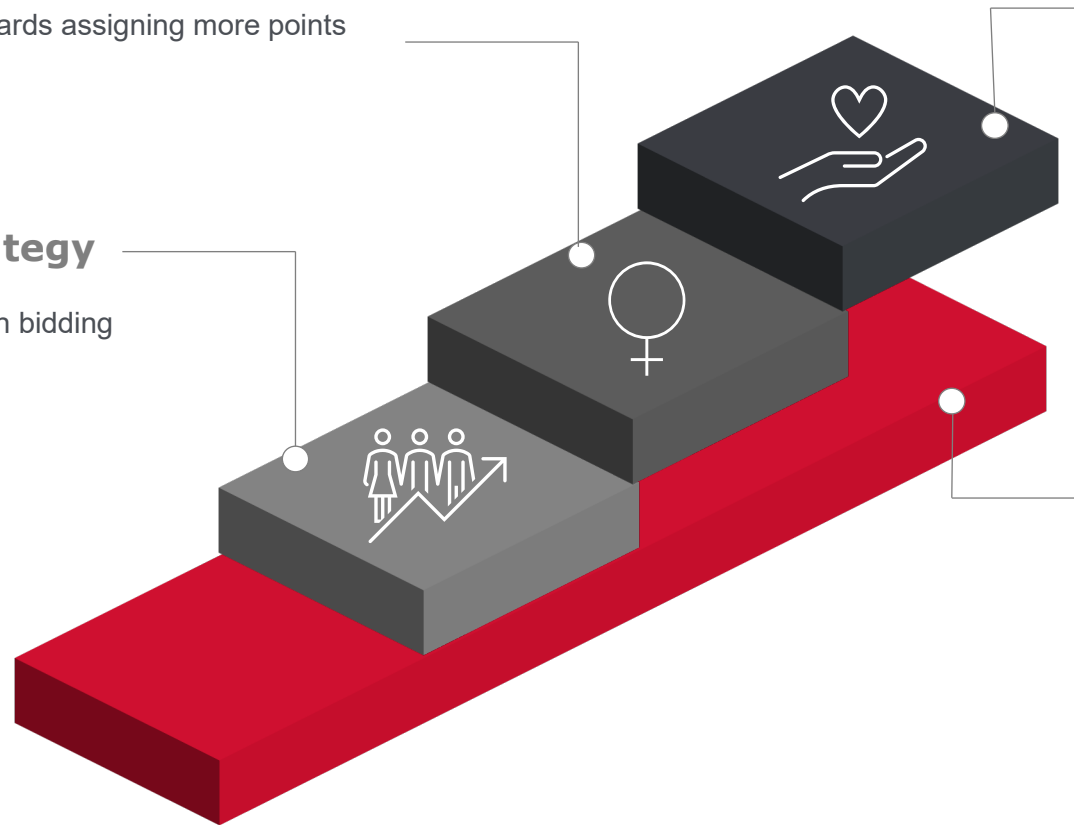
Increasing Access to Women-Owned Businesses

- Customized questions to maximize impact
- Evaluation criteria adapted towards assigning more points to women-owned businesses

Currently Underway

Indigenous Procurement Strategy

- Engagement to understand barriers when bidding
- Solutions to increase opportunities for Indigenous-owned businesses



Future Focus Areas

Focus on groups such as LGBTQ2S+, newcomers, diverse Racialized groups

Social Procurement Questionnaire

- May 31st, 2023: Digitization and expansion of the *Social Procurement Questionnaire*
- Integration of environmental, climate, ethics, and occupational health and safety elements from the *Sustainable Environmental and Ethical Procurement Policy (SEEPP)* questionnaire.
- Potential Suppliers & Businesses can increase their scoring in bids by providing **greater economic opportunities for underrepresented groups** (women, LGBTQ2S+, newcomers, diverse Racialized groups and Indigenous)



Thank you

Stay up to date on The City's
Social Procurement Program



Visit calgary.ca/SocialProcurement



% of contracts awarded in 2022 to Suppliers & Businesses:



88% paying living wages

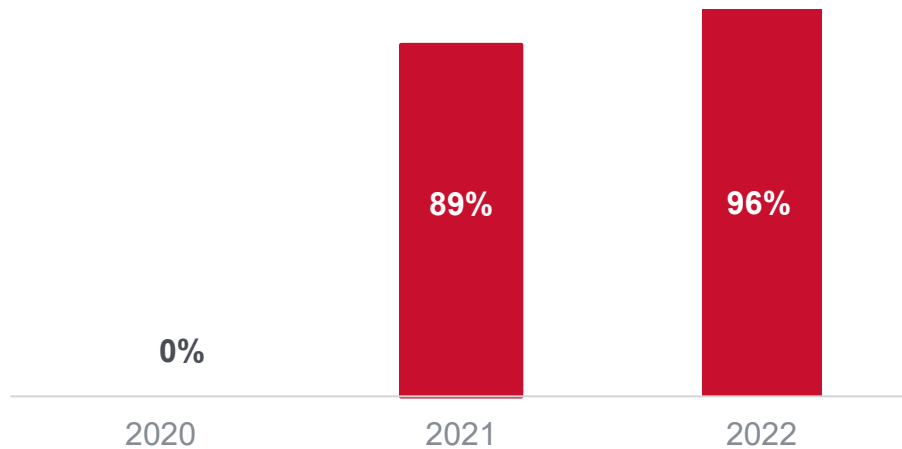


53% with the top Social Procurement score



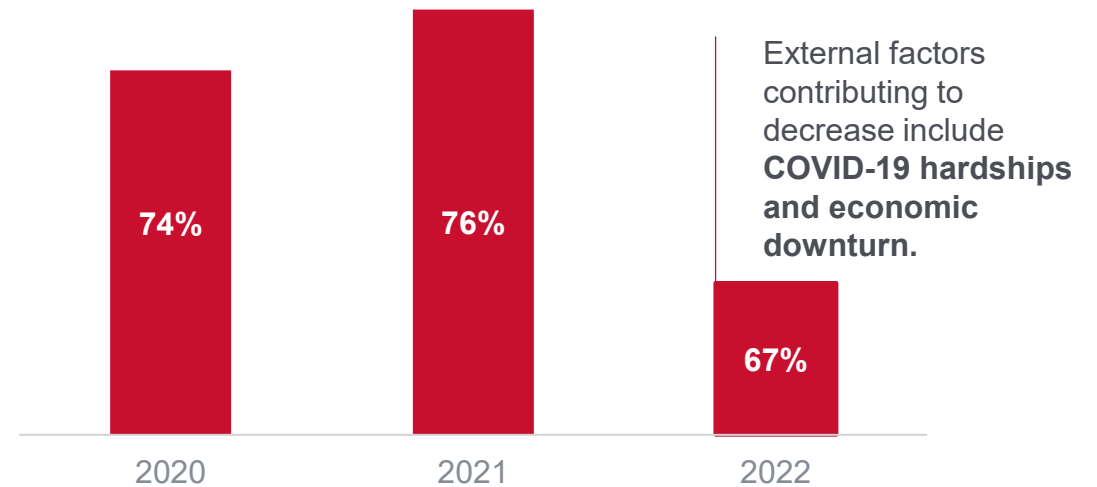
84% providing work experience

% industry participation rate



Participation in Social Procurement Questionnaire has increased to **96%** of bidders, despite it only being voluntary.

% of contracts were awarded to small-or medium-sized businesses



Contract awards to Small-and-Medium sized-business is still high at **67%**, despite changing external factors