



**MERGED AGENDA
FINANCE AND AUDIT COMMITTEE MEETING**

Wednesday, November 20, 2024

9:00 a.m. To Proceed In Camera Reconvene Regular Meeting Immediately Following the In Camera Finance and Audit Committee Meeting

SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE

80 COMMERCIAL STREET, NANAIMO, BC

SCHEDULED RECESS AT 10:30 A.M.

Pages

1. CALL THE MEETING TO ORDER:

[Note: This meeting will be live streamed and video recorded for the public.]

2. PROCEDURAL MOTION:

That the meeting be closed to the public in order to deal with agenda items under the *Community Charter*:

Section 90(1) A part of the Council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

(k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of Council, could reasonably be expected to harm the interests of the municipality if they were held in public; and

(n) the consideration of whether a Council meeting should be closed under a provision of this subsection or subsection (2).

3. INTRODUCTION OF LATE ITEMS:

4. ADOPTION OF AGENDA:

5. ADOPTION OF MINUTES:

a. Minutes

5 - 11

Minutes of the Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Wednesday, 2024-OCT-16, at 9:00 a.m.

6. PRESENTATIONS:

- a. Liette Bates-Eamer, Lead Audit Engagement Partner, KPMG re: KPMG Preliminary Audit Presentation 12 - 40

7. DELEGATIONS:

8. REPORTS:

- a. Rent Supplement Program Update 41 - 50

To be introduced by Richard Harding, General Manager, Community Services and Deputy Chief Administrative Officer.

Purpose: To provide the Finance and Audit Committee with a review of City of Nanaimo funded rent supplement programs in 2024.

Presentation:

- 1. Christy Wood, Manager, Social Planning, and Melissa Giles, Managing Director, BC Rent Bank.

- b. Nanaimo Region Rent Bank Update 51 - 55

To be introduced by Richard Harding, General Manager, Community Services and Deputy Chief Administrative Officer.

Purpose: To provide the Finance and Audit Committee a review of the Nanaimo Region Rent Bank in 2024.

- c. Online Accommodation Platform Funds 56 - 60

To be introduced by Jeremy Holm, Director, Planning and Development.

Purpose: To provide the Finance and Audit Committee with a recommendation for the allocation of Online Accommodation Platform revenue in 2025.

Recommendation: That the Finance and Audit Committee recommend that Council allocate the Online Accommodation Platform revenue in 2025 as follows:

- a. \$830,000 to acquisition of land and/or infrastructure/land improvements for affordable housing developments related to BC Housing and City of Nanaimo partnerships;
- b. \$150,000 for continued support to the rent supplement programs; and,
- c. \$150,000 for continued support to the Nanaimo Region Rent Bank program, administered by Connective Support Society Nanaimo.

- d. Loaves and Fishes Warehouse Distribution Centre - Request to Waive Fees and Servicing Requirements 61 - 64

To be introduced by Jeremy Holm, Director, Planning and Development.

Purpose: To provide an overview of the impact of waiving the building permit fee and the servicing requirements for Loaves and Fishes new Warehouse Distribution Centre located at 1861 East Wellington Road.

e. Funding Request from Nanaimo Hornets Rugby Football Club 65 - 67

To be introduced by Richard Harding, General Manager, Community Services and Deputy Chief Administrative Officer.

Purpose: To present the Finance and Audit Committee with a funding request from the Nanaimo Hornets Rugby Football Club.

Recommendation: That the Finance and Audit Committee recommend that Council approve the Nanaimo Hornets Rugby Football Club's funding request and allocate \$100,000 from the Strategic Infrastructure Reserve Fund, contingent on a successful grant application by the Club to the Province of BC's Community Gaming Capital Grants Program.

1. *Add - Delegation from Drew Cooper* 68

f. Japanese Canadian Legacies Society - Legacy Infrastructure Project Grant 69 - 71

To be introduced by Richard Harding, General Manager, Community Services and Deputy Chief Administrative Officer.

Purpose: To seek the Finance and Audit Committee's approval to proceed to work with the 7 Potatoes Cultural Society by supporting them in submitting a grant application totaling \$1,000,000 to the Japanese Canadian Legacies Society's Legacy Infrastructure Project Grant for a project that would be constructed on City owned land at Beban Park.

Recommendation: That the Finance and Audit Committee recommend that Council:

1. Direct staff to provide support to the 7 Potatoes Cultural Society for their grant application;
2. Provide a letter of support for the project;
3. Agree the City would be responsible for the project construction and ongoing maintenance, if the grant application is successful; and
4. Enter into an agreement with 7 Potatoes that guarantees the use of the land for the project, if the grant application is successful.

g. Sustainable Procurement Update 72 - 119

To be introduced by Laura Mercer, General Manager, Corporate Services.

Purpose: To provide information regarding Sustainable Procurement for the period 2023-JUL-01 to 2024-JUN-30.

9. OTHER BUSINESS:
10. QUESTION PERIOD:
11. ADJOURNMENT:



MINUTES

FINANCE AND AUDIT COMMITTEE MEETING

Wednesday, October 16, 2024, 9:00 A.M.
SHAW AUDITORIUM, VANCOUVER ISLAND CONFERENCE CENTRE
80 COMMERCIAL STREET, NANAIMO, BC

Members:	Mayor L. Krog, Chair Councillor S. Armstrong* Councillor H. Eastmure Councillor B. Geselbracht Councillor P. Manly Councillor J. Perrino Councillor I. Thorpe
Absent:	Councillor T. Brown Councillor E. Hemmens
Staff:	D. Lindsay, Chief Administrative Officer R. Harding, General Manager, Community Services/Deputy Chief Administrative Officer L. Mercer, General Manager, Corporate Services B. Sims, General Manager, Engineering and Public Works W. Fulla, Director, Finance J. Holm, Director, Planning and Development K. Gonzales, Manager, Police Support Services K. Robertson, Deputy Corporate Officer N. Vracar, Deputy Corporate Officer N. Sponaugle, Communications Advisor A. Chanakos, Recording Secretary

1. CALL THE MEETING TO ORDER:

The Finance and Audit Committee Meeting was called to order at 9:00 a.m.

* Denotes electronic meeting participation as authorized by "Council Procedure Bylaw 2018 No. 7272"

2. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda be adopted. The motion carried unanimously.

3. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Finance and Audit Committee Meeting held in the Shaw Auditorium, Vancouver Island Conference Centre, 80 Commercial Street, Nanaimo, BC, on Wednesday, 2024-SEP-25, at 9:00 a.m. be adopted as circulated. The motion carried unanimously.

4. REPORTS:

a. Nanaimo Restorative Justice Program Overview

Introduced by Richard Harding, General Manager, Community Services/Deputy Chief Administrative Officer.

Presentation:

1. Andrew Ferguson, Executive Director, and Kluane Buser-Rivet, Program Manager, Nanaimo Restorative Justice Program, provided a PowerPoint presentation which was included in the Agenda package. Highlights included:
 - Since its inception in 1998, the Nanaimo Restorative Justice Program has received annual funding of \$50,000 from the City; however, current funding levels are no longer adequate for the rising operational costs and additional staff hours needed to continue the Program
 - Other funding sources, including senior levels of government and grants, are being pursued
 - The Program is offered to both youth and adult offenders, and is available at no cost
 - The Nanaimo RCMP Detachment is the largest source of Program referrals, and Nanaimo has some of the highest referrals in BC
 - Restorative justice has proven to be three times more effective than the criminal justice system at reducing repeat offending
 - The Program provides Indigenous victims and offenders a justice process that prioritises cultural support and incorporates traditional forms of Indigenous justice practices

- Local schools have expressed interest to receive training for administrators on restorative justice principles
- The City of Victoria's Restorative Justice Program takes on the same number of files as Nanaimo, and operates with five staff members and 80 volunteers, compared with Nanaimo at one staff member and 10 volunteers
- They are seeking additional funding from City to support the core needs of the City of Nanaimo Restorative Justice Program

Committee discussion took place. Highlights included:

- Current annual program funding is \$83,000, with the majority of funding provided by the City of Nanaimo
- The Provincial Crown Contract prohibits the Program from soliciting the Province for any funds; however, supporters can advocate on behalf of the Program
- Ideal staffing levels would consist of four staff members, including a Program Manager, Indigenous Case Manager, General Case Manager, and Special Projects Manager
- The City of Victoria receives significant funds through their City, Regional District, and surrounding municipalities through line items in the RCMP budget, as well as significant Provincial funding
- Dissatisfaction with lack of funding from senior levels of government

Committee and Staff discussion took place. Highlights included:

- Consideration to review other sources of funding that may be available
- Consideration for adding up to \$150,000 as part of the 2025 budget deliberations given the importance of the Program and increasing demands for services
- Following the upcoming Provincial election, changes could occur regarding Provincial funding options

It was moved and seconded that the Finance and Audit Committee recommend that Council:

1. Add increasing the annual operating grant from \$50,000 to \$150,000 in 2025, for the Nanaimo Restorative Justice Program, as a decision point to the 2025 budget deliberations for Council's consideration; and,
2. Refer the report to a future Public Safety Committee Meeting.

The motion carried unanimously.

b. Neighbourhood Association Grant Program

Jeremy Holm, Director, Planning and Development, noted the original Neighbourhood Association Supports Policy identified an original grant budget of \$10,000 annually; however, an increasing number of established Neighbourhood Associations has prompted a request for increased funding.

Committee and Staff discussion took place. Highlights included:

- The current grant funding will not provide adequate funds if all 16 established Neighbourhood Associations request grants
- If Council supports the recommendation, each Neighbourhood Association could receive up to \$1,250 each

It was moved and seconded that the Finance and Audit Committee recommend that Council:

1. Add a decision point for Council consideration to the 2025 budget deliberations to increase the annual Neighbourhood Association Grant Program budget from \$10,000 to \$20,000 starting in 2025;
2. Allow annual grant totals to exceed \$1,000 per neighbourhood association; and,
3. Delegate annual grant approvals to the Director of Planning and Development for recognized neighbourhood associations when grant criteria is respected.

The motion carried unanimously.

c. Tourism Nanaimo Funding Request

Laura Mercer, General Manager, Corporate Services, noted that Tourism Nanaimo is requesting a one-time grant in order to fill the Sport Tourism Coordinator position early, and that funding can be provided by a surplus in the Corporate and Business Development area due to staff vacancies.

Committee and Staff discussion took place regarding the economic impact Sports Tourism has in the city, and the importance of providing assistance to fund the position in advance of the new year.

It was moved and seconded that the Finance and Audit Committee recommend that Council provide Tourism Nanaimo with an additional \$29,000 in grant funding for 2024 only, to fund a new Sport Tourism Coordinator position. The motion carried unanimously.

d. Quarterly Budget Transfer Report

Laura Mercer, General Manager, Corporate Services, noted that the City's Budget Transfer Policy requires disclosure of budget transfers that result in new projects over \$75,000, budget transfers over \$100,000 or transfers resulting in the delay or cancellation of a project. She outlined the four projects for the Q3 period.

e. Quarterly Purchasing Report (Single and Sole Source, Purchases in Excess of \$250,000 and Instances of Exceptions to Trade Agreements)

Laura Mercer, General Manager, Corporate Services, noted that the report was provided in accordance with the City's Procurement Policy, outlining sole source and single submission purchases and policy compliance for July 1 – Sept 30, 2024.

f. Consideration of Other Grants - September 2024 Intake

Laura Mercer, General Manager, Corporate Services, noted that while two Other Grant requests were received, only one met the grant criteria, and recommended providing the full remaining amount of \$4,000 to the successful applicant.

It was moved and seconded that the Finance and Audit Committee recommend that Council:

1. Award an Other Grant under the Capital Projects category for \$4,000 to the Nanaimo Lodge No. 1052 – Loyal Order of Moose for the replacement of the HVAC system at 1359 Cranberry Avenue.

2. Deny an Other Grant to Vancouver Island University to support the upcoming Vancouver Island Leadership Conference, but direct Staff to provide information to Vancouver Island University with regard to other potential event funding sources.

The motion carried unanimously.

g. Permissive Tax Exemption Cash Grant Request

Laura Mercer, General Manager, Corporate Services, provided the following introductory comments:

- Connective Support Society applied for a 2024 permissive tax exemption (PTE) cash grant for their property at 2630 Labieux Road for full funding of property taxes in the amount of \$6,357.69
- The updated Permissive Tax Exemption Policy, approved by Council in July 2024, no longer includes the cash grant program for PTEs
- As the change in Policy occurred halfway through the year, funding was still available for 2024 in the amount of \$1,400, and could be awarded in lieu of a PTE cash grant

It was moved and seconded that the Finance and Audit Committee recommend that Council award the Connective Support Society Nanaimo with a permissive tax exemption cash grant in the amount of \$1,400 for the 2024 property taxation year. The motion carried unanimously.

h. 2025 Project Contingency

Laura Mercer, General Manager, Corporate Services, provided the following introductory comments:

- In 2023, Council approved creating one general fund contingency budget in place of multiple smaller budgets in different departments
- The 2024 contingency budget was calculated at 3% of the total 2024 general capital plan budget, and was set at \$870,000 with funding coming from the 2023 surplus
- The 2024 surplus would provide \$890,000 for the 2025 general fund contingency budget

Committee and Staff discussion took place regarding the use of these funds for capital project overruns.

It was moved and seconded that the Finance and Audit Committee recommend that Council direct Staff to add a \$890,000 general fund project contingency budget for 2025 to the 2025 – 2029 Provisional Financial Plan funded from 2024 surplus. The motion carried unanimously.

i. Japanese Canadian Legacies Legacy Community Projects Fund

Laura Mercer, General Manager, Corporate Services, provided the following update:

- The City, with support from the Seven Potatoes Club, has applied for a grant through the Japanese Canadian Legacies Legacy Community Project Fund
- If successful, a \$500,000 grant would be used to install interpretive signs at historically significant locations in Nanaimo
- The intent is to facilitate tangible legacy projects that permanently provide knowledge and depict pre-war, war time and post-war experiences of Japanese Canadians from BC

5. QUESTION PERIOD:

The Committee received no questions from the public regarding agenda items.

6. ADJOURNMENT:

It was moved and seconded at 10:14 a.m. that the meeting adjourn. The motion carried unanimously.

CHAIR

CERTIFIED CORRECT:

DEPUTY CORPORATE OFFICER



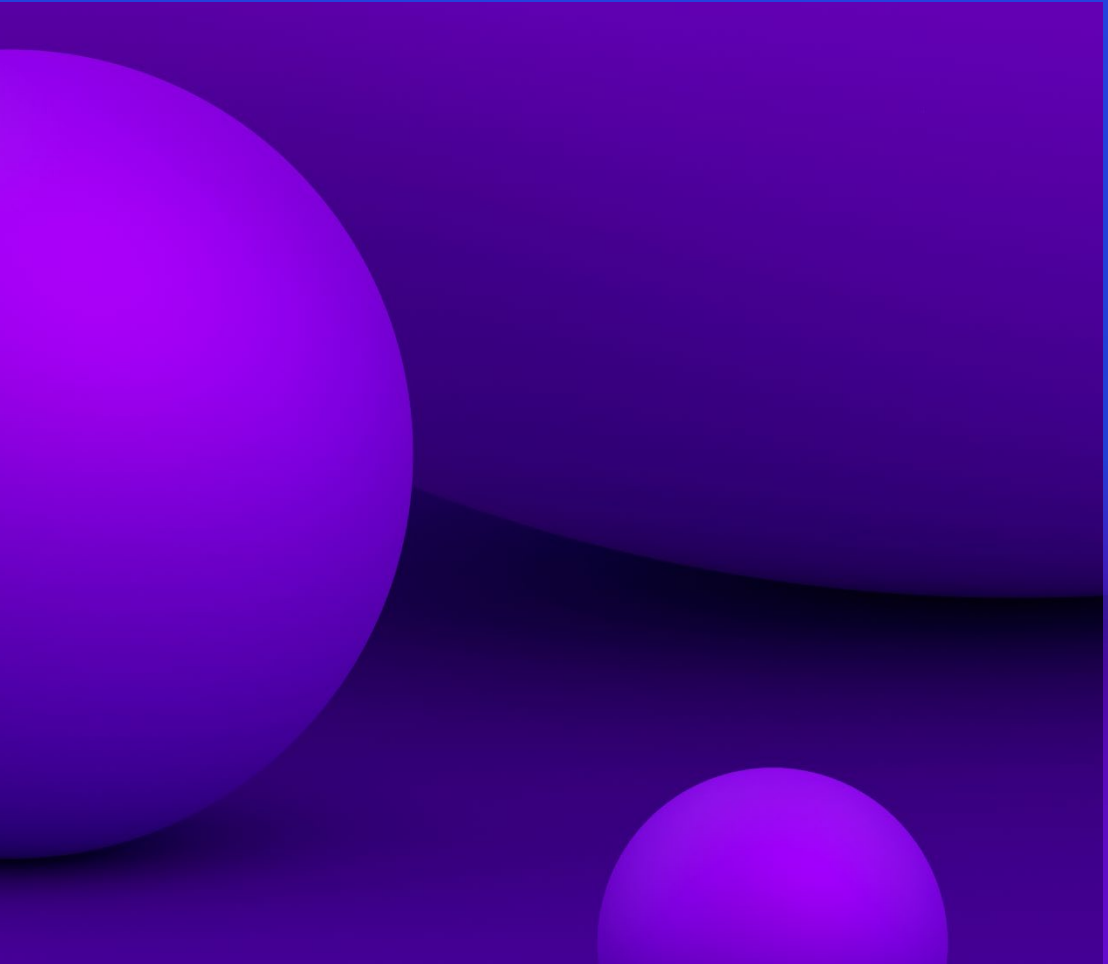
City of Nanaimo

**Audit Planning Report
for the year ending December 31, 2024**

KPMG LLP

Prepared for the Finance and Audit Committee meeting on
November 20, 2024

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement

Liette Bates-Eamer

Lead Audit Engagement Partner

250-480-3641

lbateseamer@kpmg.ca

Sarah Burden

Senior Manager

250-480-3562

sburden1@kpmg.ca

Lenora Lee

Quality Review Partner

250-480-3588

lenoramlee@kpmg.ca

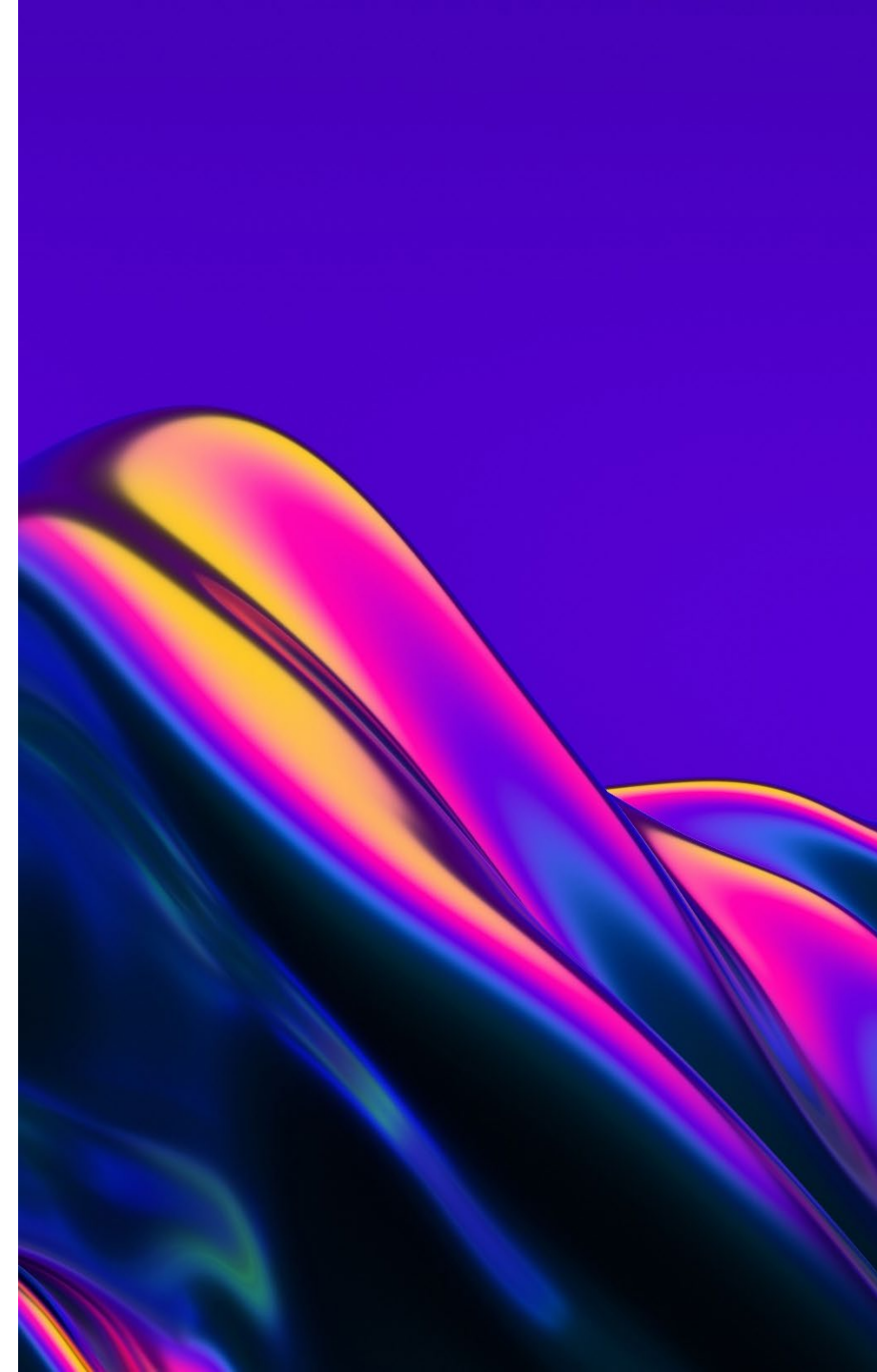


Table of contents

Digital use information

This Audit Planning Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.



Highlights



Audit strategy



Risk assessment



Key milestones and deliverables



Appendices

The purpose of this report is to assist you, as a member of the Finance and Audit Committee, in your review of the plan for our audit of the financial statements. This report is intended solely for the information and use of Management, the Finance and Audit Committee, and the Council and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report to the Finance and Audit Committee has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Audit highlights



No matters to report



Matters to report – see link for details

Scope

Our audit of the financial statements (“financial statements”) of the City of Nanaimo (the “Entity” or the “City”) as of and for the year ending December 31, 2024, will be performed in accordance with Canadian generally accepted auditing standards.

Audit strategy

Materiality \$4.4 million

Involvement of others

Updates to our prior year audit plan

Audit timelines

Required communications

Risk assessment

Risk of management override of controls

Significant risks

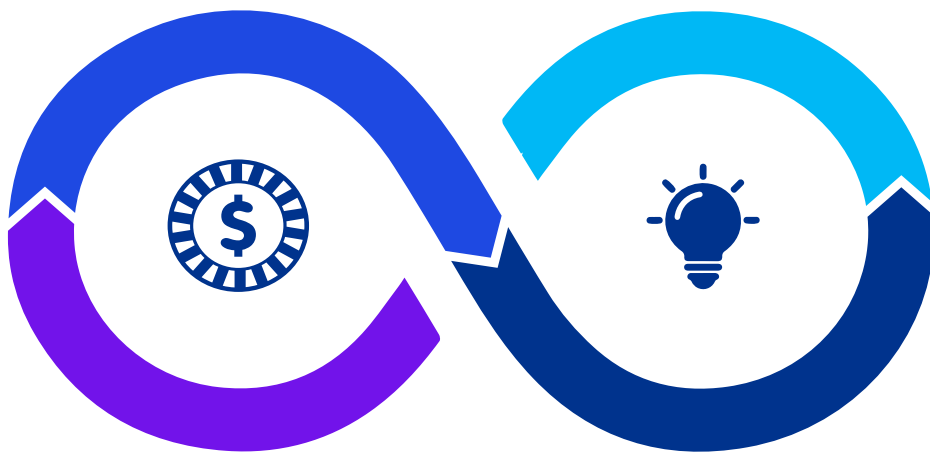
No significant risks to report beyond those required by professional standards

Other risks of material misstatement

- Revenue and receivables
- Expenditures other than salaries and benefits
- Salaries and benefits
- Capital assets
- Cash, investments and debt



Materiality



We **initially determine materiality** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of **professional judgement**, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We **reassess materiality** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We **initially determine materiality** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Evaluate the effect of misstatements

We also **use materiality** to evaluate the effect of:

- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.



Initial materiality



Prior Year Total Expenses

\$206 million

(2023 Audit based on 2022 total expenses: \$188 million)

No change in benchmark compared to prior year

% of Benchmark

2.1%

(2023: 2.1%)

The prescribed range is between 0.5% and 3.0% of the benchmark

Audit Misstatement Posting Threshold

\$220,000

(2023: \$200,000)



Involvement of others

The following parties are involved in the audit of the financial statements:

Involved party	Nature and extent of planned involvement
Management's specialists: actuary	The actuary will perform an actuarial valuation of compensated absences and termination benefits (together employee future benefits).



Updates to our prior year audit plan

New significant risks and focus areas



No significant risks noted



During our preliminary risk assessment process, we did not identify any significant risks. Any changes to the audit plan will be communicated to Management and Those Charged with Governance.



No new audit focus areas



During our preliminary risk assessment process, we did not identify any new audit focus areas. Any changes to the audit plan will be communicated to Management and Those Charged with Governance.

Other significant changes



Newly effective accounting standards



New accounting standards effective for the year ending December 31, 2024 include:
PS 3400 Revenue
PS 3160 Public private partnerships
PSG-8 Purchased intangibles
See Appendix 3 for further information about the impact of these new standards


Newly effective
accounting standards 



Newly effective auditing standards



There are no new auditing standards effective for year ending December 31, 2024 that are expected to impact the audit of the City.
See Appendix 4 for further information

Newly effective
auditing standards 



Risk assessment summary

Our planning begins with an assessment of risks of material misstatement in your financial statements.

We draw upon our understanding of the City and its environment (e.g. the industry, the wider economic environment in which the business operates, etc.), our understanding of the City's components of its system of internal control, including our business process understanding.

	Risk of fraud	Risk of error	Risk rating
● Management override of controls	✓		Significant
● Capital assets and commitments		✓	Elevated
● Revenue and deferred revenue		✓	Elevated
● Salary and benefits accruals and liabilities		✓	Elevated
● Salary and benefits expenditures		✓	Base
● Accumulated surplus and reserves		✓	Base
● Cash, investments and debt		✓	Base
● Expenditures other than salaries and benefits		✓	Base

● SIGNIFICANT RISK ● PRESUMED RISK OF MATERIAL MISSTATEMENT ● OTHER RISK OF MATERIAL MISSTATEMENT



Significant risks



Management Override of Controls (non-rebuttable significant risk of material misstatement)

RISK OF



FRAUD

Why is it significant?

**Presumption
of the risk of fraud
resulting from
management
override of
controls**

Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.

Our planned response

As this presumed risk of material misstatement due to fraud is not rebuttable, our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include:

- testing of journal entries and other adjustments,
- performing a retrospective review of estimates
- evaluating the business rationale of significant unusual transactions.



Required inquiries



Inquiries regarding risk assessment, including fraud risks

- What are the Finance and Audit Committee's views about fraud risks, including management override of controls, in the City? And have you taken any actions to respond to any identified fraud risks?
- Is the Finance and Audit Committee aware of, or has the Finance and Audit Committee identified, any instances of actual, suspected, or alleged fraud, including misconduct or unethical behavior related to financial reporting or misappropriation of assets?
 - If so, have the instances been appropriately addressed and how have they been addressed?
- How does the Finance and Audit Committee exercise oversight of the City's fraud risks and the establishment of controls to address fraud risks?



Inquiries regarding Authority processes

- Is the Finance and Audit Committee aware of tips or complaints regarding the City's financial reporting (including those received through the Finance and Audit Committee's internal whistleblower program, if such programs exist)? If so, the Finance and Audit Committee's responses to such tips and complaints?

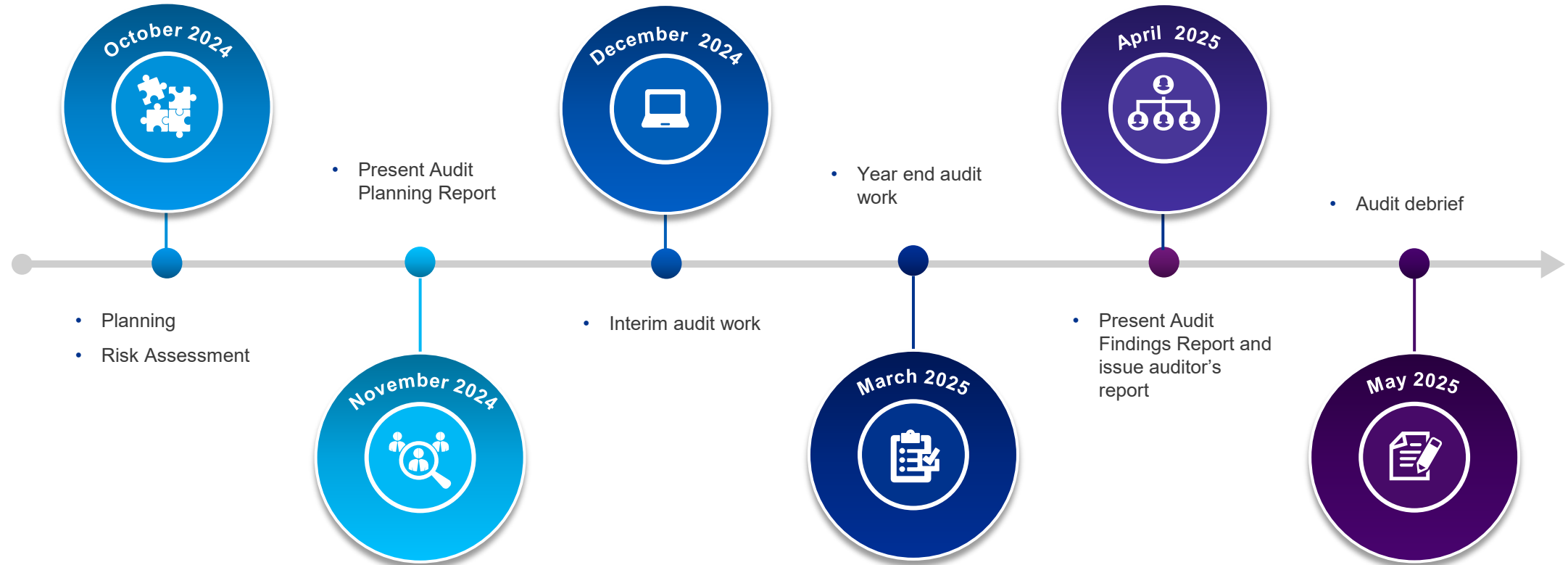


Inquires regarding related parties and significant unusual transactions

- Is the Finance and Audit Committee aware of any instances where the City entered into any significant unusual transactions?
- What is the Finance and Audit Committee's understanding of the City's relationships and transactions with related parties that are significant to the City?
- Is the Finance and Audit Committee concerned about those relationships or transactions with related parties? If so, the substance of those concerns?



Key milestones and deliverables



Appendices

1

Required communications

2

Audit quality

3

Changes in accounting standards

4

Newly effective and upcoming changes to auditing standards

5

Thought leadership and insights



Appendix 1: Required communications



Auditor's report

A copy of our draft auditor's report setting out the conclusion of our audit will be provided at the completion of the audit.

Engagement letter

The objectives of the audit, our responsibilities in carrying out our audit, as well as management's responsibilities, are set out in the engagement letter.



Audit findings report

At the completion of the audit, we will provide our findings report to Council.

Management representation letter

We will obtain from management certain representations at the completion of the audit. In accordance with professional standards, a copy of the representation letter will be provided to Council.



Independence

We are independent and have a robust and consistent system of quality control. We provide complete transparency on all services and follow Council's approved protocols. At the completion of our audit, we will re-confirm our independence to Council.

Internal control deficiencies

Control deficiencies identified during the audit will be communicated to management and Council.



Appendix 2: How do we deliver audit quality?

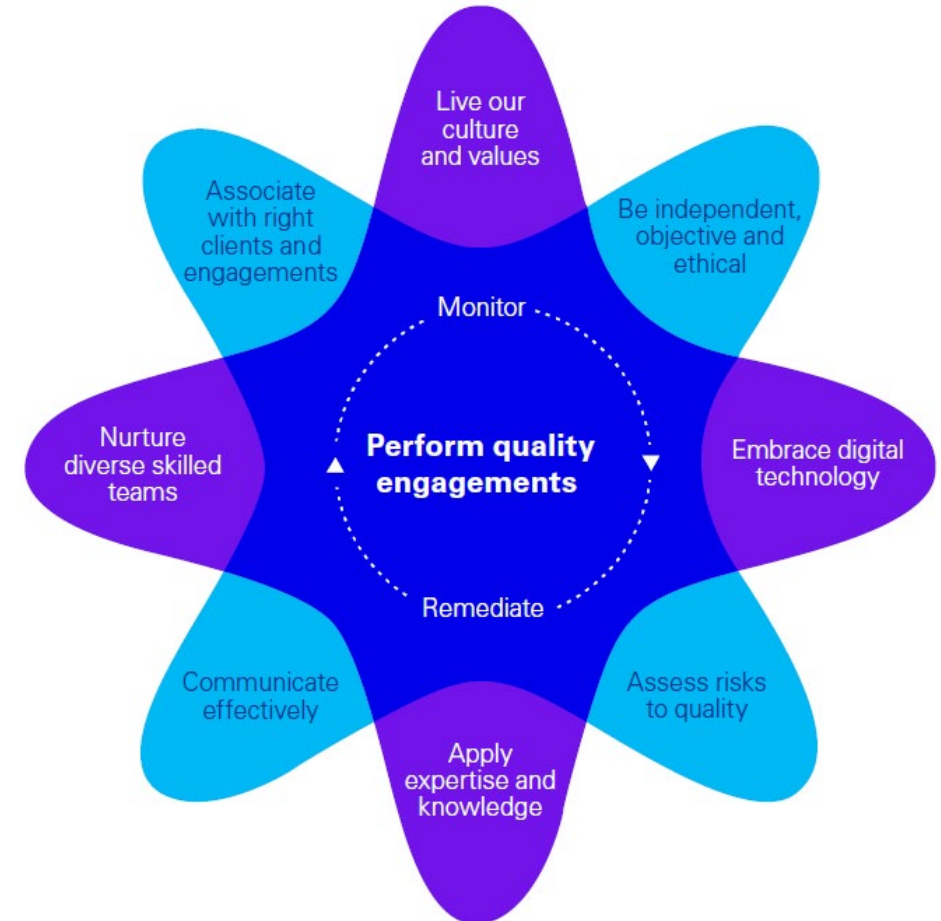
Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Our Transparency Report includes our firm's Statement on the Effectiveness of our SoQM.

 [KPMG Canada Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.



Appendix 3: Changes in accounting standards

Standard	Summary and implications
Revenue	<ul style="list-style-type: none"> • The new standard PS 3400 <i>Revenue</i> is effective for fiscal years beginning on or after April 1, 2023. • The new standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. • The standard notes that in the case of revenue arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations. • The standard notes that unilateral revenue arises when no performance obligations are present, and recognition occurs when the City records the revenue and an event has happened that gives the public sector entity the right to the revenue.
Public Private Partnerships	<ul style="list-style-type: none"> • The new standard PS 3160 <i>Public private partnerships</i> is effective for fiscal years beginning on or after April 1, 2023. • The standard includes new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. • The standard notes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the public private partnership ends. • The public sector entity recognizes a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure. • The infrastructure would be valued at cost, which represents fair value at the date of recognition with a liability of the same amount if one exists. Cost would be measured in reference to the public private partnership process and agreement, or by discounting the expected cash flows by a discount rate that reflects the time value of money and risks specific to the project. • The standard can be applied retroactively or prospectively.
Purchased Intangibles	<ul style="list-style-type: none"> • The new Public Sector Guideline 8 <i>Purchased intangibles</i> is effective for fiscal years beginning on or after April 1, 2023 with earlier adoption permitted. • The guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The definition of an asset, the general recognition criteria and GAAP hierarchy are used to account for purchased intangibles. • Narrow scope amendments were made to PS 1000 <i>Financial statement concepts</i> to remove the prohibition to recognize purchased intangibles and to PS 1201 <i>Financial statement presentation</i> to remove the requirement to disclose purchased intangibles not recognized. • The guideline can be applied retroactively or prospectively.



Appendix 3: Changes in accounting standards (continued)

Standard	Summary and implications
Employee benefits	<ul style="list-style-type: none"> • The Public Sector Accounting Board has initiated a review of sections PS 3250 <i>Retirement benefits</i> and PS 3255 <i>Post-employment benefits, compensated absences and termination benefits</i>. • The intention is to use principles from International Public Sector Accounting Standard 39 <i>Employee benefits</i> as a starting point to develop the Canadian standard. • Given the complexity of issues involved and potential implications of any changes that may arise from the review of the existing guidance, the new standards will be implemented in a multi-release strategy. The first standard will provide foundational guidance. Subsequent standards will provide additional guidance on current and emerging issues. • The proposed section PS 3251 <i>Employee benefits</i> will replace the current sections PS 3250 <i>Retirement benefits</i> and PS 3255 <i>Post-employment benefits, compensated absences and termination benefits</i>. It will apply to fiscal years beginning on or after April 1, 2026. Early adoption will be permitted and guidance applied retroactively. • This proposed section would result in public sector entities recognizing the impact of revaluations of the net defined benefit liability (asset) immediately on the statement of financial position. Organizations would also assess the funding status of their post-employment benefit plans to determine the appropriate rate for discounting post-employment benefit obligations. • The Public Sector Accounting Board is in the process of evaluating comments received from stakeholders on the exposure draft.



Appendix 3: Changes in accounting standards (continued)

Standard	Summary and implications
Concepts Underlying Financial Performance	<ul style="list-style-type: none"> The revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026 with earlier adoption permitted. The framework provides the core concepts and objectives underlying Canadian public sector accounting standards. The ten chapter conceptual framework defines and elaborates on the characteristics of public sector entities and their financial reporting objectives. Additional information is provided about financial statement objectives, qualitative characteristics and elements. General recognition and measurement criteria, and presentation concepts are introduced.
Financial Statement Presentation	<ul style="list-style-type: none"> The proposed section PS 1202 <i>Financial statement presentation</i> will replace the current section PS 1201 <i>Financial statement presentation</i>. PS 1202 <i>Financial statement presentation</i> will apply to fiscal years beginning on or after April 1, 2026 to coincide with the adoption of the revised conceptual framework. Early adoption will be permitted. The proposed section includes the following: <ul style="list-style-type: none"> Relocation of the net debt indicator to its own statement called the statement of net financial assets/liabilities, with the calculation of net debt refined to ensure its original meaning is retained. Separating liabilities into financial liabilities and non-financial liabilities. Restructuring the statement of financial position to present total assets followed by total liabilities. Changes to common terminology used in the financial statements, including re-naming accumulated surplus (deficit) to net assets (liabilities). Removal of the statement of remeasurement gains (losses) with the information instead included on a new statement called the statement of changes in net assets (liabilities). This new statement would present the changes in each component of net assets (liabilities), including a new component called “accumulated other”. A new provision whereby an entity can use an amended budget in certain circumstances. Inclusion of disclosures related to risks and uncertainties that could affect the entity’s financial position. The Public Sector Accounting Board is currently deliberating on feedback received on exposure drafts related to the reporting model.



Appendix 4: Newly effective and upcoming changes to auditing standards

For more information on newly effective and upcoming changes to auditing standards - see Current Developments 

Effective for periods beginning on or after December 15, 2023

None that would impact the City.

Effective for periods beginning on or after December 15, 2024

ISA 260/CAS 260

.....
Communications with those charged with governance

ISA 700/CAS 700

.....
Forming an opinion and reporting on the financial statements

Click here for information about CAS 260 and CAS 700 from CPA Canada:
[Amended CAS 260 and CAS 700](#)



Appendix 5: Thought leadership and insights

2024 Canadian CEO Outlook

KPMG interviewed more than 800 business owners and C-suite leaders across Canada on a variety of topics ranging from their top-of-mind concerns to their acquisition plans, the risks and rewards of artificial intelligence (AI), productivity, the omnipresent threat of cybercrime, and the impact of aging demographics on the workforce.

[Click here](#) to access KPMG's portal.

Future of Risk

Enterprises are facing an array of reputational, environmental, regulatory and societal forces. To navigate this complex landscape, the C-suite should seek to embrace risk as an enabler of value and fundamentally transform their approach. KPMG's global survey of 400 executives reveals that their top priorities for the next few years are adapting to new risk types and adopting advanced analytics and AI. As organizations align risk management with strategic objectives, closer collaboration across the enterprise will be essential.

[Click here](#) to access KPMG's portal.

Resilience Amid Complexity

In today's rapidly evolving and interconnected business landscape, organizations face unprecedented challenges and an increasingly complex and volatile risk landscape that can threaten their competitiveness and future survival. We share revealing real-world examples of how companies have overcome their challenges and emerged stronger as the rapid pace of change accelerates and look at the key components of KPMG's enterprise resilience framework and how it is helping these businesses build resilience and achieve their strategic objectives in an increasingly uncertain world.

[Click here](#) to access KPMG's portal.

Future of Procurement

Procurement is at an exciting point where leaders have the opportunity to recast their functions as strategic powerhouses. In this global report we examine how these forces may affect procurement teams and discuss how procurement leaders can respond – and the capabilities they will need to thrive. Our insights are augmented by findings from the KPMG 2023 Global Procurement Survey, which captured the perspectives of 400 senior procurement professionals around the globe, representing a range of industries.

[Click here](#) to access KPMG's portal.



Appendix 5: Thought leadership and insights (continued)

Artificial Intelligence in Financial Reporting and Audit

Artificial intelligence (AI) is transforming the financial reporting and auditing landscape, and is set to dramatically grow across organizations and industries. In our new report, KPMG surveyed 1,800 senior executives across 10 countries, including Canada, confirming the importance of AI in financial reporting and auditing. This report highlights how organizations expect their auditors to lead the AI transformation and drive the transformation of financial reporting. They see a key role for auditors in supporting the safe and responsible rollout of AI, including assurance and attestation over the governance and controls in place to mitigate risks.

[Click here](#) to access KPMG's portal.

Control System Cybersecurity Annual Report 2024

Based on a survey of more than 630 industry members (13% from government organizations), this report reveals that while the increase in cyberattacks is concerning, organizations have become more proactive in their cybersecurity budgets, focused on prevention, and acknowledging the threat of supply chain attacks. Furthermore, the report highlights a pressing need for skilled cybersecurity professionals in the face of escalating cyber threats. Explore the full report to help gain a clearer understanding of the growing cyber threat landscape and learn how to overcome the roadblocks to progress.

[Click here](#) to access KPMG's portal.

Cybersecurity Considerations 2024: Government and Public Sector

In every industry, cybersecurity stands as a paramount concern for leaders. Yet, for government and public sector organizations, the game of digital defense takes on a whole new level of intensity. The reason? The sheer volume and sensitivity of data they manage, which can amplify the potential fallout from any breach. These agencies are the custodians of a vast array of personal and critical data, spanning from citizen welfare to public safety and national security. This article delves into the pivotal cybersecurity considerations for the government and public sector. It offers valuable perspectives on critical focus areas and provides actionable strategies for leaders and their security teams to fortify resilience, drive innovation, and uphold trust in an ever-changing environment.

[Click here](#) to access KPMG's portal.



Appendix 5: Thought leadership and insights (continued)

Why the Public Sector Must Take the Lead in Sustainability Reporting

As the world prepares for the implementation of sustainability reporting standards from the International Sustainability Board (ISSB), the need for public sector leadership is pronounced. While governments around the world have collaborated on vital policy and regulatory solutions, they have yet to provide sustainability reporting for their own government reporting entities. This presents a major obstacle to global sustainability ambitions, particularly considering the vast physical infrastructure, non-renewable resources, rare earth elements, water and natural assets controlled by governments around the world. .

[Click here](#) to access KPMG's portal.

Fighting Modern Slavery in Canadian Supply Chain

The deadline for the first year of reporting under Canada's Fighting Forced Labour and Child Labour in Supply Chains Act (the Act) was May 31, 2024. Under the Act, eligible entities are required to publicly report on steps taken to reduce the risk of forced labour and child labour in their business and supply chain. KPMG in Canada reviewed 5,794 report submissions for the act to identify key takeaways.

[Click here](#) to access KPMG's portal.

ESG for Cities Webinar Series

Cities and municipalities play a crucial role to drive climate action and resilience measures, acting as stewards for the communities they serve – including their constituents, and public, private and non-profit organizations. With the physical impacts of climate changes – including floods, wildfires and droughts – accelerating in terms of both increased frequency and severity, city and municipal leaders are increasingly considering how they can tackle the multifaceted challenge of achieving net zero greenhouse gas (GHG) emissions by 2050. KPMG in Canada's Public Sector and ESG practices completed a three-part national webinar series focusing on the journey to net zero – from strategic planning and stakeholder engagement to the implementation at the asset and operational level, and subsequent reporting obligations.

[Click here](#) to access KPMG's portal.



Appendix 5: Thought leadership and insights (continued)

Our latest thinking on the issues that matter most to Audit Committees, board of directors and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Assurance & Related Services, Canadian Securities Matters, and US Outlook reports.

Audit Committee Guide – Canadian Edition

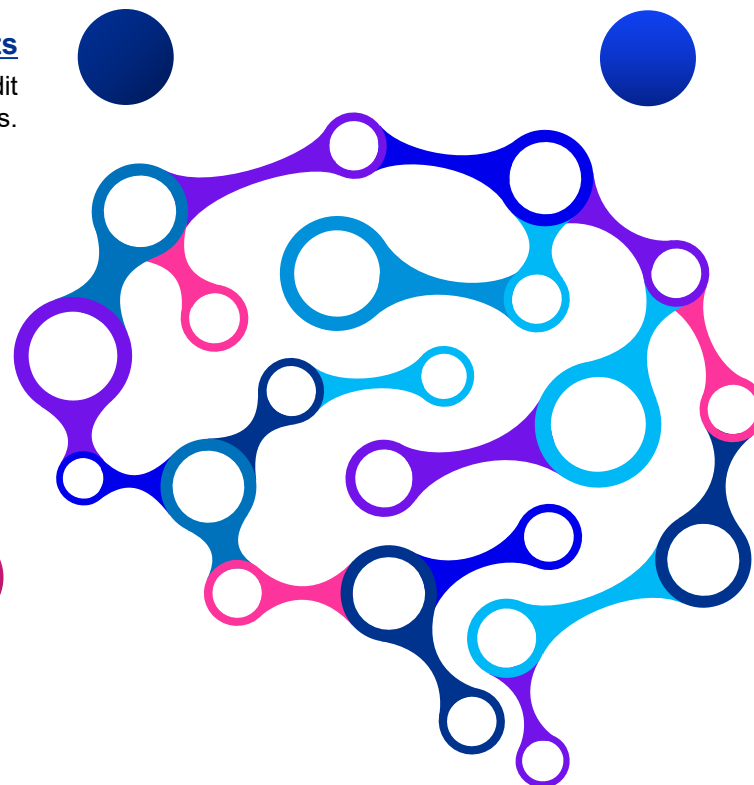
A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.

Sustainability Reporting

Resource centre on implementing the new Canadian reporting standards

IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on accounting, financial reporting and sustainability reporting.





Appendix 5: Thought leadership and insights (continued)



KPMG research shows that:

Eighty-seven percent of IT decision makers believe that technologies powered by AI should be subject to regulation.

- Of that group, 32 percent believe that regulation should come from a combination of both government and industry.
- Twenty-five percent believe that regulation should be the responsibility of an independent industry consortium.

Ninety-four percent of IT decision makers feel that firms need to focus more on corporate responsibility and ethics while developing AI solutions.

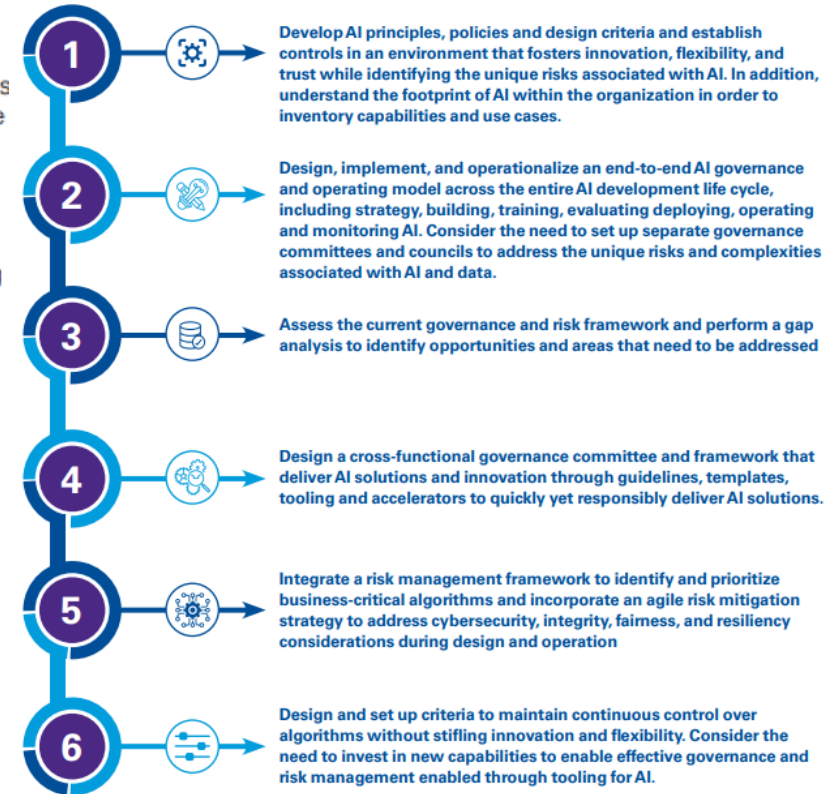
Source:

Per a study of 300 ITDMs from the UK and the US, conducted by Vanson Bourne on behalf of SnapLogic:

<https://www.businesswire.com/news/home/20190326005362/en/AI-Ethics-Deficit-%E2%80%94-94-Leaders-Call>

For AI solutions to be transformative, trust is imperative. This trust rests on four main anchors: integrity, explainability, fairness, and resilience. These four principles (enabled through governance) will help organizations drive greater trust, transparency, and accountability.

- 1. Integrity** — algorithm integrity and data validity including lineage and appropriateness of how data is used
- 2. Explainability** — transparency through understanding the algorithmic decision-making process in simple terms
- 3. Fairness** — ensuring AI systems are ethical, free from bias, free from prejudice and that protected attributes are not being used
- 4. Resilience** — technical robustness and compliance of your AI and its agility across platforms and resistance against bad actors

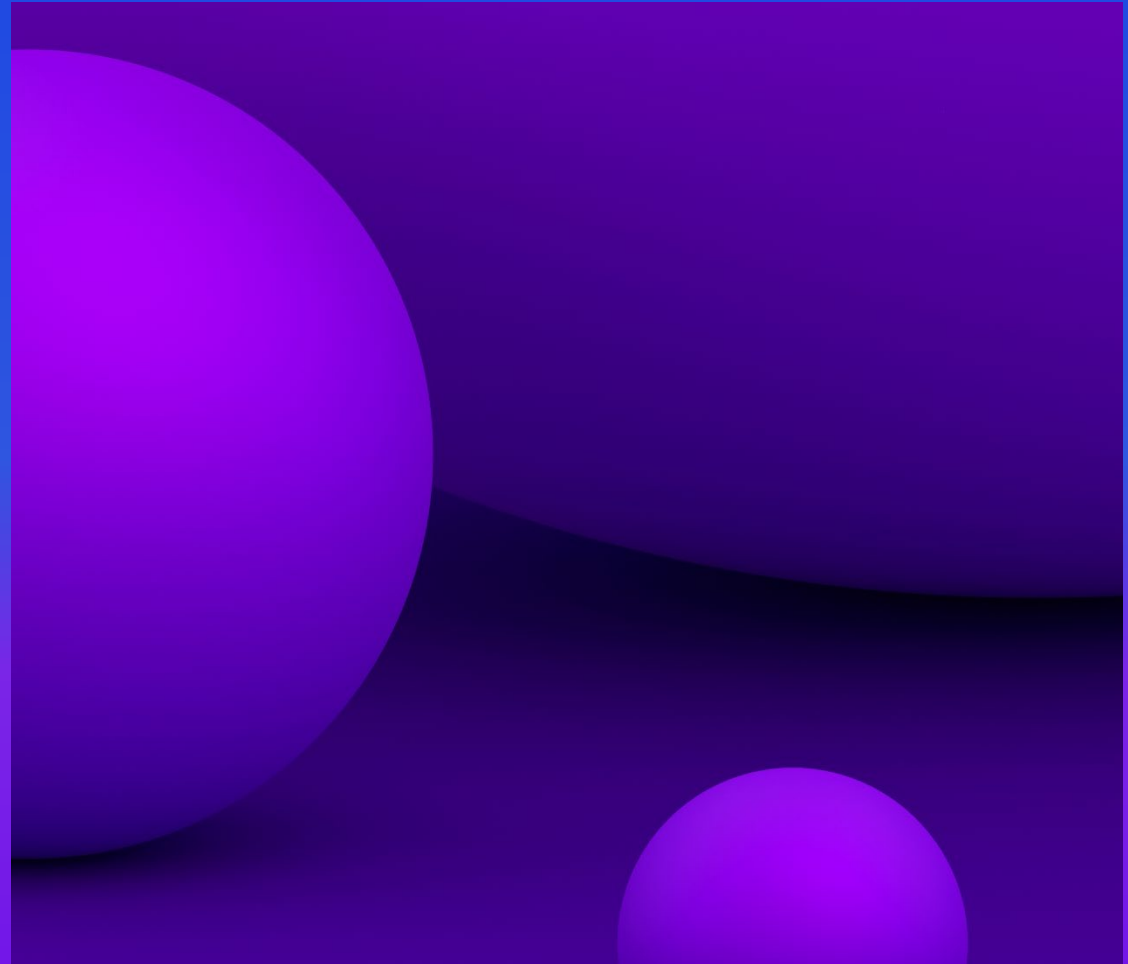


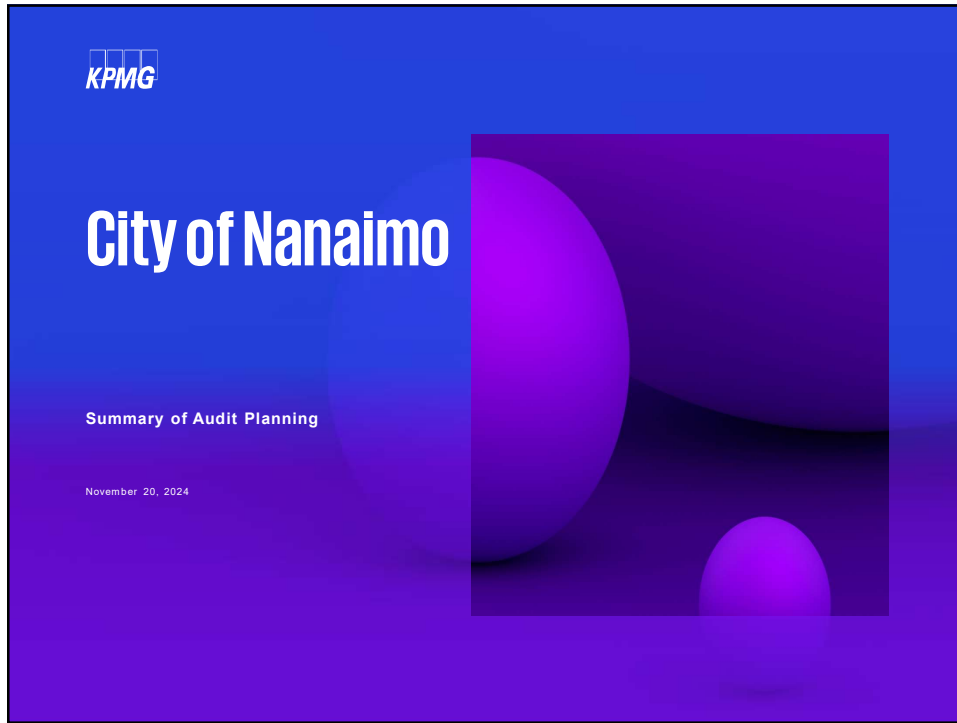
home.kpmg/ShapeofAIGovernance



kpmg.ca

© 2024 KPMG LLP, an Ontario limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.





1

Audit team and independence

- The senior team members for the audit are:
 - Liette Bates-Eamer *Audit Engagement Partner*
 - Sarah Burden *Audit Senior Manager*
 - Lenora Lee *Quality Review Partner*
- Confirmation that the audit team and KPMG are independent
- Our fees are consistent with our audit proposal

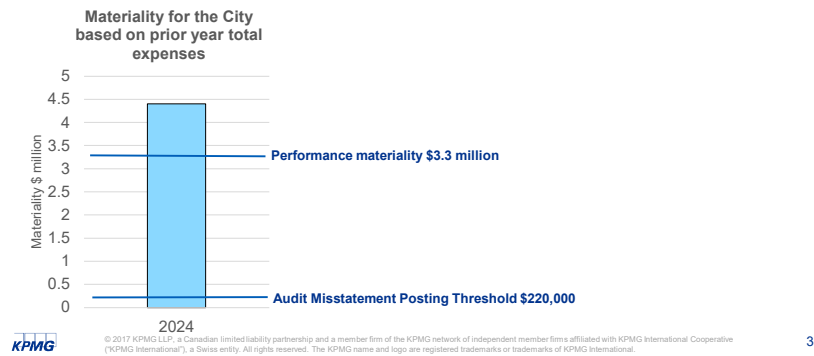


KPMG © 2017 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International. 2

2

Materiality

- Materiality is set during planning and determines the level of testing and the threshold for reporting identified errors.
- Calculation of materiality based on relevant metrics from the financial statements: *Total expenses*
- Materiality for the City = \$4.4 million (2.1% of 2023 total expenses)



3

Audit approach

- **Significant risks:**
 - Professional auditing standards require us to include the fraud risk from management override of controls.
 - No other significant risks identified.

4

Audit approach

- **Our approach to each ‘financial reporting process’ varies depending on the ‘inherent risk’ and the assessed ‘risk of material misstatement’.**
- ‘Inherent risk’ is the likelihood and magnitude of a risk of material misstatement occurring.
- Identified financial reporting processes and example procedures:

Financial reporting process	Example procedure
Capital assets and commitments	Agreeing additions to invoices
Salary and benefits	Review assumptions made in calculations of future benefits
Cash, investments and debt	Confirmation of balances with the bank
Revenue and deferred revenue	Understand differences between budget and actual revenue
Expenditures other than salaries and benefits	Test for any unrecorded expenses

5

Current developments

Three new accounting standards for the year ending December 31, 2024:

- Revenue
- Public private partnerships
- Purchased intangibles


Please refer to Pages 16 – 18 in our full report for details of upcoming Public Sector Accounting Standards changes




© 2017 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.

6

6




kpmg.ca



© 2024 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.



© 2017 KPMG LLP, a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. The KPMG name and logo are registered trademarks or trademarks of KPMG International.

7

DATE OF MEETING November 20, 2024
AUTHORED BY CHRISTY WOOD, MANAGER, SOCIAL PLANNING
SUBJECT RENT SUPPLEMENT PROGRAM UPDATE

OVERVIEW

Purpose of Report:

To provide the Finance and Audit Committee with a review of City of Nanaimo funded rent supplement programs in 2024.

BACKGROUND

Rent supplements are support payments to renters that bridge the gap between what an individual or family can afford to pay and what the actual cost of housing is. Rent supplements can be provided on an ongoing basis, or as a one-time payment depending on the income and needs of the household. Rent supplements play an important role in the prevention of homelessness, enable stable housing in market rental units, and help to reduce the impacts of poverty for individuals and families.

At the 2023-SEP-11 Regular Council Meeting, Council approved the allocation of \$150,000 from the Online Accommodation Platform (OAP) fund in 2024, to be used to support rent supplement programs in Nanaimo targeting key areas of housing need identified in the Housing Needs Report 2023 (Attachment A), and to distribute the funds to service providers through a Request for Proposal (RFP) or Expression of Interest (EOI) process. Any unspent OAP funds allocated in a given calendar year are returned to the OAP reserve.

Between 2023-NOV-01 and 2023-NOV-27, the City of Nanaimo published a call for EOIs to provide rent supplement programs in Nanaimo. There were five organizations identified as registered plan takers; however, only two organizations submitted formal EOIs. On 2024-FEB-06, the Canadian Mental Health Association Mid Island Branch (CMHA) was awarded \$22,500 and Connective Support Society Nanaimo (Connective) was awarded \$127,500. The following provides an overview of the rent supplement programs distributed by CMHA and Connective.

DISCUSSION

Canadian Mental Health Association – Mid Island Branch

The City-funded rent supplement program is embedded in CMHA's Street Reach Outreach program. The Street Reach Outreach program operates five days a week and works to connect individuals living in encampments to support services, such as housing and mental health and substance use services. Support services include assistance with getting basic identification and completing required documentation to ensure individuals are eligible for housing under the existing BC Housing programs. In addition, Street Reach provides rent supplements to retain and maintain housing and provides ongoing social supports to ensure individuals stay housed.

The Street Reach Outreach program serves low-income renters and people experiencing homelessness; however, they are seeing a significant increase of seniors that are precariously housed and requiring rent supplement supports. The average rent supplement issued through the Street Reach Outreach program is \$545. The following table provides a summary on the overall rent supplements issued by the Street Reach Outreach program, the number of individuals impacted by the rent supplement, and the supports received by individuals between 2024-FEB-06 and 2024-SEP-30.

Canadian Mental Health Association – Mid Island Branch	Total
Number of rent supplements issued	20
Number of unique individuals impacted by rent supplements	20
Number of other services and supports provided to individuals who received a rent supplement payment	63
Number of individuals referred to another agency for other supports and services	20

Connective Support Society Nanaimo

The City-funded rent supplement program is used to enhance the existing housing programs offered by Connective. Other Connective housing programs include the Forensics Housing and Outreach program, Housing First program, Community Support Initiative program, Oasis Transitional Housing, Cornerstone Supportive Housing, Lakeside Seniors Independent Living, and the Nanaimo Region Rent Bank (NRRB) program. Rent supplements are used as a flexible tool among the existing housing programs to prevent homelessness or retain housing where individuals may not meet the specific program criteria to receive funding support or a rent bank loan. For example, the implementation of the rent supplements, in conjunction with the NRRB, allows Connective staff to be responsive to the needs of clients allowing them to have lower loan repayments or to utilize the rent supplements if they are ineligible for a loan, but still at risk of losing their housing.

The Connective housing programs primarily serve low-income individuals and families, seniors, individuals leaving correctional facilities, and individuals experiencing homelessness. Connective staff have been working to expand their client base by working with partner agencies such as Nanaimo Family Life Association, Nanaimo Brain Injury Society, and Tillicum Lelum to provide rent supplements to populations identified in key housing need as outlined in the Housing Needs Report 2023. The average amount of rent supplements issued is between \$900 and \$1,000, but this amount can vary depending on the individual circumstance. The following table provides a summary on the overall rent supplements issued by Connective, the number of individuals impacted by the rent supplement, and the supports received by individuals between 2024-FEB-06 and 2024-SEP-30.

Connective Support Society Nanaimo	Total
Number of rent supplements issued	43
Number of unique individuals impacted by rent supplements	73
Number of other services and supports provided to individuals who received a rent supplement payment	281
Number of individuals referred to another agency for other supports and services	20

CONCLUSION

Rent supplements play a key role in the housing continuum by providing stability, affordability, and inclusivity, supporting individuals and families in various stages of housing need.

City Plan policy supports the use of OAP revenue for the rent supplement program, and the *Integrated Action Plan* includes an action for the City to continue to fund the rent supplement program.

SUMMARY POINTS

- Rent supplements play an important role in the prevention of homelessness, enable stable housing in market rental units, and help to reduce the impacts of poverty for individuals and families.
- In September 2023, Council approved the allocation of \$150,000 from the Online Accommodation Platform fund in 2024 to be used to support rent supplement programs in Nanaimo, and to distribute these funds through a Request for Proposal (RFP) or Expression of Interest (EOI) process.
- The Canadian Mental Health Association – Mid Island Branch and Connective Support Society Nanaimo were successful proponents of the EOI process and distributed a total of 63 rent supplements to individuals and families in 2024.

ATTACHMENTS

ATTACHMENT A: Key Areas of Housing Need (Housing Needs Report 2023)

Submitted by:

Christy Wood
Manager, Social Planning

Concurrence by:

Wendy Fulla
Director, Finance

Dave LaBerge
Director, Public Safety

Laura Mercer
General Manager, Corporate Services

Richard Harding
General Manager, Community Services/
Deputy CAO

ATTACHMENT A

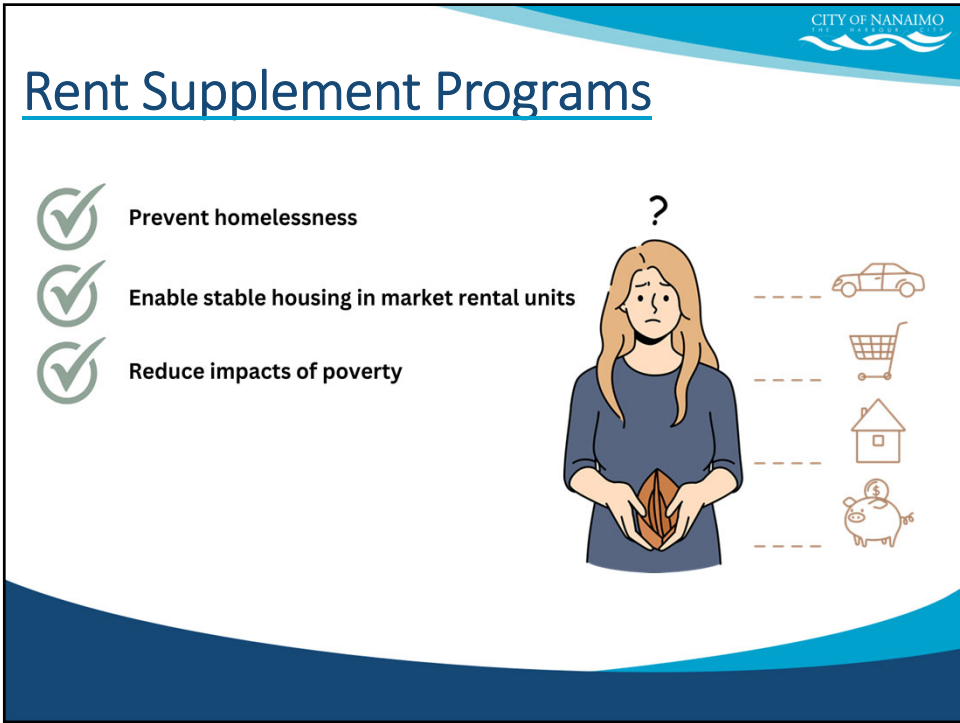
KEY AREAS OF HOUSING NEED

The 2023 *Housing Needs Report* (HNR) identifies the population groups with the greatest barriers in accessing stable housing, and who struggle to access and retain affordable housing. These population groups include renters with low or moderate incomes, individuals with special needs, seniors, families, youth, Indigenous People, and people experiencing homelessness. City-funded rent supplement programs distributed in 2024 are aimed at the following key areas of housing need:

- *Renters* – the HNR shows that rental households grew from 10,955 in 2011 to 14,385 in 2021. According to the HNR, 24.2% of renter households are in core housing need, paying more than 30% of their income on housing costs. Renters in core housing need are more susceptible to housing loss due to personal or financial crisis. Recent engagement from the HNR revealed that renters are increasingly challenged to retain or find available and affordable units. In 2023, Nanaimo's vacancy rate was 2.6% well below a healthy level of 3% to 5%. When there is a shortage of supply, rental costs often increase in price. Nanaimo's median rent increased by 86% from \$725 to \$1,350 between 2011 and 2021.
- *Individuals with Special Needs* – for people living with a disability, it can be challenging to acquire, afford, and/or retain housing that meets their needs. People living with disabilities often receive provincial disability assistance and these funds are often entirely spent on housing leaving little room for other essential costs of living. For instance, a single person on disability assistance may receive up to a maximum amount of \$1,483.50 monthly. In addition, people with disabilities are often ineligible for rent supplements because they are already receiving government benefits.
- *Seniors* – seniors on low and fixed incomes are vulnerable to rising rent rates. Seniors comprise the largest proportion of households on BC Housing's Affordable Housing Registry. In 2023, 343 seniors in Nanaimo are on the registry waiting for affordable housing placements.
- *Families* – there is a shortage of affordable family-friendly units with three or more bedrooms. Units that are adequate for larger families have some of the highest rental costs. In 2021, median rents for two bedroom units was \$1,600. Families with low or moderate incomes in need of three or more bedrooms often struggle to find anything affordable or adequate.
- *Youth* – housing affordability is a primary concern for low-income youth, youth transitioning out of foster care, and youth living on their own for the first time. With lower incomes and no references, youth struggle to find and retain affordable housing.
- *Indigenous People* – there is a lack of housing for Snuneymuxw People on reserve and very limited affordable housing options off reserve. With lower incomes and systemic discrimination it can be very challenging for Indigenous community members to find culturally appropriate affordable housing.
- *People Experiencing Homelessness* – the number of people experiencing homelessness in the city continues to increase. In 2023, 515 individuals were reported to be unsheltered in the Homeless Point in Time Count. Frontline service providers estimate between 800 to 1000 individuals are experiencing homelessness in Nanaimo. Due to the complexities and trauma involved with many individuals experiencing homelessness, there are many barriers for people to get stable housing. Intensive support services often need to accompany financial assistance to secure and retain housing for many people experiencing homelessness.



1



2

Rent Supplement Programs

-  Rental housing
-  Special Needs Housing
-  Housing for seniors
-  Housing for families
-  Housing for youth
-  Housing for Indigenous people
-  Housing and shelter for people experiencing homelessness

3

Rent Supplement Programs

Canadian Mental Health Association – Mid Island Branch (2024-FEB-06 to 2024-SEP-30)	Total
Number of rent supplements issued	20
Number of unique individuals impacted by rent supplements	20
Number of other services and supports provided to individuals who received a rent supplement payment	63
Number of individuals referred to another agency for other supports and services	20





4

Rent Supplement Program

Connective Support Society Nanaimo (2024-FEB-06 to 2024-SEP-30)	Total
Number of rent supplements issued	43
Number of unique individuals impacted by rent supplements	73
Number of other services and supports provided to individuals who received a rent supplement payment	281
Number of individuals referred to another agency for other supports and services	20

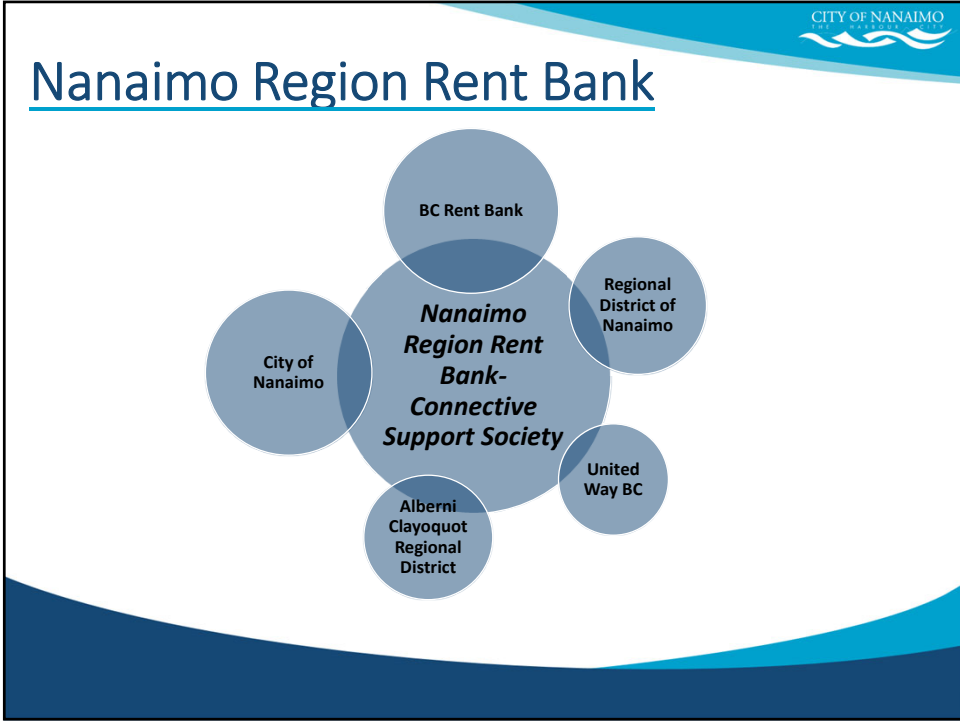
5

Nanaimo Region Rent Bank

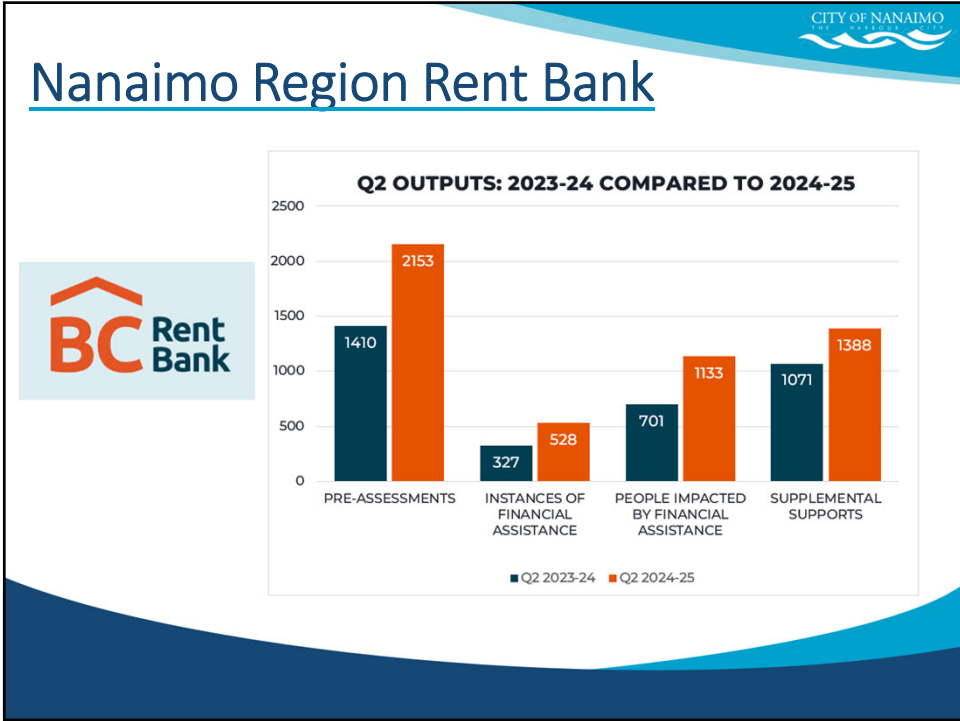
-  **Eviction prevention and housing stability service**
-  **Interest free loans**
-  **Support to renter households facing eviction or help paying utilities**
-  **Connections to government benefits and community-based services**



6



7



8

Nanaimo Region Rent Bank



- ✓ One of the highest approval rates - 34%
- ✓ Lowest decline rate - 7%
- ✓ Lowest number of loans written off as “bad debt”
- ✓ One of the strongest repayment rates - 74%

9

Nanaimo Region Rent Bank

<i>Rent Bank Loans Distributed in Nanaimo – Connective Support Society Nanaimo (September 2023 to September 2024)</i>	Total
Pre-assessments received	376
Loans issued	96
Number of households provided with supplemental supports	71

The Nanaimo Region Rent Bank issued \$143,326.91 in loan funds and received \$49,209.31 in loan repayments.

10

Nanaimo Region Rent Bank

- ✓ Live with a disability - 46%
- ✓ Identify as a Canadian Citizen - 84%
- ✓ Identify as a woman - 46%
- ✓ Identify between the ages of 19 and 39 - 71%
- ✓ Applicants supporting families - 44%

DATE OF MEETING November 20, 2024

AUTHORED BY CHRISTY WOOD, MANAGER, SOCIAL PLANNING

SUBJECT NANAIMO REGION RENT BANK UPDATE

OVERVIEW

Purpose of Report:

To provide the Finance and Audit Committee a review of the Nanaimo Region Rent Bank in 2024.

BACKGROUND

The Nanaimo Region Rent Bank (NRRB) program, administered by Connective Support Society Nanaimo (Connective), is an eviction prevention and housing stability service that provides interest free loans to low-to-moderate income renter households facing eviction or in need of assistance to pay essential utilities, because of a short-term financial crisis. In addition to financial services, rent banks provide valuable connections to government benefits, debt consolidation, financial literacy, employment resources, and other community-based services that are focused on supporting a renter beyond their immediate crisis.

In 2020, City of Nanaimo Staff and the Nanaimo Homeless Coalition worked to establish a local rent bank. The Nanaimo Homeless Coalition selected the Nanaimo Region John Howard Society, now known as Connective, as the lead applicant to operate the local rent bank. The John Howard Society and the City submitted a successful application to BC Rent Bank (BCRB) and the NRRB began providing rent bank loans in January 2021.

In January 2021, Council directed that \$90,000 from the Online Accommodation Platform (OAP) funds be allocated to the NRRB as loan capital for City of Nanaimo residents. At the 2023-SEP-11 Regular Council Meeting, Council approved a further \$75,000 from the 2023 OAP revenue as bridge funding until 2024-MAR-31, where a review of the NRRB could be conducted with BCRB. At the 2023-NOV-20 Regular Council Meeting, Council allocated \$200,000 of 2024 OAP revenue for continued support to rent bank and rent supplement programs. Any unspent OAP funds allocated in a given calendar year are returned to the OAP reserve. Between January 2021 and November 2024, the City contributed \$202,000 to the NRRB program.

BCRB is a provincially funded agency that provides financial and infrastructure supports to rent banks in BC. There are 19 rent banks in BC. Between January 2021 and March 2024, BCRB provided Connective Society with \$318,517 for operating expenses and \$100,000 for rent bank loan capital. Connective renewed its contract with BCRB to administer the NRRB program from 2024-APR-01 to 2025-MAR-31. For the existing contract, Connective Society will receive \$142,279.54 for operating expenses and up to \$75,000 (if needed) for rent bank loan capital from BCRB. BCRB encourages locally sourced funding for loan capital wherever possible.

BCRB continues to see unprecedented demand for rent bank services across the province. Comparing the second quarter in 2023 with the second quarter 2024, there is a 53% increase in the number of people applying for assistance, and in turn, a 61% increase in times financial assistance has been provided to prevent an eviction or stabilize housing. BCRB reports that the NRRB has one of the highest approval rates (34%), the lowest decline rate (7%), the lowest number of loans written off as “bad debt”, and one of the strongest repayment rates (74%) in the province. The following provides an overview of the NRRB and the Nanaimo residents that are receiving support from the rent bank. |

DISCUSSION

Nanaimo Region Rent Bank Program

Connective operates the NRRB, which serves residents living in the City of Nanaimo and the greater Nanaimo Regional District. Financial assistance is provided to residents by providing an interest free loan and a flexible plan for payback. Often the payback is planned over a 24- to 36-month period. The maximum amount loaned is \$500 for utilities, \$2,000 for rent for single-family households, and \$3,500 for family households.

Individuals submit a pre-assessment form online through the BCRB portal. These forms are reviewed by Connective staff to ensure individuals meet the basic eligibility. In order to receive a rent bank loan, applicants must meet the following requirements:

- Be at least 19 years of age,
- Be a current resident of BC or be moving to BC,
- Not owing more than two months in rent,
- Provide proof of a regular source of income that is sufficient to cover monthly living expenses,
- Illustrate that the household is low to moderate income (using BC Housing Household Income Limits),
- Evidence that the financial assistance will stabilize housing beyond the immediate crisis, and,
- Must not have undischarged bankruptcy.

Individuals that meet the basic requirements are invited to meet with Connective staff where they discuss the reason the loan is needed, provide additional documents, such as bank statements, proof of tenancy, confirmation of income source, employment information, and if applicable, provide an eviction notice or a notice of utility service termination. All completed applications are reviewed and approved by a loan committee made up of five Connective staff members. Once approved by the loan committee, rent bank staff make arrangements to directly pay landlords and utility companies. In addition to providing rent bank services, Connective staff provide navigation services, such as referrals to other social service agencies or support with getting access to other government benefits and services. Staff also assist with filling out paperwork and provide advocacy when communicating with landlords or utility corporations. Connective staff, where appropriate, can provide rent supplements to support rent bank clients by reducing their loan payments. Individuals who do not meet the basic requirements to get a rent bank loan may be given a rent supplement or referred to another appropriate housing program within Connective.

Rent Bank Loans in Nanaimo

The table below provides a summary of the number of pre-assessments received through the BCRB portal, the number of loans issued, and the number of households that were provided with supplemental supports between September 2023 and September 2024.

<i>Rent Bank Loans in Nanaimo</i>	<i>Total</i>
Pre-assessments received	376
Loans issued	96
Number of households provided with supplemental supports	71

Between September 2023 and September 2024, the NRRB issued \$143,326.91 in loan funds and received \$49,209.31 in loan repayments.

Nanaimo Region Rent Bank Budget

The table below provides a summary of funds contributed to the NRRB between January 2021 and March 2024.

<i>Funding Partner</i>	<i>Loan Capital</i>	<i>Operating</i>	<i>Total</i>
City of Nanaimo	\$165,000	NA	\$165,000
BC Rent Bank	\$100,000	\$318,517	\$418,517
Regional District of Nanaimo	\$25,000	NA	\$25,000
United Way	NA	\$2,500	\$2,500
Alberni-Clayoquot Regional District	\$10,000	NA	\$10,000
Total	\$300,000	\$321,017	\$621,017

Key Areas of Housing Need

As part of the review of the NRRB program, and to find ways to ensure that rent bank loans are being directed to population groups identified as having key housing need, BCRB started collecting demographic data on 2024-APR-01, through the BCRB online portal. The 2023 *Housing Needs Report* identifies the key areas of housing need for Nanaimo, and Staff will be able to assess how populations are being served by reviewing the demographic data collected. A summary of populations in key housing need can be found in Attachment A.

Demographic data typology collected through the BCRB portal includes disabilities and type, ethnic background, gender, person with lived experiences, sexuality, living situation, housing type, residency status, fleeing violence, and whether they require literacy support. The online portal also now collects information on the source of referral to the rent bank. The demographic data is collected on a voluntary basis. 45 applicants have submitted demographic data between April 2024 and October 2024. A larger data set is required to conduct analysis; however, early trend data illustrates that 46% of applicants applying for a rent bank loan identify as having a disability, 84% are Canadian citizens, 46% identify as women, 71% are under the age of 39, and 44% of applicants are supporting families. Staff will provide a more comprehensive update on demographic trends identified at the next Nanaimo Region Rent Bank Update in fall 2025.

Connective reports that in 2024 they improved processes to provide better access to the NRRB for populations with the most barriers. This includes revising the rent bank application forms to be more user friendly and less onerous to fill out. Connective has also created communication

materials and has shared them with other community agencies. Finally, Connective staff have been presenting information sessions at various community events to share information about the NRRB and other related housing services. |

CONCLUSION

The NRRB plays a critical role in keeping people housed, reducing the social and economic impacts of evictions and housing loss, and supporting the overall wellbeing of individuals and families in Nanaimo.

City Plan policy supports the use of OAP revenue for the NRRB, and the *Integrated Action Plan* includes an action for the City to continue to fund the NRRB. |

SUMMARY POINTS

- The Nanaimo Region Rent Bank program is an eviction prevention and housing stability service that provides interest free loans to low-to-moderate income renter households facing eviction or in need of assistance to pay essential utilities because of a short-term financial crisis.
- From January 2021 to November 2024, the City of Nanaimo has contributed \$202,000 of Online Accommodation Platform revenue to the Nanaimo Region Rent Bank.
- Early demographic trend data from the BC Rent Bank online portal indicates that 46% of applicants applying for a rent bank loan in Nanaimo identify as having a disability, 84% are Canadian citizens, 46% identify as women, 71% are under the age of 39, and 44% of applicants are supporting families.

ATTACHMENTS

ATTACHMENT A: Key Ares of Housing Need (Housing Needs Report 2023) |

Submitted by:

Christy Wood
Manager, Social Planning |

Concurrence by:

Wendy Fulla
Director, Finance

Dave LaBerge
Director, Community Safety

Richard Harding
General Manager, Community Services/
Deputy CAO

Laura Mercer
General Manager, Corporate Services |

ATTACHMENT A

KEY AREAS OF HOUSING NEED

The 2023 *Housing Needs Report* (HNR) identifies the population groups with the greatest barriers in accessing stable housing, and who struggle to access and retain affordable housing. These population groups include renters with low or moderate incomes, individuals with special needs, seniors, families, youth, Indigenous People, and people experiencing homelessness. City funds provided to the Nanaimo Region Rent Bank program (administered by Connective Support Society Nanaimo) are for rent bank loan capital aimed at the following key areas of housing need:

- *Renters* – the HNR shows that rental households grew from 10,955 in 2011 to 14,385 in 2021. According to the HNR, 24.2% of renter households are in core housing need, paying more than 30% of their income on housing costs. Renters in core housing need are more susceptible to housing loss due to personal or financial crisis. Recent engagement from the HNR revealed that renters are increasingly challenged to retain or find available and affordable units. In 2023, Nanaimo’s vacancy rate was 2.6% well below a healthy level of 3% to 5%. When there is a shortage of supply, rental costs often increase in price. Nanaimo’s median rent increased by 86% from \$725 to \$1,350 between 2011 and 2021.
- *Individuals with Special Needs* – for people living with a disability, it can be challenging to acquire, afford, and/or retain housing that meets their needs. People living with disabilities often receive provincial disability assistance and these funds are often entirely spent on housing leaving little room for other essential costs of living. For instance, a single person on disability assistance may receive up to a maximum amount of \$1,483.50 monthly. In addition, people with disabilities are often ineligible for provincially funded rent supplements because they are already receiving government benefits.
- *Seniors* – seniors on low and fixed incomes are vulnerable to rising rent rates. Seniors comprise the largest proportion of households on BC Housing’s Affordable Housing Registry. In 2023, 343 seniors in Nanaimo are on the registry waiting for affordable housing placements.
- *Families* – there is a shortage of affordable family-friendly units with three or more bedrooms. Units that are adequate for larger families have some of the highest rental costs. In 2021, median rents for two bedroom units was \$1,600. Families with low or moderate incomes in need of three or more bedrooms often struggle to find anything affordable or adequate.
- *Youth* – housing affordability is a primary concern for low-income youth, youth transitioning out of foster care, and youth living on their own for the first time. With lower incomes and no references, youth struggle to find and retain affordable housing.
- *Indigenous People* – there is a lack of housing for Snuneymuxw People on reserve and very limited affordable housing options off reserve. With lower incomes and systemic discrimination it can be very challenging for Indigenous community members to find culturally appropriate affordable housing.
- *People Experiencing Homelessness* – the number of people experiencing homelessness in the city continues to increase. In 2023, 515 individuals were reported to be unsheltered in the Homeless Point in Time Count. Frontline service providers estimate between 800 to 1000 individuals are experiencing homelessness in Nanaimo. Due to the complexities and trauma involved with many individuals experiencing homelessness, there are many barriers for people to get stable housing. Intensive support services often need to accompany financial assistance to secure and retain housing for many people experiencing homelessness.

DATE OF MEETING November 20, 2024
AUTHORED BY LISA BRINKMAN, MANAGER, COMMUNITY PLANNING
SUBJECT ONLINE ACCOMMODATION PLATFORM FUNDS

OVERVIEW

Purpose of Report

To provide the Finance and Audit Committee with a recommendation for the allocation of Online Accommodation Platform revenue in 2025.

Recommendation

That the Finance and Audit Committee recommend that Council allocate the Online Accommodation Platform revenue in 2025 as follows:

- a) \$830,000 to acquisition of land and/or infrastructure/land improvements for affordable housing developments related to BC Housing and City of Nanaimo partnerships;
- b) \$150,000 for continued support to the rent supplement programs; and,
- c) \$150,000 for continued support to the Nanaimo Region Rent Bank program, administered by Connective Support Society Nanaimo.

BACKGROUND

The Municipal and Regional District Tax (MRDT) is an up-to three percent tax applied to the sales of short-term accommodation provided in participating areas of British Columbia on behalf of municipalities, regional districts, and eligible entities. The MRDT is jointly administered by the Province through the Ministry of Finance; Ministry of Tourism, Arts and Culture; and, Destination BC. Effective 2025-JAN-01, the City of Nanaimo will distribute all MRDT revenues to the Tourism Nanaimo Society through a service agreement, except for the portion collected through the Online Accommodation Platform (OAP) providers or short-term rental platforms. In 2018, affordable housing was added as a permissible use of OAP revenues, to help address local housing needs.

The Provincial Guidelines for OAP funds state that the City has the flexibility to define, identify, and fund affordable housing initiatives that they deem appropriate to meet local needs, with the following criteria for the use of OAP funds:

- Acquiring, constructing, maintaining, or renovating housing or shelter;
- Acquiring or improving land used for, or intended to be used for, housing or shelter;
- Supporting the acquisition, construction, maintenance, renovation, or retention of housing or shelter, or the acquisition or improvement of land intended to be used for housing or shelter;
- Supporting housing, rental, or shelter programs; or,
- Paying expenses related to the administration or disposal of housing, shelter, or land acquired with money paid out of MRDT revenues.

In 2024, Council approved the allocation of OAP funds to the acquisition of land for affordable housing, continued support for the rent supplement and rent bank programs, and for infrastructure and land improvements for BC Housing and City Memorandum of Understanding (MOU) development projects. By December, a total of \$261,500 is anticipated to have been allocated to the rent bank and rent supplement programs for 2024. |

DISCUSSION

A report is due to Destination BC by 2024-NOV-30, outlining how the City will allocate OAP revenues in 2025. The anticipated closing balance at 2024-DEC-31 in the OAP Reserve Fund is \$880,000. Based on the rate of accumulated OAP revenue in 2024, it is expected that the City will accumulate \$250,000 of OAP revenue in 2025. Table 1 shows the 2025 staff recommended allocation of existing and expected OAP revenue of \$1,130,000 (\$880,000 projected closing balance of reserve + \$250,000 2025 anticipated revenue).

Table 1: Proposed 2025 OAP Funds Allocation	
Continued support to the rent supplement program	\$150,000
Continued support to the Nanaimo Region Rent Bank program	\$150,000
Land acquisition and/or infrastructure/land improvements for affordable housing developments related to BC Housing and City partnerships	\$830,000
TOTAL	\$1,130,000

Rent Supplement Program

It is recommended to continue to allocate OAP revenue to support the rent supplement program. Rent supplements are support payments to renters that bridge the gap between what an individual or family can afford to pay and what the actual cost of housing is. The rent supplement program is administered by local non-profit agencies. *City Plan* policy supports the use of OAP revenue for the rent supplement program, and the *Integrated Action Plan* includes an action for the City to continue to fund the rent supplement program.

Rent Bank Program

It is recommended to continue to allocate OAP revenue to support the Nanaimo Region Rent Bank program (NRRB). Rent banks provide small one-time loans to tenants that are facing financial hardship and may be having difficulty paying their rent, utilities, damage deposit, etc. The NRRB is administered by Connective Support Society Nanaimo. *City Plan* policy supports the use of OAP revenue for the rent bank program, and the *Integrated Action Plan* includes an action for the City to continue to fund the rent bank program.

Land Acquisition for Affordable Housing

The City is working in partnership with BC Housing to select more properties for affordable and supportive housing developments. This initiative builds on the successes of the 2019 MOU between the City and BC Housing. It is recommended that OAP revenue also be directed to land purchase(s) to support the City's continued partnership with BC Housing. An *Integrated Action Plan* priority action (#75) directs that the City identify sites for acquisition and potential partnerships for affordable and supportive housing projects.

Infrastructure and Land Improvements for BC Housing and City partnerships

It is recommended that OAP funds be used to support infrastructure and/or land improvements associated with any supportive or affordable housing development in partnership with BC Housing. In 2022, Council supported a contribution of up to a maximum of \$750,000 to support the Navigation Centre. Until now, those funds have not been needed, however, it is expected that in 2025 BC Housing will call on the City to provide a financial contribution to the development of temporary and permanent supportive housing at 1030 Old Victoria Road, using the promised \$750,000. The City intended to draw the \$750,000 from the Housing Legacy Reserve, however, Staff are recommending that OAP funds be used. The *Integrated Action Plan* includes an action to continue to use OAP revenue to support affordable housing initiatives.

Happipad

At the 2024-JUN-03 meeting, Council passed the following motion:

"That Council direct Staff to follow up with Happipad to investigate potential options for Nanaimo to participate."

Staff have investigated Happipad and considered if this program could be supported with OAP funds. While the program is eligible to be funded with OAP revenue, Staff are not recommending that the City fund Happipad in Nanaimo at this time, as the program is too new to evaluate a cost-benefit analysis or measurable outcomes.

Happipad is a new non-profit organization that offers an online platform to promote home sharing. It is a platform for a host to post a room for rent, or for a tenant seeking a room. Unlike other platforms, Happipad charges a yearly subscription, and the cost range for the annual subscription plan is \$7,500 - \$35,000. The platform is currently available in Nanaimo as a trial at no cost, and there are approximately 10 listings. The owner of Happipad confirmed that at this time, a paid subscription to the program is only available in Parksville area (4 listings), City of Kelowna (400 listings), City of Drumheller (4 listings), City of Nelson (0 listings), and the province of Nova Scotia has had it in operation for approximately four months. The Happipad owner advised that the program is best run by a community organization such as Community Futures or a local non-profit. There are currently other home sharing platforms available in Nanaimo such as Canada Homestay Network, VIU Off Campus Housing webpage, PlacesStudents, and SpacesShared. Staff will continue to monitor Happipad for consideration to be funded with OAP funds in future years. |

OPTIONS

1. That the Finance and Audit Committee recommend that Council allocate the Online Accommodation Platform revenue in 2025 as follows:
 - a) \$830,000 to acquisition of land and/or infrastructure/land improvements for affordable housing developments related to BC Housing and City of Nanaimo partnerships;
 - b) \$150,000 for continued support to the rent supplement programs; and,
 - c) \$150,000 for continued support to the Nanaimo Region Rent Bank program, administered by Connective Support Society Nanaimo.
 - The advantages of this option: The proposed distribution of OAP revenue is supported by *City Plan* policy and is supported by direction provided by Council in the *Integrated Action Plan*.
 - The disadvantages of this option: None.
 - Financial Implications: By 2024-NOV-30, a report is due to Destination BC outlining how the City will allocate OAP revenues in 2025.

The 2025 – 2029 Financial Plan will be amended for the provisional budget to include the 2025 allocation of OAP revenue.

The funding source for the City's share of the Navigation Centre will be amended to fund \$750,000 from the Online Accommodation Platform Reserve Fund (OAP revenue), such that Housing Legacy Reserve Funds are not required.

2. That Council provide alternate direction to Staff.

SUMMARY POINTS

- By 2024-NOV-30, a report is due to Destination BC outlining how the City of Nanaimo will allocate OAP revenues in 2025.
- The anticipated closing balance at 2024-DEC-31 in the OAP Reserve Fund is \$880,000, and it is expected that the City will receive an additional \$250,000 of OAP revenue in 2025.
- In 2025, it is recommended that OAP revenue be allocated to the rent bank and the rent supplement programs, as well as for land acquisition and infrastructure/land improvements for affordable housing related to BC Housing and City of Nanaimo partnerships.

Submitted by:

Lisa Brinkman
Manager, Community Planning

Concurrence by:

Christy Wood
Manager, Social Planning

Wendy Fulla
Director, Finance

Jeremy Holm
Director, Planning & Development

Laura Mercer
General Manager, Corporate Services

Richard Harding
General Manager, Community Services /
Deputy CAO

DATE OF MEETING NOVEMBER 20, 2024

AUTHORED BY JEREMY HOLM, DIRECTOR, PLANNING & DEVELOPMENT

**SUBJECT LOAVES AND FISHES WAREHOUSE DISTRIBUTION CENTRE –
REQUEST TO WAIVE FEES AND SERVICING REQUIREMENTS**

OVERVIEW

Purpose of Report:

To provide an overview of the impact of waiving the building permit fee and the servicing requirements for Loaves and Fishes new Warehouse Distribution Centre located at 1861 East Wellington Road.

BACKGROUND

At the regular meeting held 2024-OCT-07, Council received a presentation regarding an update on the planned warehouse distribution centre for Loaves and Fishes. At that meeting, the following motion was passed:

“that Council direct Staff to provide a report outlining the cost implications of waiving the building permit fee and service contribution agreement payment for the new Loaves and Fishes warehouse distribution centre located at 1861 East Wellington Road.”

Loaves & Fishes Community Food Bank has been in operation in Nanaimo since 1996. Since 2008, Loaves and Fishes have opened an additional 11 satellite depots to serve over 15,000 people in more than 30 communities across Vancouver Island. In 2014, the City of Nanaimo provided \$275,000 towards the purchase of Loaves and Fishes’s current central food recovery warehouse location at 210 Fry Street.

At the 2021-MAR-17 Finance and Audit Committee Meeting, Loaves and Fishes requested financial support in the amount of \$930,000 from the City of Nanaimo towards the acquisition of a vacant industrial parcel located at 1861 East Wellington Road as a future site for a proposed 2,322m² food recovery warehouse to meet increased demands for its services. The City subsequently purchased 1861 East Wellington Road for \$1,300,000 and on 2021-Dec-20, entered into a 30-year lease with Loaves and Fishes for the property at a nominal rent of \$10 for the term of the lease.

A cost-share commitment between the previous owner of 1861 East Wellington Road and the owner of 200 Hansen Road for the construction of Hansen Road was honoured by the City through the purchase of the property. The construction of Hansen Road fronting 1861 East Wellington Road has now been substantially completed as a requirement of the development of 200 Hansen Road, with the City contributing \$144,100 to the works within Hansen Road fronting 1861 East Wellington Road including the installation of six street trees at an estimate of \$4,500.

DISCUSSION

Loaves and Fishes have submitted a building permit application (BP129739) for a 1-storey 2,061m² distribution warehouse with a 3-storey 386m² office, along with retail space, a kitchen, and ground level parkade at 1861 East Wellington Road (Attachment A).

Building Permit Fees

The Building Inspections section generates revenue through building permit fees to recover costs for services provided. Typically, these services are not full cost recovery. Building permit fees vary depending on building permit type and are generally based on a percentage of the permitted value of construction. Building permit fees of \$69,569.75 are payable prior to issuance of building permit BP129739 based on a construction value estimate of \$10,000,000.

There is no bylaw provision to waive building permit fees payable. Nor is there a specific grant fund established to offset building permit fees for projects undertaken by non-profit entities such as the City, BC Housing, Island Health, School District 68 and non-profit societies. These entities pay building permit fees required by bylaw to recover costs associated with the services of the Building Inspections Section.

Works and Services - Servicing Contribution Agreement

Frontage works and services are required under “Building Bylaw 2016 No. 7224” and are required to be secured prior to issuance of a building permit based on a value of works determined by the applicant’s civil engineer. For building permit BP129739, the required works and services include \$37,037 for completion of access improvements on Hansen Road, as well as \$54,733.20 for asphalt replacement and curbing fronting the property on East Wellington Road.

The City has a sidewalk and cycling facility project scheduled for 2026 on East Wellington Road between Madsen Road and Bowen Road, which will include works along the frontage of 1861 East Wellington. Rather than having the required works and services fronting 1861 East Wellington Road completed independently by Loaves and Fishes, the City is entering into a servicing contribution agreement with Loaves and Fishes, which will see the City use the security provided by Loaves and Fishes for the required East Wellington Road works and services (\$54,733.20) to complete the works as part of its 2026 East Wellington Road improvement project.

Council could consider a request to vary the frontage works and services required under the Building Bylaw through a Development Variance Permit application. |

FINANCIAL CONSIDERATIONS

Should Council choose to cover the costs of the building permit fees, a funding source would need to be identified. The total building permit fees are \$69,569.75.

Should the applicant apply for, and Council approve, a development variance permit application to not require the works and services on East Wellington, which are subject to a servicing contribution agreement, the City would absorb the cost of the works and services fronting the property on East Wellington Road into its sidewalk and cycling facility project scheduled for 2026.

The East Wellington Road frontage works and services attributable to Loaves and Fishes building permit BP129739 included in the servicing contribution agreement are valued at \$54,733.20 |

SUMMARY POINTS

- Loaves and Fishes have submitted a building permit application to construct a new warehouse distribution centre located at 1861 East Wellington Road
- At the 2024-OCT-07 Council Meeting, Loaves and Fishes made a request to waive the building permit fee and the service contribution agreement payment.

ATTACHMENTS:

ATTACHMENT A: Site Location Map: 1861 East Wellington Road |

Submitted by:

Jeremy Holm
Director, Planning & Development |

Concurrence by:

Wendy Fulla
Director, Finance

Laura Mercer
General Manager, Corporate Services |

ATTACHMENT A



 Subject Property

LOCATION PLAN FUTURE WAREHOUSE DISTRIBUTION CENTRE - LOAVES AND FISHES

**CIVIC ADDRESS:
1861 EAST WELLINGTON ROAD**

DATE OF MEETING NOVEMBER 20, 2024

AUTHORED BY CHARLOTTE DAVIS, ACTING DIRECTOR PARKS AND FACILITY OPERATIONS

SUBJECT FUNDING REQUEST FROM NANAIMO HORNETS RUGBY FOOTBALL CLUB

OVERVIEW

Purpose of Report

To present the Finance and Audit Committee with a funding request from the Nanaimo Hornets Rugby Football Club.

Recommendation

That the Finance and Audit Committee recommend that Council approve the Nanaimo Hornets Rugby Football Club's funding request and allocate \$100,000 from the Strategic Infrastructure Reserve Fund, contingent on a successful grant application by the Club to the Province of BC's Community Gaming Capital Grants Program.

BACKGROUND

The Nanaimo Hornets Rugby Football Club (the Club) is seeking funding for a project that would upgrade rugby facilities at May Richards Bennett Pioneer Park.

May Richards Bennett Pioneer Park is an 11 hectare park located in the north of Nanaimo; there are a variety of amenities at this park including softball fields, soccer fields, tennis courts, a skate park, a forested and fenced dog off-leash park, washrooms and a rugby field with clubhouse.

The Club occupies the clubhouse under a long standing License of Use Agreement with the City for the purposes of operating the Club. Under the Agreement, the Club is responsible to pay all taxes, utilities, and cover all costs of repairs within the licensed area. The licensed area incorporates only the clubhouse and does not cover the field. The field is maintained by the City and all costs for this maintenance are covered by the City. The Club does not pay user fees for use of the field.

The Club is proposing to undertake an upgrade project to the clubhouse and field valued at \$300,000 and is seeking \$100,000 from the City towards the funding of the project.

DISCUSSION

The proposed project scope is an upgrade to two major amenities within the rugby facility; clubhouse washrooms and field lighting. The Club has been able to raise approximately \$100,000 in donations and private contributions and are applying for a grant valued at \$100,000 from the Province of BC's Community Gaming Capital Grants Program. They are seeking \$100,000 in funds from the City to be combined with this funding. If successful in receiving all the required funds, the Club aims to have the project complete in 2025.

The first phase of the proposed project will upgrade the field lighting to LED and will meet lighting standards for the competitive level of play at the facility. These upgrades will improve visibility and player safety, allow for expanded use of the playing surface at night including tournament use and potentially reduce costs and carbon footprint of the facility. The club are seeking \$75,000 of funding in support of this element of the project.

The second phase of the proposed project consists of an extension to the clubhouse washrooms, licensed to and operated by the Club. The extension will provide full accessibility and more equity between men's and women's washroom facilities. Gender neutral washrooms will be explored where possible. The main entrance will also be relocated to improve safety, accessibility and emergency egress. The Club is seeking \$25,000 of funding in support of this element of the project.

The License of Use agreement with the Club for the clubhouse states that the Club will not call upon the City at any time to make improvements to the license area. Through this request the Club is requesting support in making improvements to the field (City owned and operated) and the clubhouse. It is possible for the City to only support the lighting portion of the project. However, the impact may be that it jeopardizes the Club's ability to complete the washroom upgrades.

If the project is to proceed, the Club would work with City staff on the coordination of the project. The City would pay for specific invoices to the value of the amount of funding allocated. The City will remain the owner of the facility and the License of Use Agreement concerning the clubhouse will remain unchanged. A new agreement or an addendum to the existing License of use agreement would be drafted and signed by both parties to agree the scope and required specifications of the project prior to project commencement.

OPTIONS

1. That the Finance and Audit Committee recommend that Council approve the Nanaimo Hornets Rugby Football Club's funding request and allocate \$100,000 from the Strategic Infrastructure Reserve Fund, contingent on a successful grant application by the Club to the Province of BC's Community Gaming Capital Grants Program.
 - The advantages of this option: Accessibility improvements to the clubhouse entrance and washrooms are achieved. There will be more equity between men's and women's washroom facilities. Field lighting will be improved meaning that visibility and player safety is improved. The lights will allow for more use of the field in the evenings.
 - The disadvantages of this option: Project risks, as with any construction project; the full scope of the project may not be completed if project costs are higher than budgeted and additional funding can not be secured.
 - Financial Implications: The revised projected 2025 closing balance of the Strategic Infrastructure Reserve Fund based on the 2025 – 2029 Draft Financial Plan would be \$3,174,709, if the grant is approved. This reserve has a minimum balance requirement of \$351,780 for 2025.
 - The 2025 – 2029 Financial Plan would be amended if the grant is approved.
2. That the Finance and Audit Committee recommend that Council approve a portion of the Nanaimo Hornets Rugby Football Club's funding request and allocate \$75,000 from the Strategic Infrastructure Reserve Fund towards the lighting elements of the project only, contingent on a successful grant application by the Club to the Province of BC's Community Gaming Capital Grants Program.
 - The advantages of this option: Field lighting will be improved meaning that visibility and player safety is improved. The lights will allow for more use of the field in the evenings.

- The disadvantages of this option: There are no improvements made to the facility in terms of washroom or access upgrades.
 - The disadvantages of this option: The Club will have less funds with which to complete the washroom upgrades. Project risks, as with any construction project; the full scope of the project may not be completed if project costs are higher than budgeted and additional funding can not be secured.
 - Financial Implications: The revised projected 2025 closing balance of the Strategic Infrastructure Reserve Fund based on the 2025 – 2029 Draft Financial Plan would be \$3,200,022 if the grant is approved. This reserve has a minimum balance requirement of \$351,780 for 2025.
 - The 2025 – 2029 Financial Plan would be amended if the grant is approved.
3. That the Finance and Audit Committee recommend that Council not support this funding request.
- The advantages of this option: The Strategic Infrastructure Reserve is not depleted.
 - The disadvantages of this option: There are no improvements made to the facility in terms of washroom or access upgrades or field lighting upgrades.
4. That the Finance and Audit Committee provide alternate direction. |

SUMMARY POINTS

- The Club is proposing to undertake an upgrade project to the clubhouse access and washrooms and to field lighting on the rugby pitch at May Richards Bennett Pioneer Park.
- The project is valued at \$300,000. The Club has raised approximately \$100,000 in private contributions and are seeking \$100,000 from the City.
- Staff recommend that the request for funding is approved contingent on the Club being successful in securing a \$100,000 grant from the Province of BC.

Submitted by:

Charlotte Davis
A/Director, Facility & Parks Operations

Concurrence by:

Wendy Fulla
Director, Finance

Laura Mercer
General Manager, Corporate Services

Richard Harding
General Manager, Community Services &
Deputy CAO

Dale Lindsay
CAO

Delegation Request

Delegation's Information:

Drew Cooper has requested an appearance before the Finance and Audit Committee.

City: Ladysmith

Province: BC

Delegation Details:

The requested date is 2024-NOV-20

Bringing a presentation: No

Details of the Presentation: To speak to the Staff recommendation regarding funding request for Nanaimo Hornets Rugby Football Club.

DATE OF MEETING NOVEMBER 20, 2024

AUTHORED BY CHARLOTTE DAVIS, ACTING DIRECTOR PARKS AND FACILITY OPERATIONS

SUBJECT JAPANESE CANADIAN LEGACIES SOCIETY – LEGACY INFRASTRUCTURE PROJECT GRANT

OVERVIEW

Purpose of Report:

To seek the Finance and Audit Committee’s approval to proceed to work with the 7 Potatoes Cultural Society by supporting them in submitting a grant application totaling \$1,000,000 to the Japanese Canadian Legacies Society’s Legacy Infrastructure Project Grant for a project that would be constructed on City owned land at Beban Park.

Recommendation:

That the Finance and Audit Committee recommend that Council:

1. Direct staff to provide support to the 7 Potatoes Cultural Society for their grant application;
2. Provide a letter of support for the project;
3. Agree the City would be responsible for the project construction and ongoing maintenance, if the grant application is successful; and
4. Enter into an agreement with 7 Potatoes that guarantees the use of the land for the project, if the grant application is successful.

BACKGROUND

The purpose of Japanese Canadian Legacies Society’s (JCLS) Legacy Infrastructure Project Grant program is to provide “support to key building renovation or construction projects that preserve and honour the legacy of Japanese Canadians from BC who were impacted by the historic events before, during and after WWII.” Funding is restricted to Japanese Canadian organizations with the capacity to produce and manage large scale projects.

In 2024, the City of Nanaimo was granted \$400,000 under this funding stream for the creation of a Japanese Heritage site on Nanaimo’s waterfront. In 2024, another grant in the amount of \$250,000 was awarded by JCLS to the Central Vancouver Island Japanese Canadian Culture Society (7 Potatoes) for the renovation of room six at Beban Social Centre that will see the space transformed into a cultural and performing arts space. Staff continue to work with the 7 Potatoes on both of these projects.

Later in 2024, the JCLS opened up additional funding opportunities and in October the City of Nanaimo partnered again with 7 Potatoes on submitting a grant application to the Legacy Community Projects Grant for funding of up to \$500,000 to create interpretive landscape and signage features in Nanaimo’s public space. The result of that application is expected to be known in mid December.

This current application would be the fourth application to the JCLS involving a City of Nanaimo/7 Potatoes partnership. The 7 Potatoes is required to be the applicant to the grant however, as the land owner, if successful in receiving the grant, the City of Nanaimo would be responsible for the project construction and its maintenance thereafter.

The grant application deadline is 2024-DEC-01. Funding will be announced by February 14, 2025. Legacy Infrastructure Projects must be completed by 2027-MAR-01.

DISCUSSION

Nanaimo's City Plan identifies many empowerment goals and policies related to acknowledging the past, committing to working together in collaboration, and embracing the rich cultural fabric of our city to unify community spirit. Specifically, the Integrated Action Plan (IAP #140) identifies working with the Japanese Canadian Community to create interpretive landscape features in Nanaimo's public space.

Working with the 7 Potatoes, it is proposed to create a new gathering space at Beban Park for cultural activities including drumming and the celebration of festivals such as Obon Odori. This site would also create a tangible legacy project to permanently share knowledge and help tell the story of the pre-war, wartime, and postwar experiences of Japanese Canadians from B.C. There is potential to tie this project to the renovation of room six at Beban Social Centre if determined that is the best use of the grant funds within the goals of the existing Beban Park Masterplan (IAP# 95). This project is not funded in the 2024-2029 Financial Plan or the 2025-2029 Draft Financial Plan and would be dependant on grant funding being awarded.

To date, City staff have worked with the 7 potatoes on developing a draft concept for the project as well as developing a draft project budget. Both items are required as part of the grant application. It is also a requirement that the application must come from a Japanese Canadian organization and since the landowner is the City a legal working agreement with the municipality is included with the application. Due to time constraints staff is recommending that Council provide a letter of support for the project that indicates that if the grant application is successful the City would enter into an agreement with the 7 Potatoes over the use of the land where the project is to be constructed. Similar to the Licence of Use Agreement created for the use of room six at Beban Social Centre, this agreement would cover the City's ongoing commitment to the project in terms of maintenance and the provision of insurance coverage.

FINANCIAL CONSIDERATIONS

The City is actively pursuing other revenues such as grants to help offset the costs of Parks, Recreation & Culture projects. If successful in receiving the grant funds, the allocated funding would be turned over to the City of Nanaimo as Project Manager for the construction process. No match funding is required however, there would be considerable efforts in terms of staff time and also use of the land at Beban Park which is of significant value.

In delivering the project, all financial risk would be assumed by the City of Nanaimo. As with any project, there is potential for risk including project delay and cost over runs.

OPTIONS

1. That the Finance and Audit Committee recommend that Council:
 1. Direct staff to provide support to the 7 Potatoes Cultural Society for their grant application;
 2. Provide a letter of support for the project;
 3. Agree the City would be responsible for the project construction and ongoing maintenance, if the grant application is successful; and
 4. Enter into an agreement with 7 Potatoes that guarantees the use of the land for the project, if the grant application is successful.
 - Advantages of this option: This project has the potential to meet some of the goals within the Beban Park masterplan and the assist the City in creating important cultural space that would also help tell the story of BC's Japanese Canadians during the time of WWII.
 - Disadvantages of this option: Significant staff time and resources are required to complete this project.
 - Financial Implications of this option: All financial risk is assumed by the City of Nanaimo. The 2025 – 2029 Financial Plan would be amended if the grant application is successful.

2. That the Finance and Audit Committee provide alternate direction. |

SUMMARY POINTS

- If the recommendation is approved, the City will support the 7 Potatoes to submit an application to the JCLS's Infrastructure Project Grant.
- This potential project could see the creation of a new outdoor cultural space at Beban Park to facilitate cultural activities such as drumming, and also serve as a tangible legacy project to permanently share knowledge about the wartime experiences of Japanese Canadians from B.C.
- With City support, the 7 Potatoes will apply for up to \$1,000,000 in funding.
- Funding announcements are expected 2025-FEB-14.

Submitted by:

Charlotte Davis
Acting Director, Facility & Parks Operations |

Concurrence by:

Richard Harding
GM, Community Services and Deputy CAO

Wendy Fulla
Director, Finance

Laura Mercer,
GM, Corporate Services

Dale Lindsay
CAO |

DATE OF MEETING NOVEMBER 20, 2024
AUTHORED BY JANE RUSHTON, MANAGER, PURCHASING AND STORES
SUBJECT **SUSTAINABLE PROCUREMENT UPDATE**

OVERVIEW

Purpose of Report:

To provide information regarding Sustainable Procurement for the period 2023-JUL-01 to 2024-JUN-30.

BACKGROUND

In 2019, Council requested staff commence work on sustainable procurement, including social, environmental and ethical priorities. In 2020, work commenced on this project with the hiring of Tim Reeve Consulting Inc., culminating in the development of the Sustainable Procurement Policy, which provided staff the mandate to follow through on integrating the City's values on sustainability into procurement decisions.

The project involved high levels of engagement and collaboration, ensuring that representatives across the City departments had an opportunity to contribute to project deliverables. The project was broken into three (3) phases:

Phase 1 (June – August 2020) deliverables included a Program Benchmarking Assessment, a Sustainable Procurement Action Plan program development, identification of five (5) success stories as well as a list of High Impact Procurement Opportunities (HIPO's).

Phase 2 (September - December 2020) deliverables were creating a stand-alone Sustainable Procurement Policy, capitalizing on quick wins through the HIPO list, development of a Sustainable Procurement Toolkit, identifying measures for program evaluation and the beginning of a program of communication and training.

Phase 3 (2021) was the official launch of the new Sustainable Procurement Policy and the rollout of the Action Plan to ensure that City preceded on a two-track process of deliberately building the tools, updating procedures, setting up tracking systems and continued training.

The Action Plan goals were:

- G1 Program: Build out all 10 elements of a best practice program
- G2 Activity: Meaningfully and regularly incorporate sustainability into procurement decision-making
- G3 Impact: Improve positive environmental, social and ethical impacts as a result of procurement activities.

At the 2021-FEB-01 Council meeting, Council approved the City's Sustainable Procurement Policy (COU-210) with an effective date of 2021-JUL-01 (Attachment A). This policy, as stated in

the deliverables, was designed to advance Sustainable priorities and to pursue contracts with vendors who show initiative and/or proven advancement in environmental, social and ethical matters that align with the City’s strategic goals.

The Sustainable Procurement Policy asks staff to:

- Consider the sustainability impacts associated with their purchase;
- Integrate the most relevant sustainability considerations into the solicitation process from the creation of solicitation documents through to evaluation and vendor selection;
- Communicate with vendors about sustainability when possible; and,
- Monitor progress of implementation and improve practices over time.

It was determined to separate the Sustainable Procurement Policy from the Procurement Policy to highlight its importance and as well allow for agility to adopt any required updates that may be more frequent than those of the Procurement Policy. The current separation allows Procurement staff to tend to the new sustainable procurement practices and build internal capacity to carry out the Policy mandate. Over time, staff will develop a comprehensive high-performing program, integrated with current City processes that will leverage the City’s procurement activities to advance a range of environmental, social, and ethical objectives from Council’s Strategic Plan and City Plan. Ultimately, the intention will be to combine the two policies, the feasibility of which will be considered during the next regularly scheduled review period.

At the 2022-SEP-21 Special Council meeting, Staff presented the first annual sustainable procurement update to Council.

2021 – 2022 Key Performance Indicators (KPI’s) were:

Key Performance Indicators & Annual Report		Results from period 2021 July 1 to 2022 June 30
Process KPIs:		
Process indicators measure if Nanaimo is actively using sustainability criteria to impact its procurement decisions. This type of measure indicates to what extent procedures, resources, and knowledge are being used to effectively apply Policy directives. Process Indicators are critical to the early stages of a program, and it is common practice to focus on these in the first year of implementation.		
1	Number of employees who attended at least 1 BCSPi webinar, CCSPI peer exchange, or internal procurement 101 session.	6
2	Number of bids issued to market that included mandatory or desirable sustainability criteria.	16
3	Number of bidders who responded to the Rfx with sustainability criteria.	56
4	Number of bidders who responded to the sustainable criteria in the Rfx.	46
5	Average weighting allocated to sustainability criteria in competitive bids.	7.22
6	Number of draft bids where feedback was solicited and # of vendors who responded.	0

2022 – 2023 Key Performance Indicators (KPI's) were:

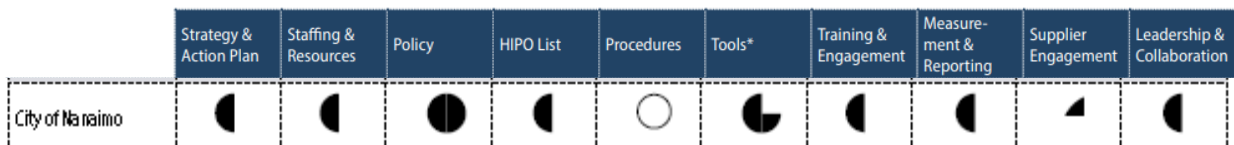
Key Performance Indicators & Annual Report		Results from period 2022 July 1 to 2023 June 30
Process KPIs:		
Process indicators measure if Nanaimo is actively using sustainability criteria to impact its procurement decisions. This type of measure indicates to what extent procedures, resources, and knowledge are being used to effectively apply Policy directives. Process Indicators are critical to the early stages of a program, and it is common practice to focus on these in the first year of implementation.		
1	Number of employees who attended at least 1 BCSPi webinar, CCSPi peer exchange, or internal procurement 101 session.	3
2	Number of bids issued to market that included mandatory or desirable sustainability criteria.	9
3	Number of bidders who responded to the RFX with sustainability criteria.	34
4	Number of bidders who responded to the sustainable criteria in the RFX.	31
5	Average weighting allocated to sustainability criteria in competitive bids.	9.44
6	Number of draft bids where feedback was solicited and # of vendors who responded.	0

DISCUSSION

The City participates in the CCSP Annual Benchmarking exercise to evaluate progress. The 2023 Annual Report entitled 'The State of Sustainable Public Procurement in Canada' showcases sustainable strides made by organizations including the City of Nanaimo. In 2023 the CCSP completed a major revamp to the Questionnaire used to conduct the Benchmarking Assessments which had a negative impact on the City of Nanaimo Moon Rating.

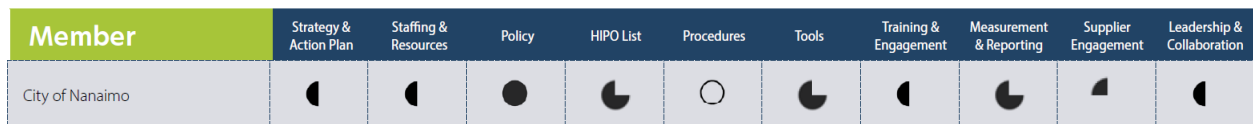
CCSP 2021 Annual Report

Member Benchmarking Results



CCSP 2022 Annual Report

Benchmarking Results



CCSP 2023 Annual Report

Benchmarking Results

Member	Strategy & Action Plan	Staffing & Resources	Policies	Procedures	Tools	HIPO List	Training & Engagement	Measurement & Reporting	Supplier Engagement	Leadership & Collaboration
City of Nanaimo										

As above, the City has made one small improvement to the City’s program which was to commence documenting procedures however with the evolution to CCSPs reporting requirements, the City did regress in the overall standings. The CCSP Annual Report entitled ‘*The State of Sustainable Public Procurement in Canada*’ is included as Attachment B.

Leveraging the designed Sustainable Procurement Toolkit, Procurement has continued to pursue public opportunities that consider the sustainability impacts of goods and services in sourcing strategies to identify likely environmental, social, or ethical issues related to a given procurement.

Using the specific good or service and the specific RFX template, the most relevant desired or mandatory sustainability requirements are integrated into competitive bid specifications, solicitation documents, and selection processes. Where applicable, sustainability is included as part of evaluation processes, alongside other criteria like price, quality, and service, for which weighting is determined case by case.

Process Key Performance Indicators (KPI’s) measure if the City is actively using sustainability criteria to impact its procurement decisions.

Outcome KPI’s measure:

- the environmental and social impacts that result from incorporating sustainability into procurements.
- the extent to which the use of sustainability criteria in the selection of products and vendors results in improved outcomes, such as using less energy, consuming fewer resources, reducing GHG emissions, creating less waste, or creating social value such as creating local jobs and working with diverse suppliers.

Asset Recovery KPI’s have been added to the Information Report to highlight the Supply Chain Management work that supports Circular Economy. Assets include end of life Fleet vehicles and equipment, other end of life City assets, and RCMP unclaimed exhibits. A few items are repurposed within City Departments and the rest are advertised for purchase on the Provincial BC Auction website with the funds recovered coming back to the City.

A summary of all of the above (Process KPIs, Outcome KPI’s, and Asset Recovery KPIs) for this reporting period is listed in Attachment C.

NEXT STEPS

Staff will continue to take a measured and practical approach, seeking to advance the Sustainable Procurement Policy. To ensure progress is maintained, staff will:

- Continue to engage the Working Group;
- Refine the Tools to guide implementation of sustainability into various procurement activities;
- Develop specific Standard Operating Procedures;
- Identify High Impact Procurement Opportunities (HIPO) and imbed relevant sustainability considerations in RFX documents;
- Identify indicators that will capture process and outcome measurements;
- Create a Vendor communication and engagement plan to foster external stakeholder understanding of the program;
- Engage and train staff; and
- Provide annual reporting to Council on the status of process made in respect to sustainable procurement.

Going forward this annual report will be adjusted to report on a calendar year to match fiscal reporting.

SUMMARY POINTS

- At the 2021-FEB-01 Council meeting, Council approved the City's Sustainable Procurement Policy (COU-210) with an effective date of 2021-JUL-01.
- KPI's have been compiled and attached for this reporting period.
- Staff will continue to pursue sustainability and provide information to Council on an annual basis. |

ATTACHMENTS

Attachment A – Sustainable Procurement Policy (COU-210)

Attachment B – The State of Sustainable Procurement in Canada

Attachment C – Sustainable Procurement Update– Summary of RFX Documents

|

Submitted by:

Jane Rushton
Manager, Supply Chain Management

Concurrence by:

Wendy Fulla
Director, Finance

Laura Mercer
General Manager, Corporate Services



RCRS Secondary:	GOV-02	Effective Date:	2021-FEB-01
Policy Number:	COU-210	Amendment Date/s:	
Title:	Sustainable Procurement Policy	Repeal Date:	
Department:	Finance	Approval Date:	2021-FEB-01

PURPOSE:

The purpose of the Sustainable Procurement Policy (the Policy) is to leverage the City's procurement activities to advance a range of environmental, social, and ethical objectives from the City's Strategic Plan.

DEFINITIONS:

Circular Economy – Defined by the Ellen MacArthur Foundation as an economic model based on designing out waste and pollution, keeping products and materials in use, and regenerating natural ecosystems.

Diverse Suppliers – Are majority-owned, managed, and controlled by individuals from equity-seeking groups that have historically faced barriers to employment and/or economic opportunity.

Environmental Priorities – Seek goods and services that have been produced, delivered, used, and disposed of in ways that reduce environmental impacts and seek innovations that drive positive outcomes.

Equity Seeking Groups – Often referred to as marginalized populations, including, but not limited to, Indigenous, women, racialized minorities, persons with disabilities, newcomers, and LGBTQ+ persons.

Ethical Priorities – Strive to ensure that contractors and their sub-contractors meet internationally recognized minimum ethical supply chain standards.

Reconciliation – Defined by the Truth and Reconciliation Commission of Canada as establishing and maintaining mutually respectful relationships between Aboriginal/Indigenous and non-Aboriginal peoples in this country.

Social Priorities – Foster social value and enhance community health and well-being by advancing reconciliation, inclusion, equity and diversity.

Sustainable Procurement – Seeks to maximize opportunities to advance positive environmental, social, and ethical impacts and reduce negative impacts while ensuring fiscal responsibility, meeting cost and quality requirements and respecting trade agreements. Will consider both the sustainability impacts of a good or service as well as a supplier's own corporate sustainability practices.

Total Cost of Ownership (TCO) – Defined by the Sustainable Purchasing leadership Council (SPLC) as a financial estimate intended to help buyers and owners determine the direct and indirect costs of a product or system over the lifetime of its use and disposal.

SCOPE:

The Policy applies to all procurement activities including goods, services, and capital projects, where applicable and when relevant. The extent to which sustainability will be incorporated into any procurement, will be dependent on the value, potential for impact or opportunity, and/or the market readiness of the suppliers.

Authority to Act:

Delegated to Staff.

Responsibilities**Council**

- Set direction around sustainable procurement priorities and goals, and
- Receive regular updates and reports to set future priorities.

Directors/Designates

- Align sustainable procurement with other City of Nanaimo programs and initiatives,
- Demonstrate support for sustainable procurement through promotion and communications of the Policy requirements and priorities within their department, and
- Review and manage resourcing if/when needed and as appropriate.

Employees (Procurement Department)

- Develop and maintain sustainable procurement processes, tools and resources to ensure solicitations incorporate Sustainable Procurement Policy mandates,
- Collaborate and assist client department staff with incorporating sustainability considerations into category procurement strategies, specifications and procurement processes,
- Collaborate with City staff and suppliers and participate in sustainable procurement committees and/or aligned initiatives,
- Provide sustainable procurement communications and training for staff and suppliers, and
- Lead data collection, compliance and program monitoring.

Employees (Client Departments & End users)

- Identify sustainability issues and seek opportunities for innovation in upcoming purchases,
- Incorporate sustainability considerations into project planning, contract/purchase decisions, and specifications development, utilizing sustainable procurement tools and resources,
- Participate in sustainable procurement training and support internal collaboration that facilitates procurement and process efficiencies, and
- Support sustainable procurement reporting by providing departmental data if relevant.

Finance

- Monitor overall program progress towards established goals, and
- Maintain adequate resourcing for program implementation.

POLICY:

The Policy aims to further align procurement with the City's core vision of being a livable sustainable city.

The City recognizes that:

- Its procurement and supply chain practices can have significant impacts and that the City has a responsibility to assess and address those impacts in a transparent manner.
- Considering sustainability impacts in procurement allows the City to fulfill Strategic Plan commitments while maintaining fiscal responsibility by considering total cost of ownership.

- The inclusion of sustainability considerations in the procurement process will signal to potential suppliers the City's commitment to local priorities and global sustainable development goals and will encourage suppliers to innovate and offer more environmentally and socially responsible goods and services.

This means that when the City is making procurement decisions, procurement staff and budget holders will, according to the significance and complexity of the procurement:

1. Consider the sustainability impacts of goods and services in sourcing strategies to identify likely environmental, social, or ethical issues related to a given procurement.
2. Integrate the most relevant desired or mandatory sustainability requirements into competitive bid specifications, solicitation documents and selection processes.
3. Where applicable, include sustainability as part of evaluation processes, alongside other criteria like price, quality, and service, for which weighting will be determined case by case.
4. Communicate with suppliers about the City's sustainable procurement practices and engage with suppliers when opportunities arise to improve their sustainability performance.
5. Incorporate sustainability considerations into standard vendor management and contract compliance practices where appropriate.
6. Set measures to monitor progress of sustainable procurement implementation as well as the benefits achieved.

PROCESS:

Sustainability Priorities

There are many possible sustainability issues and opportunities across the breadth of a City's supply chain. Nanaimo City Council has identified the following environmental, social, and ethical topics as the current focal priorities for the City's sustainable procurement program and Policy. While any highly relevant sustainability topic may be considered, depending on what is being purchased, primary emphasis will be given to the sustainable development priorities listed below.

Environmental Priorities:

1. **Climate Action.** Reduce energy use and greenhouse gas (GHG) emissions to mitigate climate change and air pollution.
2. **Zero Waste.** Strive for product durability and waste reduction practices to foster responsible production and consumption patterns towards a circular economy.
3. **Pollution Prevention.** Seek opportunities for water conservation and pollution prevention to support the protection of biodiversity and natural ecosystems.

Social Priorities:

4. **Diversity.** Contract diverse suppliers and social enterprises to promote local economic resilience and a diverse, sustainable City.
5. **Local Employment.** Contract vendors that can provide employment and training opportunities for individuals in the local community with barriers to employment to help reduce poverty.
6. **Inclusion.** Seek opportunities to provide contracting, employment and skills training for Indigenous persons and other Equity-Seeking Groups.

Ethical Priorities:

7. **Fair compensation.** Contract vendors that provide livable wages for employees to meet their basic needs and reduce poverty.

8. **Labour Standards.** Uphold human rights and fair labour practices through accountability and transparency in the supply chain.
9. **Health and Safety.** Support good health and wellbeing for workers through upholding workplace health and safety standards.

Detailed sustainable procurement procedures for staff, including a Toolkit, will be developed to guide the integration of sustainability proportionately into low-value purchases, competitive bid processes, and capital project solicitations.

This policy shall be reviewed in 3 years from its effective date to determine its effectiveness and appropriateness. This policy may be assessed before that time as necessary to reflect organizational change.

RELATED DOCUMENTS:

The Sustainable Procurement Policy is intended to operate in accordance with the City of Nanaimo's Procurement Policy and other applicable national and international trade agreements as follows:

New West Partnership Trade Agreement
Canadian Free Trade Agreement
Comprehensive Economic and Trade Agreement

REPEAL/AMENDS:

N/A



**THE STATE OF
SUSTAINABLE PUBLIC
PROCUREMENT
IN CANADA**

ABOUT THIS REPORT

The Canadian Collaboration of Sustainable Procurement (CCSP) is proud to release its 2023 Annual Report on the State of Sustainable Public Procurement in Canada, which highlights national sustainable procurement trends, showcases CCSP member accomplishments, and features success stories from across Canada. Information in

this report was gathered through interviews with CCSP members from November 2023 to February 2024. A special thanks to all those who contributed their time to make this report possible.

TABLE OF CONTENTS

- About this Report** 1
- Table of Contents** 1
- Letter from the Steering Committee** 2
- Who We Are** 3
 - 2023 Members 3
 - Member Benefits 4
- 2023 CCSP Operations** 5
 - 2023 Peer Exchange Webinars 6
 - 2023 Working Group Investigates Modern Slavery and Social Due Diligence 7
- CCSP Definition of Sustainable Procurement** 8
 - Four Pillars of Sustainable Procurement 8
- 2023 Trends in Sustainable Procurements** 9
- Best Practice Program Framework** 14
- 2023 Member Benchmarking & Program Developments** 15
 - Benchmarking Results 15
 - Program Developments 16

- Member Success Stories** 20
 - The City of Vancouver Circulates IT Hardware and Addresses the Digital Divide 20
 - City of Ottawa Takes a Step on Social Value with Crossing Guard Services 21
 - University of British Columbia (UBC) Walks the Talk on Sustainable Food Services 22
 - City of Saskatoon Manages 50% of the Water with 100% of the Fun at Local Waterpark 23
 - City of Winnipeg Fights Homelessness with Local Social Enterprise 24
 - City of Mississauga Creates Energy from Dog Waste Diversion 25
 - City of Charlottetown Seeks Corporate Sustainability Leadership from Transit Vendors 26
 - Sheridan College Implements Streamlined Procurement Process for Local Suppliers 27
 - City of Kelowna Embeds Climate Mitigation Principles within Parking Services 28
- CCSP Member Representatives** 29

LETTER FROM THE CCSP STEERING COMMITTEE

Each year, Canadian public sector procurement professionals make momentous efforts to support their organizations in advancing sustainability objectives. Although the industry encounters ongoing challenges, organizations continue to make noteworthy advancements and produce success stories that inspire the sustainable procurement movement throughout the country.

A prominent challenge in 2023 has not only affected procurement departments but rippled through Canada's public and private sectors: uncharacteristic inflation has triggered cost uncertainty amongst public procurement departments, with budgets not adequately adjusting to keep up. Procurement professionals in the public sector are under amplified pressure to drive their organizations' sustainable procurement efforts with limited resources, while trying to encourage cash strapped client departments to continue integrating sustainability into purchasing decisions. Another challenge was the increasing severity and proximity of excessive fires and flooding – climate change is no longer someone else's problem; it's happening in our own communities. Procurement teams have shown resilience in these times however, showcasing the integral role that procurement professionals play in ensuring their institutions remain operational in times of crises.

Despite resourcing barriers, we saw a lot of activation particularly in social and Indigenous procurement with a focus on how to effectively measure impact in these areas and increase supplier diversity. Organizations were also prompted to begin examining their ethical procurement and social compliance practices with the incoming Bill S-211: *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. This year, we were forced to acknowledge

that modern slavery remains a prominent issue in global supply chains, and this will no doubt be an area of reflection and action in the coming year. In response, the 2023 Working Group dove into the Ethical Procurement Pillar and created practical tools for our members to use. Likewise, digitization is becoming a norm in supply chains, with the rising presence of AI, data tracking, and supplier directories. The digital environment is allowing procurement processes to be optimized, more accessible, and will be important to keep an eye on!

This year, the CCSP was thrilled to deliver a diverse range of content in our Peer Exchanges, from social and environmental priorities in construction, to Indigenous procurement, to Tools that enable better decision-making, and Federal Government updates. The member Resource Library continues to grow, providing resources covering the four pillars of sustainable procurement. We also saw a major update to the sustainable procurement program Benchmarking Framework to keep up with evolving industry best practices. As always, the CCSP remains a member-driven network, addressing the basics as well as evolving trends to meet our members wherever they're at in their sustainable procurement journey.

On behalf of the 2023 CCSP Steering Committee, we would like to thank the entire CCSP network for another great year. The CCSP continues to offer a valuable range of resources and support for members and acts as a landmark for sustainability in the Canadian public procurement community. As the year has come to a close, we look forward to sharing the top trends, member stories, and metrics in our 2023 Annual Report. Join us in celebrating the achievements of all our members!

The 2023 CCSP Steering Committee

Corinne Evason,

Sustainable Procurement Liaison,
City of Winnipeg



Darren Tompkins,

Manager of Purchasing,
City of Kelowna



Ernesto Castano,

Associate Director, Procurement,
University of British Columbia



Matt Sutherland,

Procurement Leader,
Supply Management
City of Calgary



Erin MacDonald,

Senior Procurement Consultant,
Halifax Regional Municipality



WHO WE ARE

Founded in 2010, the CCSP is a member-based network of 50 Canadian public sector institutions and over 250 staff representatives working together to align their spending with their values and sustainability commitments. Practitioners from Procurement, Sustainability, Diversity & Inclusion, Indigenous Relations, and other interested internal business units meet

virtually on a regular basis to network, learn, share information, and co-create tools to better address the environmental, ethical, social, and Indigenous risks and opportunities in their supply chains.

2023 Members



Member Benefits

Members routinely say that a huge benefit of the CCSP is being part of a practitioner community that provides access to expertise and resources across all four pillars of sustainable procurement. Having access to a centralized repository of tools, specifications, reference materials, and training presentations is a great asset and time saver.

The CCSP helps members learn what their peers are doing, replicate successes, and save time and effort when building and implementing their sustainable procurement programs.

CCSP services include:

- **PEER EXCHANGE** webinars, offering interactive discussions around trends and best practices;
- **FACILITATED WORKING GROUPS**, enabling members to create new tools and resources; and
- **AN ONLINE RESOURCE LIBRARY** of tools, templates, research, and member Contact Directory;
- **NETWORKING** with over 200 procurement and sustainability professionals across Canada;
- **BENCHMARKING** assessment of your sustainable procurement program each year which can be used to compare to other members;
- **ONE-ON-ONE SUPPORT** as needed on program development advice or research needs;
- **RECOGNITION** through sharing stories in Peer Exchange webinars and profile within the Annual Report.

Governance & Management

Reeve Consulting serves as the secretariat for the CCSP and receives operational and strategic guidance from a volunteer Steering Committee. Representatives from the City of Kelowna, the City of Winnipeg, the City of Calgary, the University of British Columbia (UBC), and Halifax Regional Municipality served on the CCSP's 2023 Steering Committee.

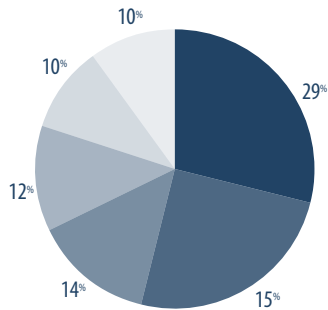


Amanda Chouinard,
CCSP Program Manager



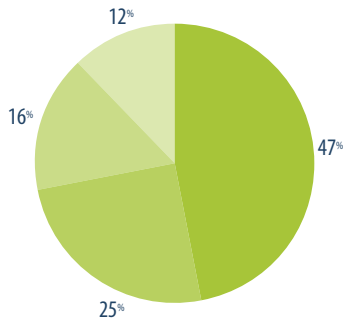
Tim Reeve,
CCSP Program Director

Our Network



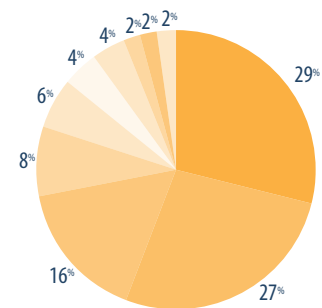
Time Spent

- 29%** Member Support and Engagement
- 25%** Peer Exchanges
- 14%** Program Management and Steering Committee
- 12%** Marketing and Communications
- 10%** Working Group Facilitation
- 10%** Annual Report



Sectors

- 47%** Cities
- 25%** Universities/Colleges
- 16%** Crown Corporations
- 12%** Provincial and Federal



Geography

- 29%** BC
- 27%** Ontario
- 16%** Alberta
- 8%** Manitoba
- 6%** Federal
- 4%** Saskatchewan
- 4%** Yukon
- 2%** Nova Scotia
- 2%** PEI
- 2%** Newfoundland and Labrador

Program Impacts

\$47 BILLION **796**

Approx. spend on goods, services, and construction

Attendees across 9 Peer Exchange webinars

15

Members with a dedicated SP Strategy & Action Plan

22

Members with SP embedded into Policies

16

Members with SP written into Procedures

8

Members with a dedicated FTE SP role

10

Members with an established SP Working Group

17

Members with some SP Tools in place

17

Members have trained procurement staff on SP

18

Members currently tracking SP related KPIs

2023 Peer Exchange Webinars

Each year, the CCSP hosts a series of Peer Exchange webinars to facilitate the exchange of information amongst members. The Peer Exchanges provide an opportunity for members to share success stories and challenges with one another, hear from industry experts, and discuss key topics.

1. 2023 KICK-OFF	Jenny Miles, Manager of Social & Sustainable Procurement, BCLC Erin Akins, Triple Bottom Line Project Manager, City of Saskatoon Jennifer McCabe, Procurement Advisor, City of Ottawa
2. INTEGRATING SUSTAINABLE PROCUREMENT TOOLS AND PROCEDURES FOR GREATER IMPACT	Kristie Ritchie, Business Analyst, Strategic Sourcing, City of Ottawa Darren Tompkins, Purchasing Manager, City of Kelowna
3. ADVANCING ENVIRONMENTAL PRIORITIES FOR CONSTRUCTION & INFRASTRUCTURE PROJECTS	Juhee Oh, Sustainability, WSP Ryan Zizzo, Founder and CEO, Mantle Developments Penny Martyn, Green Building Manager, University of British Columbia
4. FEDERAL UPDATE: STANDARD ON THE DISCLOSURE OF GHG EMISSIONS AND THE SETTING OF REDUCTION TARGETS	Jane Keenan, Director, Treasury Board of Canada Secretariat Aline Ribas, Senior Advisor, Treasury Board of Canada Secretariat Louis-Philippe Gagné, Manager, Environment & Climate Change Canada Jennifer Legere, Senior Policy Advisor, Public Services & Procurement Canada
5. ECONOMIC RECONCILIATION: ATTRACTING INDIGENOUS SUPPLIERS	Steph Baryluk, Indigenous Chef, SFU Rooted David Hunt, Environmental Social & Governance Procurement, Canada Post
6. TRACKING AND REPORTING ON SOCIAL PROCUREMENT KPIS	Chase Smith, Manager of Procurement Transformation, The City of Calgary Landon Modien, Leader of Public Value within Procurement Transformation, The City of Calgary Corinne Evason, Sustainable Procurement Liaison, The City of Winnipeg
7. BUILDING OUR COMMUNITIES UP: ADVANCING SOCIAL IMPACT IN CONSTRUCTION PROJECTS	Brent Brodie, Snr. Procurement Analyst & Project Lead, Strategic Procurement Services, York University Austin Lui, Social Planner II, Community Economic Development, City of Vancouver
8. WORKING GROUP SHARE-BACK: ADDRESSING SOCIAL COMPLIANCE & HUMAN RIGHTS	Jenny Miles, Manager of Social & Sustainable Procurement, BCLC Erin Akins, Project Manager, Sustainability, City of Saskatoon
SPECIAL SESSION: BUYING BETTER OUTCOMES: ENABLING SUSTAINABILITY WITH GROUP PURCHASING ORGANIZATIONS	Facilitator: Frances Edmonds, Head of Sustainable Impact, HP Canada Jim Hadjiyianni, Director of Business Development, OECM Darren Tompkins, Purchasing Manager, City of Kelowna Dennis Silva, Chief Procurement Officer, BCNET

2023 Working Group Investigates Modern Slavery and Social Due Diligence

Each year, the CCSP brings together a group of representatives from our members to work on a project that can be shared as a learning opportunity for the rest of the network.

In 2023, modern slavery became an area of focus in global supply chains, especially with the introduction of the Government of Canada's new **Supply Chains Act**. With this renewed sense of urgency to look into supply chain risk and social compliance, CCSP members chose to dive into the Ethical Pillar of procurement. The Working Group set out to identify which common purchasing categories are at highest risk for human rights violations and what actions public sector organizations can take to mitigate these issues – resulting in the creation of several resources:

- 1. ETHICAL PROCUREMENT GUIDE:** defines ethical procurement and describes various practices organizations can take, ranging from beginner to more intermediate, to start addressing ethical issues in your supply chain.
- 2. SUPPLIER CODE OF CONDUCT (SCC):** a templated SCC capturing minimum standards recognized by the International Labour Organization (ILO) and other international bodies for suppliers to comply to.
- 3. IMPLEMENTATION TOOL:** a 3-in-1 resource including a list of high-risk purchasing categories, a menu of RFX clauses, and a list of Third-party organizations that support this work.
- 4. GRIEVANCE & REMEDIATION CONSIDERATIONS:** a short introduction to the concepts of Grievance and Remediation and what to put in place to get these processes started at your organization ranging from lower to higher effort.

2023 Working Group Members



Sheridan



CCSP DEFINITION OF SUSTAINABLE PROCUREMENT

SUSTAINABLE PROCUREMENT (SP) embeds relevant sustainability considerations into processes for selecting goods/services and suppliers, alongside traditional considerations like price, quality, service, and technical specifications. It is a broad umbrella term under which most sustainability issues that relate to procurement can be nested, including environmental, social, Indigenous and ethical considerations. SP ensures that buyers obtain the best value for money when purchasing more sustainable goods and services from more sustainable suppliers, to support your organization's strategic goals.

The CCSP promotes a holistic and integrated model of sustainable procurement which encourages members to emphasize sustainability issues that are already embedded in their corporate strategies while being open to the unique sustainability risks and opportunities within any given procurement, and giving preference to suppliers who demonstrate corporate sustainability.

Four Pillars of Sustainable Procurement

At CCSP, we believe it's easiest to consider sustainable procurement as being comprised of four main pillars:

Environmental Procurement

Aims to minimize environmental harm and maximize positive outcomes for a healthier environment. Focuses on issues like reducing greenhouse gas (GHG) emissions, pursuing net-zero, energy efficiency, zero-waste and circularity, and reducing water usage and toxicity. It also supports the adoption of a regenerative economy with clean and renewable technologies.



Ethical Procurement

Involves reducing modern slavery and forced labour by setting recognized minimum workplace standards for suppliers and subcontractors. This often involves assessing compliance with the **United Nations' Universal Declaration of Human Rights** and the **International Labour Organization's** conventions against child labour, forced labour, and employment discrimination.



Social Procurement

Fosters diversity and inclusivity by creating economic opportunities for equity-deserving and other target populations. This includes purchasing from local suppliers, suppliers that offer social value, such as non-profits, social enterprises, and diverse suppliers, and mandating other suppliers to deliver on social value through their own corporate practices and services they offer, including living wage and Community Benefit Agreements.



Indigenous Procurement

Promotes reconciliation through contracting and subcontracting Indigenous businesses, increasing employment and skills development opportunities for Indigenous peoples, and reducing barriers for Indigenous participation in public spending in alignment with the **Government of Canada's Truth and Reconciliation Commission's Call to Action 92**, Business and Reconciliation, and the **United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)**.

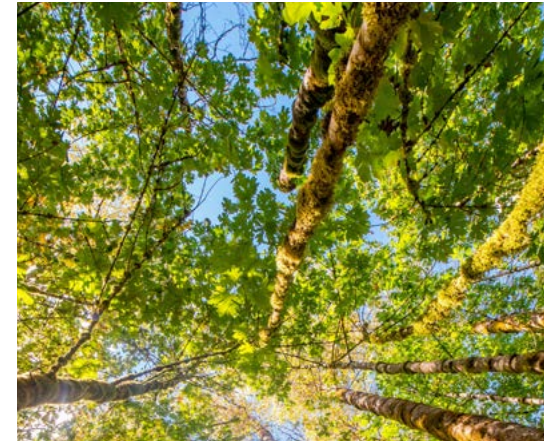


2023 TRENDS IN SUSTAINABLE PROCUREMENT

Here is the CCSP's take on 10 trends over 2023. These trends reflect topics that are garnering increased or decreased attention and effort, evolving rhetoric, or shifting influence in the realm of sustainable public procurement.

TREND 1. The Rising Tide on Biodiversity – Time to Protect our Natural Defenses

Following the adoption of the **Global Biodiversity Framework** at COP15 in Dec. 2022, **Greenbiz** took a stand that “Biodiversity is on track to becoming sustainability’s hottest topic of the year” for 2023. Biodiversity – the variety of all life on Earth, from bacteria to entire ecosystems – is heralded by the UN as our strongest **natural defense against climate change**. Biodiversity is a key regulator of natural ecosystems; the life-support system of our planet, critical for agriculture, water, and clean air, all supporting the global economy. This year, we saw a wave of activities from regulatory bodies formalizing frameworks and urging commitments to protect the diversity of our natural environment. The UN published the **High Seas Treaty**, protecting the marine environment’s biodiversity in international waters. The Government of Canada passed **Bill S-5**, giving rights to the natural environment in Canada. Similarly, the Science Based Targets Network introduced the very first **science-based targets for nature** to help track and reduce an organizations’ impact on biodiversity, and CSA group published a standard for identifying **natural asset inventories** pushing organizations to improve natural asset management. Biodiversity **credit markets** are also rapidly emerging, aiming to “unitize” and “monetize” biodiversity and prompt investment in the area. Biodiversity loss ripples through supply chains from destructive resource extraction practices like logging and deforestation, mining, land use for commercial crops, and over-fishing. The EcoVadis article: **Biodiversity Protection is essential for Resilient Supply Chains**, highlighted why organizations should identify the highest ecological risks in their value chains, and how they can act on it. Procurement professionals should look for alternative options and ask suppliers what practices they are implementing to minimize biodiversity loss within their supply chain.



TREND 2. Its Never too Early, or too Late, to Start Measuring the Impact of Sustainable Procurement

The CCSP observed an increased focus on the Measurement & Reporting program element from our members this year. Some, who have been working awhile on establishing other program elements, like Policy, Procedures, Tools, and Training, are now turning attention to how they can measure the progress and impact of their work. Others, who are just starting out at this time, are opting to establish KPIs early on in program development; ensuring they set up the necessary systems and processes to enable ongoing tracking. Often, we see KPI selection occur in tandem with the development of a Sustainable Procurement Strategy & Action Plan. Such is the case for the City of Charlottetown and the City of Winnipeg, which pre-identified process and outcome KPIs across environmental, social, and Indigenous outcomes. Both municipalities have set goal posts and will be tackling their KPIs over time. On the other hand, The City of Calgary and Sheridan College have been working to integrate automated data collection into e-procurement systems like SAP and Bonfire, to transition away from manual review of data. The global community is also taking note of the importance of effective and streamlined data and reporting. In June, the **International Sustainability Standards Board (ISSB)** released the first set of new reporting standards intended to be **THE global standard for ESG reporting**. Prior to this, sustainability and ESG disclosure was disparate, with a lack of consistency across tons of varied reporting standards. The ISSB has now consolidated many of these into one standard – enabling reduced reporting costs, more comparability in data, and the ability to set a global baseline to evolve from.



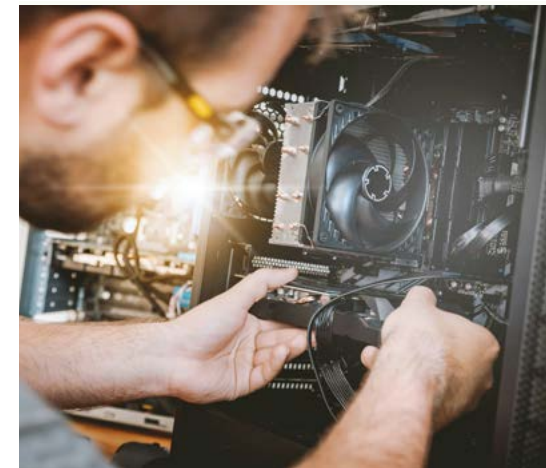
TREND 3: The Pursuit of Diversity Data Takes the Driver's Seat on Social Procurement

Off the back of Measurement & Reporting, CCSP members doubled down on their efforts to track supplier diversity. This included engaging more with diverse businesses, establishing methods for diverse suppliers to identify themselves during bidding processes, streamlining data assessment, and issuing reports to senior leadership on progress. In its **2023 State of Supplier Diversity** report, Supplier.io also found that data collection and accuracy was the primary challenge and area of biggest improvement this year. As one of the most voted on topics, the CCSP hosted a Peer Exchange on the subject. The City of Calgary and City of Winnipeg shared which social KPIs they are tracking – like % of total spend and # of contracts with Indigenous and Diverse businesses – and what mechanisms are used to collect that data – like questionnaires at the supplier registration stage or supplier responses to specific RFP questions. Check out the CCSP's **summary of the Peer Exchange here**. Other examples include efforts by TransLink to establish its supplier diversity baseline and train staff on the subject, as well as the Regional Municipality of Halifax which has been adding its Social Value Questionnaire to 90% of public tenders to collect social-related information from suppliers. Promoting supplier diversity within construction contracts has been especially prevalent. At another CCSP **Peer Exchange on Social Impact Construction**, the City of Vancouver discussed the implementation of its Community Benefit Agreement (CBA) Policy, which requires major development projects to procure 10% from diverse-owned or certified social value businesses, among other targets around local procurement and hiring of equity-deserving individuals. York University shared its approach for incorporating a Social Procurement Plan into construction projects and shared the results on data collected to date for # of equity-deserving individuals and apprenticeships hired.



TREND 4: Spiraling Out of Control – We're Not Closing Enough Loops

2023 saw the world's first **Plastic Overshoot Day** – when the amount of plastic outweighed the world's ability to manage it. Excessive production coupled with mismanagement of plastic waste poses a significant threat to environmental and human health. The 2023 **Circularity Gap Report**, indicates the global economy is still only 7.2% circular, and we're on a downward trend. Circularity has been at the forefront of the sustainable revolution for some time, but these reports indicate a need to act quicker and implement circularity across more projects. Even with the grimmer outlook this year, there are many initiatives setting examples worth recognizing. In May, the World Circular Economy Forum took place, providing outcome-oriented sessions to attendees to help inspire global action; this **report** summarizes the event's key learnings. Similarly, the **Circularity '23** conference held the fourth annual **Reusies**, awarding activists, communities, and innovators for their circular initiatives. CCSP members also showcased circularity through their procurement practices. UBC extended its partnership with **Rheaply** for another two years to continue managing furniture reuse. **This program** helps avoid the purchase of new furniture, so far diverting over 10,000 lbs from landfill, avoiding over 13,000 kg of CO2 emissions, and reducing expenditures. Through its procurement of full-service IT management, the City of Vancouver advanced circularity while addressing a community need. The successful vendor partnered with **BC Tech for Learning**, a registered charity specializing in refurbishing IT and giving it to local schools, non-profits, and individuals in need. Public procurement is a key leverage point that creates strong market signals for change and innovation. We challenge procurement professionals to not only ask for products that contain recycled material and last longer, but also reduce the purchase of new products and manage items at end-of-life so they can be recirculated in some way.



TREND 5: One Scope, Two Scope, Three – Supplier Carbon Disclosure is the Key

Climate change is no doubt one of the most significant sustainability challenges of our time, however most indicators of climate progress are concerningly off track, according to the **State of Climate Action 2023**. There's no way we'll get to net-zero by 2050 without addressing **Scope 3 emissions**; which are emissions associated with purchased goods and services along with 14 other categories. But how can organizations know if they're reducing Scope 3 without emissions data from suppliers themselves? At the **2023 SPLC Summit**, everyone was talking about this challenge and the opportunity to engage with suppliers. Supplier disclosure of GHG emissions AND their reduction targets is now a necessity. Organizations can start with requiring their largest suppliers to do so, while smaller suppliers may need more time and resources. The good news is there has been an emergence of technology solutions available, like **SupplyShift**, **EcoVadis**, **South Pole**, and **Kloopfiy**, that can help organizations gather and analyze data from suppliers to support Scope 3 emissions tracking. Canada recently released a new federal **Standard on the Disclosure of GHG Emissions and Setting of Reduction Targets**, which applies to federal procurements over \$25 million and induces suppliers to measure and disclose their GHG emissions and adopt a **science-based target** to reduce their emissions (in line with the **Paris Agreement**). This can be demonstrated through participation in ECCC's **Net-Zero Challenge** or in an equivalent initiative or standard (e.g., Carbon Disclosure Project (CDP), Science Based Targets initiative (SBTi)). Public Services and Procurement Canada (PSPC), the central purchasing agent for the Government of Canada, updated their **procurement policies** to require the application of the Standard. Acquisition processes around the world are moving towards a more transparent and accountable system for GHG emission disclosure, and Canada's public sector is no exception.



TREND 6: From Transaction to Connection – Building Trust and Celebrating Indigenous Culture

Indigenous procurement has continued its upward trend this year, as organizations progress from learning and planning to doing. We're seeing increased commitments through the setting of spend targets, updating policies and strategies to include Indigenous procurement, more engagement with Indigenous businesses, and applying methods in bidding processes to increase Indigenous participation. One such method being leveraged more to connect with suppliers, is Indigenous business directories, which can take several forms: diversity councils like **CAMSC** and **CCAB**, the Federal Government **Indigenous Business Directory**, Indigenous Chambers of Commerce, and business listings through local Band Councils. Advancements made by CCSP members this year include the City of Saskatoon approving its Indigenous Procurement Strategy to support a 5% spend target; SFU working with Indigenous Chef Steph Baryluk to create the **Rooted Program** to showcase Indigenous cuisine in dining halls; the City of Vancouver doing research into de-colonizing its procurement practices; BCLC integrating Indigenous related questions into its RFP criteria menu; and the City of Regina hired an Indigenous Procurement role along with updating its Procurement Protocol with strategies to implement Indigenous procurement, resulting in over 7 million dollars spent with Indigenous suppliers. Discussion at the CCSP's annual **Indigenous procurement Peer Exchange** centered around the importance of relationship building as a key ingredient for reconciliation and successful Indigenous procurement. It's crucial to go beyond the financial transaction of procurement to build the foundation of trust and connection needed for strong working partnerships with Indigenous businesses.



TREND 7: The Road to Net Zero – Electrification Continues to Sweep the Nation

It's no surprise to see continued progress from the public sector in transitioning fleets over to hybrid, electric, and other alternative fuel vehicles. Transportation is Canada's **second largest contributor of GHG emissions**, second only to the oil and gas sector. This means that fleet is a purchasing category of high opportunity for organizations in helping to achieve their carbon reduction goals. For municipalities, switching to electric transit buses has been identified as a key ingredient within Canada's national net-zero by 2050 plans, according to **Municipal World**. Switching to electric is not without its challenges, such as high upfront costs and the need for charging infrastructure to keep up with the transition. However, CCSP members are showcasing the possibilities. TransLink has announced it will be adding 15 new electric buses to the Metro Vancouver fleet. Since 2019, Mississauga has purchased exclusively hybrid-electric buses, and now at the end of 2023 has 206 hybrid-electric buses, representing 41% of the total fleet with plans to continue growing every year. The District of Saanich purchased electric cargo vans and an additional electric truck, while UBC and the City of Kelowna both purchased Hydrogen vehicles. Likewise, Ontario Northland introduced a fully electric truck, a hybrid SUV, and electric charging stations at all its facilities. Moving away from fossil-fuel based modes of transportation is now an expectation as we travel down the road toward net-zero emissions.



TREND 8: What's in Your Supply Chain? Don't be Complacent on Social Compliance

Latest estimates show that forced labour has increased significantly in the last five years, with over 50 million people worldwide currently in modern slavery; according to the **International Labour Organization**, Walk Free and the International Organization for Migration – this is the highest its ever been. Following the lead of other countries, like Australia and several European nations, Canada passed legislation in 2023 promoting supply chain transparency: the Fighting Against Forced Labour and Child Labour in Supply Chains Act (**The Supply Chains Act**). Starting January 1st, 2024, certain organizations will be required to submit reports each May on measures taken to prevent and reduce the risks of forced and child labour in their supply chains. The Act applies to both Federal government agencies and "Entities", that meet **certain thresholds** for assets, revenue, and employees. This has no doubt sent a ripple effect into the public procurement sphere, which admittedly has let attention on modern slavery have a back seat to the pressing environmental and social issues of our time. However, with this renewed sense of urgency to look into supply chain risk and social compliance, the 2023 CCSP Working Group decided to develop some guidance and a suite of templates that would give public sector organizations the tools they need to re-integrate ethical considerations into procurement practices. Now, CCSP members are adopting updated Supplier Codes of Conduct, integrating questions on human rights into RFP's, and setting up basic due diligence processes.



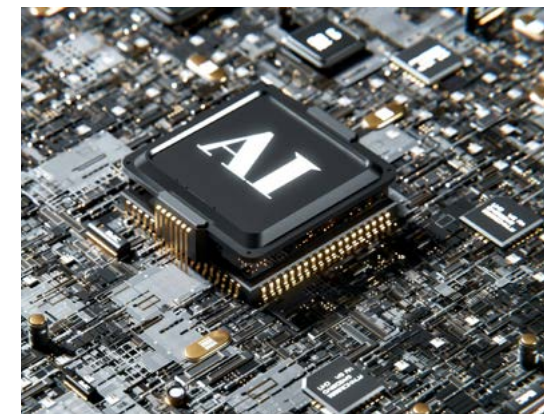
TREND 9: Climate Adaptation Efforts Slowing at a Time When They Should be Accelerating

With all the attention on climate mitigation, and achieving net zero emissions by 2050, we cannot forget to make efforts to protect our communities from climatic changes that have already begun and will continue to build (known as **climate adaptation**). We are witnessing hotter temperatures, dryer summers, more extreme storms, and flooding; all of which cause costly damage to our infrastructure and sometimes deadly impacts on community health and wellbeing. The public sector at all levels must focus on building and retrofitting their infrastructure assets to be more **climate resilient** to withstand these new extremes. However, UNEP's **2023 Climate Adaptation Gap Report** shows "that progress on climate adaptation is slowing when it should be accelerating." Urban areas are particularly vulnerable to the urban heat island effect, though Canada's cities are currently ill-prepared for the consequences of rising temperatures, says this **Municipal World article**. When facing construction and infrastructure projects, both new and retrofitted, project managers need to be thinking about how to make the built environment resilient to short- and long-term climate changes. CCSP member examples include: Ontario Northland undertaking multiple building envelope projects to increase the **R-Value** of exterior walls and roofs; UBC's Climate Ready Building Requirements, shared during the CCSP's **May Peer Exchange**, and its recent building retrofit project adding features like thermal comfort, rainwater management, indoor air quality, and water use reduction; and the District of Saanich's heat pump conversion project for the Bert Richman recreation centre which will not only reduce GHG emissions through switching from fossil fuels to renewable electricity, but also act as a climate resilience upgrade now providing cooling in a building that did not provide cooling in hot weather before. Investing in climate-resilience infrastructure more now will help save money and lives.



TREND 10: Time to Start Learning the ABCs of AI for Sustainable Procurement

The emergence of generative Artificial intelligence (AI) is likely one of the most defining factors to transform our society in this digital age; but it feels like we're still in kindergarten when it comes to our understanding of the potential opportunities and risks this will have. Procurement and sustainability professionals are still learning our ABC's in terms of what AI is, how to use it, and what can be achieved when we start exploring all the possible letter combinations. AI can certainly create more efficiency and automation throughout the entire procurement process from planning, RFP creation, and evaluation, as described in this **Keelvar Webinar** – its exciting to think about how this can support the integration of sustainability at each phase. Its also clear that, in tandem with an increasing number of supply chain software solutions like Tealbook, EcoVadis, and **FRDM**, AI can lead to better measurement and reporting, through increasing traceability, access to data, and data analytics. Specifically, some are finding it can **help reduce modern slavery** by providing visibility into complex global supply chains and highlighting risks or gaps. Others are discussing the merits of digitization and AI for being able to track and **close materials loops**, like plastic, connecting buyers and sellers and supporting a circular economy. Despite the positives and many opportunities for advancing sustainability efforts, there is also lots of misinformation, risks, and potential **contribution to the climate crisis**. Either way, there's no doubt AI is here to stay, and procurement professionals should be keeping a close eye on how to leverage it while mitigating any potential risks.



BEST PRACTICE FRAMEWORK FOR HIGH PERFORMING PROGRAMS

Like any significant process improvement or change initiative, optimizing your sustainable procurement efforts means more than having a Sustainable Procurement Policy; it means having a complete program. The CCSP's 10-point Best Practice Program Framework guides

organizations in ensuring sustainable practices are meaningfully adopted across the entire organization. Find out how each program element helps sustainable procurement leaders build and improve their sustainable purchasing below.



1. Strategy and Action Plan

Outline a long-term vision for the program and a clear work plan for implementing and managing it.



2. Staffing and Resources

Ensure adequate time, budget, and expertise are designated to implementation and management.



3. Policies

Provide clarity on the importance of sustainable purchasing to the organization and set clear environmental, ethical, social, and Indigenous priorities, ideally aligning with existing plans and policies.



4. High Impact Procurement Opportunity (HIPO) list

Identify specific categories of focus for sustainable purchasing, ideally those with high volume, spend, and/or strategic importance for sustainability.



5. Procedures

Guide staff in integrating sustainability in every type of procurement process. This may include guidance for developing specifications, weighting and evaluating responses, and developing supplier contracts.



6. Tools

Enable staff to take a standardized, more effective approach to making informed purchasing decisions.



7. Training and Engagement

Help staff understand the organization's sustainable procurement program and priorities, as well as build their skills and confidence in integrating sustainability into purchasing decisions.



8. Measurement and Reporting

Take regular stock of performance in order to highlight what is working well, identify challenges and opportunities, and build engagement across the organization.



9. Supplier Engagement

Collaborate with vendors to address sustainability risks and opportunities in your supply chain outside of traditional RFx processes.



10. Leadership and Collaboration

Collaborate with other organizations and sectors to advance the field of sustainable procurement and build mutually beneficial resources.

2023 MEMBER BENCHMARKING & PROGRAM DEVELOPMENTS






Every year, the CCSP conducts benchmarking interviews to support members in self-assessing their progress on implementing the Best Practice Program Framework and developing simple action plans for continuous improvement. Interview results are then used to:

- **Publish Member Benchmarking Results** so members can compare program maturity;
- Celebrate member progress, as reported in the **Member Program Developments** section; and
- Showcase **Member Success Stories of highly sustainable purchases**.

In 2023 the CCSP completed a major revamp to the Questionnaire used to conduct the Benchmarking Assessments. All 10 Program Elements are the same, however we evolved the criteria that measures maturity for each Element and updated the format for more consistency, to decrease the level of subjectivity, making it easier for our members to calculate which Moon Rating they achieved. The update was in service of evolving along with industry best practices and keeping up with the amazing progress of our members! Because of the update, some member's Moons may have decreased or remained the same as previous years, however this doesn't necessarily reflect a dip in their progress; rather it represents that sustainable procurement continues to advance as a movement and CCSP members will continue to advance along with it.






Self-Assessment Framework

Members self-assessed using ratings analogous to the five phases of the moon (right), which represent increasing maturity levels in implementing each of the 10 program elements in the **Best Practice Program Framework**.

SYMBOL	MATURITY LEVEL
	= not yet started or just beginning
	= some progress made
	= in progress
	= fairly well developed
	= well developed with solid experience

Benchmarking Results

Member	Strategy & Action Plan	Staffing & Resources	Policies	Procedures	Tools	HIPO List	Training & Engagement	Measurement & Reporting	Supplier Engagement	Leadership & Collaboration
Alberta Health Services										
British Columbia Lottery Corporation (BCLC)										
City of Brampton										
City of Calgary										
City of Charlottetown										
City of Edmonton										
City of Kelowna										
City of Mississauga										
City of Nanaimo										
City of Ottawa										
City of Regina										
City of Saskatoon										
City of St. Albert										
City of Vancouver										
City of Whitehorse										
City of Winnipeg										
District of Saanich										
District of Squamish										
Edmonton Airports										
Government of Newfoundland										
Government of Yukon										
Halifax Regional Municipality										
Mohawk College										
Northern Alberta Institute of Technology (NAIT)										
Sheridan College										
Simon Fraser University (SFU)										
Saint Lawrence College										
University of British Columbia (UBC)										
University of Calgary (U of C)										

 = not yet started or just beginning
  = some progress made
  = in progress
  = fairly well developed
  = well developed with solid experience

Member Program Developments

Each year, CCSP members progress their sustainable procurement programs on multiple fronts. In this section, each member shares just one or two of their main developments from the past year.

Strategy & Action Plan

1. The **City of Charlottetown** approved its Sustainable Procurement Strategy & Action Plan in 2023. The plan highlights priorities across environmental, social, ethical, and economic pillars and lays a foundation for the City to move forward with updating policy and procedures for more integration of sustainability into procurement decisions.



Staffing & Resources

1. The **City of Kelowna** assigned one of its existing Buyers on the procurement team to be a Sustainable Procurement Champion. This person now formally has sustainable procurement as part of their role and can help drive initiatives at the City.
2. The **City of Mississauga** filled its Sustainable Procurement Consultant role in September, which had been vacant for most of the year. The City is excited to continue progressing on integrating sustainability into procurement.
3. The **District of Saanich** hired an additional sustainability staff person this year, better enabling the continued collaboration between the sustainability and procurement teams. Notably, the “fossil fuel flag” system provides a touchpoint between the two teams to identify renewable energy opportunities across the District’s operations.
4. During 2023, the **University of British Columbia’s** (UBC) Procurement Programs team became fully staffed. This includes two full-time positions which have sustainable procurement embedded into their job purpose and aim to advance the university’s environmental, social, and Indigenous procurement efforts.



Policies

1. The **City of Mississauga** commenced work on reviewing its current Sustainable Procurement Policy, which was originally approved in 2017. The City conducted a policy best practice survey with other CCSP members and is identifying updates to make to its own policy.
2. **Ontario Northland** updated its Procurement Policy to now incorporate Indigenous procurements, partnerships, and the application of the **Ontario Aboriginal Procurement Program** (APP) for the communities it serves.
3. The **City of Saskatoon** has been working on a Vendor Code of Conduct to enable the upholding of labour rights as a priority for the City. Additionally, revisions were made to the Indigenous Procurement Policy to support the City in meeting its 5% spend target with Indigenous businesses.



Procurement Procedures

1. The **City of Calgary** automated its Social Procurement Questionnaire by embedding it within SAP Ariba, making it a formal part of the vendor registration process and streamlining the review of responses.
2. The **Regional Municipality of Halifax** (HRM) transformed its procurement structure this year including transitioning from individual roles to four teams enabling a collaborative approach to client service, introducing a new central intake process, and the launch of Bids and Tenders which includes a database of social value vendors.
3. The **City of Regina** finished its work on creating a new Sustainable Procurement Protocol. The Protocol directs City departments on determining what makes a sustainable supplier and provides direction for staff to consider the evaluation of environmental, economic, Indigenous and social sustainability.
4. The **City of St. Albert** introduced a social and environmental sustainability consideration check-point into its procurement process map to encourage business units to remember to think about sustainability.



Tools

1. **BC Lottery Corporation** (BCLC) worked internally amongst procurement, EDI, and Indigenous relations staff to make updates to its procurement Toolkit to include more guidance for staff to help with considerations for EDI and Indigenous procurement.
2. The **City of Edmonton** launched two new Tools this year. The first being a Sustainable Low-value Purchasing Guide (25K or less) to help staff consider the sustainability of decentralized purchases. Second, was the Sustainable Procurement Menu which includes social and environmental criteria to include in RFP's, and a suite of contract requirements.
3. The **University of British Columbia** (UBC) developed an Environmental Sustainable Purchasing Guide as well as Indigenous Payment Guidelines, both giving staff more direction for increasing Indigenous procurement and how to select more environmentally preferable goods and services.
4. The **City of Winnipeg** created two RfX Questionnaires, one for environment and one for social and Indigenous, for use in the RFP process. Both Questionnaires are in the pilot stage and will continue to be rolled out as staff become oriented.
5. The **City of Vancouver** developed "A Practical Guide for Procuring Equity Expertise" as a resource for staff to create more accessible RFPs for JEDI (justice, equity, diversity, inclusion) related services. Use of the Guide resulted in an internal roundtable of champions and the implementation of a number of considerations, such as offering compensation to respond to an RFP to lower barriers to entry.



High Impact Procurement Opportunities (HIPO)

1. **Mohawk College** conducted work on translating its spend analysis into HIPO categories to identify some key impact spend areas where sustainability intervention could be focussed.
2. The **City of Nanaimo** reviewed its HIPO list and focussed on the category of Print Services, ensuring that the two separate RFPs issued in 2023 contained sustainability questions.
3. The **City of Ottawa** carried out an audit recommendation whereby departments set about modifying processes to improve their documentation of sustainability considerations. Procurement staff first engaged with the biggest spending departments to identify high impact opportunities.
4. The **University of British Columbia** (UBC) completed a procurement planning exercise that included spend analysis to identify HIPOs at the department level. Notably, the Shared Housing and Community Services (SHCS) Department formalized their own HIPO process and identified opportunities at the unit level.



Training & Engagement

1. **Alberta Health Services** joined the CCSP in 2023 as an avenue for providing education opportunities for its procurement staff, such as attending Peer Exchange Webinars, on best practices in sustainable procurement.
2. The **Regional Municipality of Halifax** (HRM) ran monthly procurement training sessions with Social Value being a large part of the learning objectives, including how to use the existing Tools and RFx guidance available.
3. The **University of British Columbia** (UBC) implemented Indigenous cultural awareness training for buyers and procurement officers and will continue to develop and implement this training on an annual basis.
4. **TransLink** worked to build the understanding of its Supply Chain and Category Management staff on supplier diversity. TransLink worked with a consultant to deliver an in-person training covering off the what, why and how of supplier diversity.



Measurement & Reporting

1. The **City of Calgary** made a lot of progress with data collection from its automated Social Procurement Questionnaire, which enabled it to submit a detailed progress report to Council on KPIs including percent of contracts awarded to small- or medium-sized businesses, percent of suppliers providing work experience programs, and percent of contracts awarded to suppliers with the top social procurement score.
2. The **Edmonton International Airport** worked on building its understanding of what other similar organizations are measuring and reporting on and matching this up to the data it currently has the ability to track.
3. **Sheriden College** took the next step in its measurement journey, now with KPI benchmarks established, procurement staff worked on establishing methods to automate data collection and reporting through the use of Bonfire.



Supplier Engagement

1. **BC Lottery Corporation** (BCLC) held meetings with its most strategic suppliers as part of its updated Vendor Performance management (VPM) Program to communicate ESG goals and objectives to its suppliers.
2. **Simon Fraser University** (SFU) adopted the EcoVadis platform and began implementing it with a few strategic suppliers to start the process of obtaining sustainability ratings for a large percentage of its supplier base.
3. The **City of Winnipeg** established a Social Procurement Supplier Registry on its procurement webpage so that social value and diverse suppliers can identify themselves and make it easier for City staff to invite them to bid on opportunities.
4. **Sheridan College** held a Procurement 101 webinar for local suppliers which included communicating the College's sustainability objectives and guidance on how to make successful bids to the College.



Leadership & Collaboration

1. **Simon Fraser University** (SFU) was a key contributor to several cooperative procurements done through BCNET by encouraging the integration of more sustainable criteria and contracting KPIs.
2. **BC Lottery Corporation** (BCLC) provided feedback to the Embedding Project's new **Sustainable Procurement Resource Wheel**; shared an external facing video on the benefits of sustainable procurement, and presented at events for both the SDAC (Supplier Diversity Alliance Canada) and United Way Social Purpose Institute.



The City of Vancouver Circulates IT Hardware and Addresses the Digital Divide

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

The City of Vancouver is proactively addressing its **Zero Waste 2040** goals by prioritizing the extension of material life through repair and refurbishment: crucial steps in advancing towards a circular economy. This commitment is complimented by the implementation of the **Social Value Procurement Framework (SVF)**, which emphasizes inclusivity, diversity, and economic opportunities for marginalized communities. When the need arose to procure a new full-service provider for IT hardware and software, City staff saw an opportunity to support both strategies. At the time, the City's e-waste practices consisted of sending the end-of-life items to an e-waste recycler, that donated some proceeds to charities. The City was looking for ways to improve upon this process and incorporate principles from both the SVF and Zero Waste 2040 plan.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

The City released a large multifaceted RFP combining the supply and end-of-life management for IT. Various City Departments including Community Services, Technology Services, Sustainability, and Supply Chain collaborated to plan this RFP, initially focusing on understanding the status of the City's IT hardware and data. Over time, other groups such as the Parks and Recreation Board, Police Board, and Public Library Board joined the process, serving as evaluators for incoming RFP responses. The RFP included a specific requirement for the proponent to be able to refurbish 90-95% of the hardware at end-of-useful-life (approx. 1000 pieces of equipment per year), leaving it up to the respondents to outline how they would accomplish this. The expectation was that a vendor would be able to partner with a community organization to support the refurbishment and redistribution of equipment into the community. The contract was ultimately awarded to **Microserve**, an end-to-end IT solutions provider which specializes in the complete lifecycle management of hardware and software, including testing for usable life before decommissioning.



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

A significant piece of Microserve's value to the City was their long standing and strong partnership with **BC Tech for Learning Society (BC Tech)**, which is a BC based not-for-profit that refurbishes and redistributes used technology. With a keen focus on social value, reuse, and circularity, Microserve assesses decommissioned IT equipment, and then sends equipment to BC Tech. Moreover, both Microserve and BC Tech are focused on responsible data management, ensuring secure handling and permanent removal of data from retired hardware to maintain data integrity and privacy. Beyond environmental considerations and at little to no cost to the City or vendor, the partnership with BC Tech creates social value and addresses the digital divide by redistributing IT equipment to non-profits and Indigenous groups. BC Tech also has a youth employment program, providing high school students with experience and skills they can carry into the future. By selecting a vendor capable of fulfilling the high refurbishment rate requirement, the City was able to advance its circular economy objectives while also serving a social community need.

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

The City of Ottawa knows that social procurement is an important part of building a sustainable and inclusive city. Procurement staff have recently developed a variety of tools within a Social Procurement Guideline to help staff consider social impact with every step of procurement. When the RFP for Crossing Guard Services was first created, City staff recognized the opportunity to maximize social impact and utilize these new tools. Procurement staff collaborated with the City's Social Procurement Advisory Group to select two evaluation questions from the Social Impact Evaluation Criteria Template.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

The By including the two questions within the RFP, procurement staff could effectively include social concerns when finding a vendor to support their needs. The RFP evaluated vendors on both their ability to provide crossing guard services, and other business activities that affect the community. To assess these social effects, the RFP considered a vendor's community employment benefits and community investments. The social procurement questions accounted for 10 points out of 70, or about 14%, of all evaluation points. The procurement process was led by a procurement officer, who coordinated the evaluation team for technical sections of vendors' proposals, while a separate team evaluated the social impact sections. As a result, the **Ottawa Safety Council** – a local nonprofit – was awarded the contract to administer a crossing guard program across Ottawa's public schools.



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

Despite being the first RFP to include social impact criteria, the procurement process for this program ran smoothly. The readily available tools made it easy for procurement staff to include social concerns within their process, as they could use questions and criteria provided within the template. They were also supported by the members of the Social Procurement Advisory Group, composed of City staff from Integrated Neighbourhood Services, Community Safety and Well-Being, and Employment and Social Services. These are staff from various areas of the city with expertise in Ottawa's social concerns and community needs.

The Ottawa Safety Council was able to deliver on the contract and are now operating in school zones across the city. This is providing layered benefits, from keeping children safe in high-risk traffic zones, to giving employment opportunities to equity-denied, new immigrant, and fixed/lower income groups. By using a social procurement framework, the project team was able to achieve the primary goal of road safety, while helping with overarching socio-economic goals and stimulating the local community. The success of this program will help to inspire more social procurements within the city, and will help prove that social enterprises and non-profit organizations can provide the same level of service as their profit driven counterparts. Hopefully, this is the first of many good news stories as the city continues its journey into social procurement and achieving its development goals through innovative procurement practices.

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

The University of British Columbia (UBC) was looking to issue a competitive RFP in 2023 for the supply and distribution of grocery items to support the operations of food systems on both UBC Point Grey and UBC Okanagan (UBCO) campuses. Leading up to this, UBC had given much focus to formalizing its sustainable **Food Vision & Values** of inspiring and enabling a lifetime of healthy eating. Staff knew this procurement would be a great opportunity to align with these values and several strategic plans that include commitments impacting the procurement and operations of UBC campus food systems; such as the **Food Systems Targets & Actions** within the 2023 Climate Action Plan, as well as both the **Food Scrap Waste** and **Zero Waste Food Ware** strategies within the Zero Waste Action Plan.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

This procurement was a publicly tendered RFP, posted for a five-week period with an estimated value of \$7 million per year, requiring approval to go through the UBC Board of Governors. To design the RFP requirements, Food Services Operations and Culinary teams worked collaboratively with Procurement staff, the Director and Associate Director of Food Services, as well as Executive Chefs from the UBCO campus. Sustainability requirements were given a significant weighting at 20%, which spanned 14 questions on objectives such as the reduction of single-use containers and packaging, reducing food waste, and strategies to include Indigenous businesses and foods. Additionally, a new Value-Add section was included at 10% weighting, which provided proponents an opportunity to share new, innovative details to help align their proposal with UBC's criteria, goals, strategic plans, and culture. UBC also held a project briefing to ensure bidders had a clear understanding of the requirements.

Having clarity on the strategic plans and values allowed the procurement project team to have collective understanding on the requirements of the procurement from the planning stage onwards. This process also helped with change management at the operational level to overcome the challenge of communicating benefits to the individuals whose daily work is affected by the terms of the contract. Proactive communications and providing support to employees during implementation of the changes was found to be helpful in ensuring success of the RFP.



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

With the contract being only within its first year, metrics are not yet available, however, UBC feels that the proponent is well aligned with UBC's vision and values and is actively delivering on multiple elements of the strategic plans. UBC found that incorporating a Value-Add segment into the RFP greatly enhanced the process by empowering bidders to do their research, focus on differentiators, and fully describe how they match the vision and mission of the university in addition to responding to the evaluation criteria. The Value-Add section is now recommended for use in all RFP's issued by Student Housing and Student Services.

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

The City of Saskatoon embarked on a project to upgrade the spray pad fixtures at a local waterpark, driven by the need for sustainability improvements. Summers in the City can reach extremely hot temperatures and these structures are often used for the public to cool-off. The existing fixtures lacked features to ensure efficient and sustainable water usage. Prioritizing water conservation principles, the focus was on finding nozzles compatible with the current fixtures and promoting low-flow technology. User enjoyment also remained a key consideration, although determining the factors or fixture types that could lead to enhanced enjoyment was difficult to assess. To minimize disruption to the public, upgrades were scheduled for the spring, within a limited window after the thaw, to maintain access to the spray pad.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

In February 2023, a Request-for-Information (RFI) was initiated to identify potential suppliers and manufacturers capable of replacing existing structures at Saskatoon's local waterpark. The RFI included "Conservation of Water," in the title, which was a strategic approach to communicate procurement goals and criteria to prospective suppliers. This was followed by a three-quote process to finalize the selection of the vendor. Throughout the planning and issuing of the procurement, procurement staff engaged with staff from Facilities Management, Recreation and Community Development, as well as Communications and Public Engagement. A compelling case for cost savings emerged, with an estimated \$24,000 reduction in water usage projected for two spray pads during the Summer 2023 season. The total cost for upgrading the spray pads amounted to \$46,500, resulting in a promising Return on Investment (ROI) period of approximately two years. This success has paved the way for the program's expansion to 22 sites over the next few years.



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

Ultimately, the new spray pad fixtures will allow for the conservation of 6.4 million liters of water and 2.7 tonnes of CO2 emissions avoided. Moreover, the spray pads serve a critical function in the City's extreme heat event response protocol, functioning as cool-off stations during dangerous temperatures. This dual role underscores the importance of aligning climate adaptation efforts with climate mitigation strategies. While the spray pads provide essential relief from heat, it's equally crucial for them to operate efficiently to minimize further contributions to greenhouse gas emissions. Beyond the environmental impact, these upgrades present an opportunity to engage the community in a positive sustainability success story.

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

The City of Winnipeg was looking at an upcoming procurement to source hourly labour for litter pick-up at the City Brady Road Landfill. This contract previously was fulfilled via a temp agency; however, the City saw an opportunity to support objectives outlined in its **Poverty Reduction Strategy** and **Sustainable Procurement Action Plan (SPAP)**, specially, to increase business with local social enterprises. By working with a social enterprise, the City can create employment opportunities for community members and foster increased social inclusivity.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

During one of the City's internal Sustainable Procurement Working Group bi-monthly meetings, the Sustainable Procurement Liaison brought in Siloam Mission to give a presentation about the services they offer. Through this engagement, the City was able to single source the hourly labour contract to Siloam Mission, a local social enterprise that creates transition opportunities and services for those experiencing homelessness.

IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

The City arranged to hire five workers from Siloam Mission, a majority of whom began as actively experiencing homelessness. Now, as a result of this employment opportunity, many have successfully transitioned into stable housing situations. The positive impact has also extended beyond the initial contract, leading to additional work for **Siloam Mission** with the Public Works Department of the City. The success of this initiative can be



attributed to the flexibility and understanding demonstrated by the City to accommodate varying staffing levels and show a keen awareness of the diverse backgrounds of the workers. This has allowed for the provision of appropriate levels of work, training, and communication, with a focus on setting realistic expectations. An open and empathetic approach is evident in the willingness to listen to workers' concerns, recognizing the unique challenges faced by these individuals. The City has also displayed flexibility by scheduling work on an as-required basis, offering a variety of tasks to enhance workers' experience while meeting core requirements. Additionally, the contract allows for shorter shifts, facilitating a smooth transition for individuals acclimating back into the workforce. Overall, this single sourced procurement with a social enterprise in the City of Winnipeg has not only addressed immediate workforce needs but has also contributed

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

Landfills emit methane, a greenhouse gas (GHG) generated from the breakdown of organic material that contributes to climate change. The City of Mississauga decided to tackle this issue in a creative way by targeting the diversion from landfill of a specific type of organic waste—dog waste! Dog waste is a litter issue and a contaminant in recycling containers. If dog waste is placed in a recycling container, the contents are considered contaminated and collected as garbage. Dog waste also takes time to decompose and may contain harmful bacteria (e.g. *Campylobacter*, *E.coli*), parasites (e.g. *Giardia*, Roundworm), diseases, viruses and infections (e.g. *Salmonella*) which can penetrate soil, making people or other wildlife very sick if exposed to it. When left on the ground, it can also wash into stormwater systems and pollute local waterways.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

Efforts began in 2018, with the launch of a pilot program via a sole source contract with **Sutera Inc.** which installed thirteen in-ground collection containers in specific city parks. The pilot program saw great success made possible by collaboration amongst Parks Operations staff, Environment staff, the Marketing team, Animal Services team, and Sutera. By demonstrating the reduction of recycling contamination, reduced need for pick-up, and positive feedback from park visitors – along with alignment with the City's Strategic Plan, Climate Change Action Plan, and the Sustainable Procurement Policy – the City ultimately approved the **permanent program** and issued an RFP in 2023 for a full-service provider. Sutera was the successful bidder and allowed for a smooth transition between the pilot program and its expansion with an additional 11 containers installed at the end of 2023 for a total of 24 containers that are now in use.



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

The dog waste collection program has resulted in many benefits, including improved staff safety by minimizing interaction with dog waste, reduced odour, improved recycling rates, increased waste container service levels and improved understanding by park visitors about where to dispose dog waste. Since 2018 there has been approximately 94 metric tonnes (MT) of dog waste collected, with the amount increasing year over year. The City has seen a significant decrease in contaminated recycling, from approximately 81.2 per cent in 2017 to approximately 53 per cent in 2020. The dog waste collected is sent for diversion to a waste-to-energy facility. Additionally, by collecting dog waste in a separate, in-ground container, larger volumes can be collected at one-time reducing the amount of trucks on the road and associated emissions. The dog waste containers also provide the opportunity to bring awareness around litter management, which benefits furry animals and their human companions.

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

The City of Charlottetown is updating their Public Transit Strategic Plan (the Transit Plan) to address the increasing ridership in the region in recent years and move towards more sustainable transit options. In 2023, the City needed to issue an RFP for a consulting firm to partner with on the development of this strategy, in addition to the procurement of three new transit buses. In the past, there was no request for bidders to provide information on social or environmental responsibility. However, with newly developed sustainable procurement guidelines, there was an opportunity for the City to procure companies that align with its mission to bring social and environmental value to the community.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

The procurement for the Transit Plan consultants was a publicly tendered RFP in June 2023. The evaluation committee comprised of stakeholders from the City of Charlottetown, Town of Cornwall, and Town of Stratford — the group is called The Capital Area Transit Coordinating Committee. The project budget was estimated at \$85,000 with a desired kickoff date in August 2023. For inclusion of sustainability into the RFP, staff utilized the City's new Sustainable Procurement Toolkit, including Sustainability RFP Question Menu and Evaluation Guide. The Tools played a pivotal role in crafting the RFP as they enabled staff to quickly identify relevant sustainability issues, insert standardized clauses, and include an evaluation score matrix specifically designed for sustainable procurement. Likewise, the Tools were applied to the RFP of the three new transit buses, asking bidders to explain how they commit to sustainability, EDI (equity, diversity, and inclusion), toxics management, and workplace health and safety.



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

Simply by asking questions that it hadn't before, the City was able to hire vendors who demonstrated leadership in corporate sustainability, support local economic development, and align with strategic goals. The successful Transit Plan consultants had a demonstrated company commitment to sustainability, outlined how they would support the local economy, and reduce their carbon footprint through the course of the project – including being a carbon neutral business. The highest scoring bidder to provide the new Transit buses also had a comprehensive response, detailing its environmental policies, EDI priorities, zero emissions vehicle plans, environmental audit and safety measures, and corporate alignment with the UN Sustainable Development Goals. These successful outcomes show the initial possibilities and opportunity to scale the Sustainable Procurement Program at the City and ensure that future procurements continue to incorporate social value and environmental stewardship.

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

Sheridan sought to streamline its approach to procuring services for trades and small facilities repairs such as painting, drywall repair, concrete work, and more. Historically, the college had engaged these services either by reaching out to known vendors or through publicly posted RFPs. However, recognizing the need to minimize barriers associated with lengthy procurement procedures, Sheridan aimed to improve the process, seeking efficiency in vendor selection and deeper engagement to better enable participation from local businesses.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

The college put in place a Vendor of Record (VOR) process so that vendors would become pre-qualified. This not only streamlined the procurement process but also ensured that vendors were well-equipped to meet the requirements of the Request for Quotes (RFQ). Specialization within the VOR, such as focusing on specific trades, allowed vendors to better assess their capacity and determine if they can engage effectively and respond to the RFQ. Sourcing Specialists also invested time in directly engaging with local vendors through information sessions to educate them on the bidding process and facilitate their participation. Moreover, Sheridan provided alternative arrangements and specialized support and training for vendors facing barriers to entry, ensuring inclusivity and diversity among participants. Several departments have the flexibility to opt into the VOR to help streamline their engagement with local vendors and allow for adaptability across various project needs. Additionally, the opportunity to go to primary, secondary, and tertiary vendors to get quotes if there is a capacity issue, diversifies the list, and reduces risks of labour shortage or needing to single source.



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

Beyond process efficiency, the VOR process was chosen for small local trades as part of Sheridan's ongoing objectives to foster sustainability by promoting local economic growth and reducing the environmental impact associated with larger, more distant vendors. Ultimately, the simplified process helps reduce barriers by allowing vendors to participate in opportunities without needing to go through a lengthy and complex RFP process each time. This process also helped change the culture of going directly to already familiar suppliers by expanding the vendor pool. In this way, Sheridan opened the door to work with more local businesses, support local hiring, and bring value back into the community.

The positive outcomes of the VOR process are evidenced by the participation of numerous vendors in the information sessions, becoming pre-qualified, and ultimately resulting in several awarded contracts, thus fostering local economic development, promoting fair competition, and creating a more efficient and predictable environment for both the organization and vendors.

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

For the City of Kelowna, Climate & Environment is one of six **Council Priorities** for 2023-2026. Accordingly, City staff are tasked with including a “climate lens in decision making to assess mitigation and adaptation”; procurement being a large area of opportunity. With this in mind, when the need arose to procure a new vendor for Parking Management Services, staff took the opportunity to include additional requirements that would lead to the reduction of greenhouse gas (GHG) emissions associated with the provision of the service. Parking Management Services generally involves the oversight and implementation of the City-wide Parking Management Strategy – including short- and long-term parking in the downtown core and at city lots and facilities, managing payments and customer service, and coordinating with institutions, businesses and developers.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

Typically conducted via 5-year contracts, Parking Management Services was issued as an open competitive RFP in 2023 at over one million dollars per year in contract value. To help ensure there were relevant specifications in place to address GHG emissions reductions, staff from Energy Management were engaged, in addition to staff from Fleet and Parking Management, to develop the RFP. Ten points were weighed towards sustainability, including the requirements to utilize electric or other alternative-fuel and zero-emissions vehicles, plus the installation of EV charging stations to be used by the service provider as well as the City’s own EV fleet vehicles. Moreover, the City requires Scope 1 tracking from all services and includes a contract clause stating that “if any fossil fuels are used in the performance of the services of the contract, the usage and type of fuel needs to be reported to the City annually.”



IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

Ultimately, the successful vendor, INDIGO, was able to provide an all-electric fleet for use in its parking management operations throughout the City. Additionally, INDIGO is a participant in the Government of Canada’s **Net Zero Challenge**, which requires them to develop and publish a net-zero plan, outlining specific goals, strategies, and timelines for reducing emissions and reaching net-zero by 2050 as well as reporting annually. INDIGO’s current **GO for Climate Plan** consist of measures to achieve net zero in Scope 1 and Scope 2 emissions by 2025 and control Scope 3 emissions by 2050. This procurement was able to align with goals found in the Community Climate Action Plan and the Corporate Strategic Energy Management Plan, which identify opportunities for both the community and corporation to reduce emissions. The City puts an emphasis on the use of electric or zero emission vehicles wherever possible.

2023 CCSP MEMBER REPRESENTATIVES

Local, Provincial, and Federal Government

ORGANIZATION	NAME	TITLE
City of Abbotsford	Tim McBride	Purchasing Manager
	Alix Alden	Sr. Manager, Procurement
City of Brampton	Claudia Santeramo	Manager of Procurement Performance
City of Calgary	Matthew Sutherland	Procurement Leader
City of Charlottetown	Katrina Cristall	Climate Action Officer
City of Edmonton	Hieu Lam	Sustainable Supply Chain Lead
City of Kelowna	Darren Tompkins	Manager of Purchasing
City of London	Elaine Nickerson	Manager, Purchasing & Supply
City of Mississauga	Andrea McLeod	Sustainable Procurement Consultant
City of Nanaimo	Jane Rushton	Manager, Supply Chain Management
City of Ottawa	Patrick Munro	Business Analyst — Sustainable Procurement
City of Regina	Susan Kozey	Acting Manager of Procurement and Supply Chain
	Qaisar Jamal	Sustainable Procurement Specialist
City of Saskatoon	Erin Akins	Project Manager, Sustainability
City of Spruce Grove	Tania Shepherd	Director, Integrated Planning and Strategic Services
City of St. Albert	Debi Skoye	Social Planner, Community Services
	Alicia Ushko	A/Manager Purchasing Services
City of Vancouver	Kim Buksa	Sustainable Procurement Manager
City of Victoria	Valeria Kandiral	Manager of Supply Management Services

ORGANIZATION	NAME	TITLE
City of Whitehorse	Henry Hou	A/Supervisor Accounts Payable and Procurement, Financial Services
City of Windsor	Karina Richters	Supervisor Environmental Sustainability and Climate Change
City of Winnipeg	Corinne Evason	Sustainable Procurement Liaison
District of Saanich	Lorraine Kuzyk	Manager of Strategic Procurement
District of Squamish	Tristan Rayner	Manager, Procurement
Halifax Regional Municipality	Jane Pryor	Manager, Procurement
	Erin MacDonald	Senior Procurement Consultant, Finance and ICT
Metro Vancouver	George Kavouras	Acting Director, Procurement
Town of Stratford	Maddy Crowell	Environmental Sustainability Coordinator
Government of Newfoundland & Labrador	Mark Drover	Director of Policy, Planning and Administration
Government of Yukon	Edward Claringbold	Procurement Advisor
Manitoba Labour, Consumer Protection and Government Services	Greg Reader	Manager, Governance, Policy, and Performance
Treasury Board Secretariat of Canada	Andrea Saldanha	Senior Advisor, Centre for Greening Government (Secretariat of the Buyers for Climate Action)

Post Secondary, Crowns Corps and Health Care Institutions

ORGANIZATION	NAME	TITLE
Alberta Health Services	Thiago Braga	Senior Program Officer, Strategic & Clinical Contracting
Atlantic Lottery Corporation	Phil Elliot	Manager, Supply Chain
BC Ferries	Renée McDonald	Environment Advisor, Safety, Health and Environment
BCLC	Jenny Miles	Manager of Social & Sustainable Procurement
Capilano University	Paul Gruber	Manager, Purchasing
Edmonton Regional Airports Authority	Noreen Cervo	Manager, Contracts Management
Federation of Canadian Municipalities	Lindsay Telfer	Manager, Capacity Development
Manitoba Liquor & Lotteries	Jamie Wolfe	Procurement Supervisor
Mohawk College	Allison Maxted	Manager, Sustainability Office
Northern Alberta Institute of Technology	Chris Martens	Manager, Procurement Services
OCPMA	Jason Stober-Baboushkin	OCPMA Chair; Director of Procurement, Seneca College

ORGANIZATION	NAME	TITLE
OECM	Luba Medvedeva	Business Development Lead
Ontario Northland	Jason Baker	Manager Strategic Procurement
OUPPMA	Ray Pero	Director, Procurement Operations
Red River College Polytechnic	Jade Karsin	Director, Procurement and Logistics
Sheridan College	Carol Izzio	Director, Procurement Services
Simon Fraser University	Laura Simonsen	Major Contracts Procurement Officer
St. Lawrence College	Aman Chhina	Associate Director Procurement
TransLink	Kevin Bonin	Category Manager, Strategic Sourcing
University of British Columbia	Ernesto Castano	Associate Director, Procurement
	Carolyn Arthur	Senior Manager, Procurement Programs
University of Calgary	John Morrison	Procurement Manager

Reeve Consulting serves as the Secretariat for the Canadian Collaboration for Sustainable Procurement (CCSP) and provides management, training and coordination services. For more information about the CCSP, contact:

Amanda Chouinard, Program Manager, CCSP
ccsp@reeveconsulting.com

or

Tim Reeve, Managing Director, CCSP
timreeve@reeveconsulting.com

© 2024 Reeve Consulting

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, electrostatic, magnetic tape, photocopying, recording or otherwise, without permission in writing from the copyright holders.

Reeve Consulting
Vancouver, BC | Canada
reeveconsulting.com/about-ccsp

ATTACHMENT C

Key Performance Indicators & Annual Report		Results from period 2023 July 1 to 2024 June 30
Process KPIs:		
<p>Process indicators measure if Nanaimo is actively using sustainability criteria to impact its procurement decisions. This type of measure indicates to what extent procedures, resources, and knowledge are being used to effectively apply Policy directives. Process Indicators are critical to the early stages of a program, and it is common practice to focus on these in the first year of implementation.</p>		
1	Number of employees who attended at least 1 BCSPi webinar, CCSPI peer exchange, or internal procurement 101 session.	4
2	Number of bids issued to market that included mandatory or desirable sustainability criteria.	11
3	Number of bidders who responded to the RfX with sustainability criteria.	30
4	Number of bidders who responded to the sustainable criteria in the RfX.	20
5	Average weighting allocated to sustainability criteria in competitive bids.	10.00
6	Number of draft bids where feedback was solicited and # of vendors who responded.	0
7	Number of items received and repurposed to other departments through the Asset Recovery Program	25
8	Number of items received and resold via the Asset Recovery Program through BC Auction	154
9	Dollar value received of items received and resold via the Asset Recovery Program through BC Auction	\$ 149,980.73
Outcome Indicators:		
<p>Outcome Indicators measure the environmental and social impacts that result from incorporating sustainability into procurements. Outcome indicators measure the extent to which the use of sustainability criteria in the selection of products and vendors results in improved outcomes, such as using less energy, consuming fewer resources, reducing GHG emissions, creating less waste, or creating social value such as creating local jobs and working with diverse suppliers. These KPI's are frequently harder to track and may require certain infrastructure or procedures to accurately measure.</p>		
1	Refer to Outcome Indicators tab for information gathered on Opportunities awarded July 1, 2022 to June 30, 2023 and Asset Recovery tab for information gathered on assets repurposed within the City or sold through BC Auction	

City of Nanaimo

Summary of RFX Documents - Sustainable Procurement
July 1, 2023 to June 30, 2024

Award Date	File #	Project Name	Award Amount	Awarded Vendor	Trade Agreements	Number of Submissions	Evaluation Criteria	Sustainable Procurement Valuation
20-Jul-23	3398	On-call plumbing services	\$300,000.00	Coastal Drain Cleaning Services Ltd. dba. Roto Rooter	NWPTA CFTA	2	<p>Desired and Weighted Criteria:</p> <p>1. Describe systems, policies or practices you will use to engage with Vancouver Island indigenous persons to provide socio-economic opportunities such as employment, or skills training. The City requires information on this initiative and whether the engagement has been successful or not. Please explain how the Proponent intends to engage with Vancouver Island indigenous persons to provide employment, or skills training and how the results will be reported to the City, successful or not. For example, reporting information may include the number or percentage (%) of individuals engaged to participate and the number or percentage (%) of individuals who gained an opportunity.</p> <p>2. The City of Nanaimo acknowledges a specific skill set is required for Plumbing Services, providing an opportunity for employment training, skills training, career mentoring, and/ or apprenticeship opportunities for the Nanaimo workforce. Provide information on the number or percentage (%) of individuals who will participate in a workforce development opportunity during this project. In addition, explain the work opportunity, and who the recipient(s) is (are). Explain how the workforce hours will be reported to the City upon project completion or when requested.</p>	No real commitment was made by the Vendor regarding workforce development. Following up and enforcement would require additional resources that are not currently available.
14-Nov-23	3396	Printing Services	\$40,000.00	Elite Software Corp	NWPTA CFTA	3	<p>Desired and Weighted Criteria:</p> <p>1. Describe any environmental (green) initiatives that your company has undertaken in production processes, materials, equipment, certifications, reduction in waste, water or energy.</p> <p>2. What is your company's process for recycling/disposal of end of life equipment used in the production of Print Material.</p> <p>3. Describe any training, policies, procedures, and educational programs the Proponent has in place to keep current in the field, observing best practices and ensuring that its personnel employ best practices, remain well trained and educated to be current in the Work required by this RFP.</p> <p>4. Tell us how you contribute to the local economy.</p> <p>5. State if your firm has a sustainability policy in place or are taking steps to create one.</p>	All three Proponents addressed the requirements in their proposals. All three Proponents have a sustainability policy in place. Only two Proponents responded to "Tell us how you contribute to the local economy with a response that could be tracked."
23-Oct-23	3346	Road Salt – Supply and Delivery	\$265,800.00	Lafarge Asphalt Technologies (a Member of LafargeHolcim)	NWPTA CFTA	2	<p>Desired and Weighted Criteria:</p> <p>1. Describe your current solution, policies you are working on to reduce GHG emissions.</p> <p>2. Describe the systems, policies and/or practices you in place of any regulated chemicals used such as a Safety Data Sheet (SDS).</p> <p>3. Describe any employment training, skills training, career mentoring, and/or apprenticeship opportunities you provide within your company.</p> <p>4. Describe the Proponent's contribution to the local community. Examples may include subcontracting, purchasing from local suppliers, partnerships with local organizations, in-kind community contributions.</p> <p>5. Describe the systems, policies and/or practices you use to ensure compliance with minimum labour standards in your supply chain.</p> <p>6. Workplace Health & Safety: Describe the systems, policies and/or practices in place for all employees for physical safety and mental/emotional wellness.</p> <p>7. Identify if your company currently has in place or currently developing a Sustainability Policy within your organization.</p>	The successful Proponent responded to all the requirements in their proposals. The unsuccessful Proponent did not provide a response to item 1, or item 7, indicating N/A.
22-Aug-23	3284	GIS Consulting Services	\$25,000.00	Casly Consulting Ltd.	NWPTA CFTA	12	<p>Desired and Weighted Criteria:</p> <p>Describe systems, policies or practices you will use to engage with Vancouver Island indigenous persons to provide socio-economic opportunities such as employment, or skills training. The City requires information on this initiative and whether the engagement has been successful or not. Please explain how the Proponent intends to engage with indigenous persons to provide employment, or skills training and how the results will be reported to the City, successful or not. For example, reporting information may include the number or percentage (%) of individuals engaged to participate and the number or percentage (%) of individuals who gained an opportunity.</p> <p>The City of Nanaimo acknowledges a specific skill set is required for Geographic Information Systems, providing an opportunity for employment training, skills training, career mentoring, and/ or apprenticeship opportunities for the Nanaimo workforce. Provide information on the number or percentage (%) of individuals who will participate in a workforce development opportunity during this project. In addition, explain the work opportunity, and who the recipient(s) is (are). Explain how the workforce hours will be reported to the City upon project completion or when requested.</p>	The responses varied some companies have policies and practices in place to engage indigenous persons and offer skills and job training. Where others said they were open to hiring indigenous people, but no plan existed and some did not provide any information. 6 out of 12 proposals received less than half to no points for this criteria.
01-Jun-23	3389	Civil GIS Consulting Services	\$500,000.00	Tetra Tech Canada Inc.	NWPTA CFTA	1	<p>Desired and Weighted Criteria:</p> <p>Describe systems, policies or practices you will use to engage with Vancouver Island indigenous persons to provide socio-economic opportunities such as employment, or skills training. The City requires information on this initiative and whether the engagement has been successful or not. Please explain how the Proponent intends to engage with indigenous persons to provide employment, or skills training and how the results will be reported to the City, successful or not. For example, reporting information may include the number or percentage (%) of individuals engaged to participate and the number or percentage (%) of individuals who gained an opportunity.</p> <p>The City of Nanaimo acknowledges a specific skill set is required for Geographic Information Systems, providing an opportunity for employment training, skills training, career mentoring, and/ or apprenticeship opportunities for the Nanaimo workforce. Provide information on the number or percentage (%) of individuals who will participate in a workforce development opportunity during this project. In addition, explain the work opportunity, and who the recipient(s) is (are). Explain how the workforce hours will be reported to the City upon project completion or when requested.</p>	The single response met the requirements of the opportunity. Following up and enforcement on the submission assurances made would require additional resources that are not currently available.

City of Nanaimo

Summary of RFX Documents - Sustainable Procurement
July 1, 2023 to June 30, 2024

Award Date	File #	Project Name	Award Amount	Awarded Vendor	Trade Agreements	Number of Submissions	Evaluation Criteria	Sustainable Procurement Valuation
13-Oct-23	3348	Winter Maintenance – Snow and Ice Control 2023-2024	\$400,549.41	Windley Contracting Ltd.	NWPTA CFTA	1	Desired and Weighted Criteria: 1. Describe the Proponent's hiring practices for industry and/or skills training. 2. Identify your proposed solution to reduce carbon emissions. 3. Identify if your company has a code of conduct that recognizes minimum labour standards and promotes fair employment practices. 4. Describe the Proponent's contribution to the local community. Examples may include subcontracting, purchasing from local suppliers, partnerships with local organizations, in-kind community contributions. 5. Workplace Health & Safety: Describe the systems, policies and/or practices in place for all employees for physical safety and mental/emotional wellness.	Bidder addressed the sustainable requirements in their Proposal.
23-May-24	3480	Scrap Metal Recycling Services	Revenue Contract	ABC Recycling Ltd. (Nanaimo)	NWPTA CFTA	2	Desired and Weighted Criteria: 1. The City of Nanaimo aims to reduce its carbon footprint. Describe the systems, policies and/or practices you use to understand and manage your energy consumption to reduce GHG emissions. Are there methods for calculating GHG emission on an annual basis in place. 2. Tell us about employment training, skills training, career mentoring, and/or apprenticeship opportunities you can provide within the provision of the Services. 3. Describe the systems, policies and/or practices you have to promote wellness, active living, and/or work-life balance programs for all employees including strategies to manage physical safety and mental/emotional wellness. 4. Tell us about the systems, policies and/or practices you use to support local economic development in the provision of the Services; such as sub-contracting and purchasing from local suppliers, partnerships with local organizations, and/or providing employment and skills training opportunities for the local workforce in your area.	Both Proponents addressed the requirements in their proposal however the successful Proponent provided an in-depth response netting them a score of 8.33 out of the maximum 10.00 marks.
03-Oct-23	3240A	Direct Digital Control System Preventative Maintenance, Repair & Support Services - Metasys Controls	\$120,000.00	Johnson Controls Canada LP	NWPTA CFTA	1	Desired and Weighted Criteria: 1.State if you have a Sustainability Policy in place or are working towards creating. 2.Describe the Proponent's hiring practices for industry and/or skills training. 3.Identify your proposed solution to reduce carbon emissions. 4.Does your company have a recycling program in place? If yes, what items do you recycle? 5.Identify if your company has a code of conduct that recognizes minimum labour standards and promotes fair employment practices. 6.Describe the Proponent's contribution to the local community. Examples may include subcontracting, purchasing from local suppliers, partnerships with local organizations, in-kind community contributions. 7.Workplace Health & Safety: Describe the systems, policies and/or practices in place for all employees for physical safety and mental/emotional wellness.	Successful Proponent has a Sustainability Policy in place and suitably responded to most of the requirements.
03-Oct-23	3240B	Direct Digital Control System Preventative Maintenance, Repair & Support Services - Delta Controls	\$300,000.00	Ainsworth Inc.	NWPTA CFTA	1	Desired and Weighted Criteria: 1.State if you have a Sustainability Policy in place or are working towards creating. 2.Describe the Proponent's hiring practices for industry and/or skills training. 3.Identify your proposed solution to reduce carbon emissions. 4.Does your company have a recycling program in place? If yes, what items do you recycle? 5.Identify if your company has a code of conduct that recognizes minimum labour standards and promotes fair employment practices. 6.Describe the Proponent's contribution to the local community. Examples may include subcontracting, purchasing from local suppliers, partnerships with local organizations, in-kind community contributions. 7.Workplace Health & Safety: Describe the systems, policies and/or practices in place for all employees for physical safety and mental/emotional wellness.	Successful Proponent has a Sustainability Policy in place and suitably responded to most of the requirements.
15-Dec-23	3441	Supply and Delivery of Public Waste Receptacles Enclosures	\$172,778.15	Carlisle Services Ltd.	NWPTA CFTA	3	Desired and Weighted Criteria: a. Energy Use and Efficiency - Nanaimo aims to decrease energy use. Tell us how the design and use of your product/service will contribute to our strategies to reduce energy demand. b. Waste Reduction Packaging - Nanaimo aims to reduce our waste footprint. We strive to reduce packaging associated with acquiring various products. Increasingly vendors are introducing innovative programs to reduce packaging. Tell us how the design and use of your product will contribute to our packaging reduction efforts. c. Waste Reduction: Lifecycle - Nanaimo aims to reduce our waste footprint. Tell us how you have addressed waste minimization/diversion of waste from landfill in the design of your product and its associated production, delivery, use, and disposal.	Out of three (3) Submissions: One Proponent addressed the requirements in their proposal; One Proponent did not address the requirements; One Proponent provided a general overview which did not sufficiently address the requirements.
11-Dec-23	3463	Supply, Deliver & Install – Temporary New Pre-Fabricated Washroom	\$387,843.75	Fort Modular Inc.	NWPTA CFTA	2	Desired and Weighted Criteria: 1. Provide details of applicable corporate sustainability, including information on your sustainability practices, the focus of which should be related to energy management and waste reductions 2. Provide details of efforts to reduce emissions from operations which may include: o Energy efficiency o Vehicle fuel efficiency o Greenhouse gas reductions 3. Provide details on your company's Corporate Social Responsibility initiatives. 4. Describe the Proponent's contribution to the local community. Examples may include subcontracting, purchasing from local suppliers, partnerships with local organizations, in-kind community contributions. 5. Describe how the proposed washroom design incorporates other potential environmental considerations such as low carbon, recycled and healthy material (e.g. zero/low VOC, Free of plasticizers). 6. Please state if the Supplier has a waste management plan for disposing all debris, trash and unsuitable materials collected under this Project. 7. Workplace Health & Safety: Describe the systems, policies and/or practices in place for all employees for physical safety and mental/emotional wellness.	Out of three (3) Submissions: One (1) Proponent addressed only 1 of the requirements in their proposal (Item 7 Workplace Health & Safety) One (1) Proponent addressed all the requirements in their Proposal.
In-Progress Opportunities								
	3650	As and When Requested Landscape Restoration Services						
	3709	Frank Crane Concession Operator						
	3284	GIS Consulting Services						
	3796	Fitness Equipment – Preventative Maintenance and Repair						
	3649	Cliff McNabb Arena Lighting Renewal						
	3693	Supply and Delivery of Firefighter Duty Jackets						
	3812	Beban Park Social Centre Room #6 Renovation						
Upcoming Opportunities								
	3702	Landscape Maintenance Services – High Profile Locations						
	3676	Stationery Supply						
	3822	Supply and Delivery of Firefighter Thermal Jackets						

City of Nanaimo

Sustainable Outcome Indicators Summary of contracts awarded July 1, 2022 to June 30, 2023

Award Date	File #	Project Name	Award Amount	Awarded Vendor	Original Evaluation Criteria	Sustainable Outcome Summary
2022 Aug 26	3167	Fire Extinguishers, Suppression, Alarms, Emergency Lighting & Sprinkler System Maintenance	\$ 16,926.48	Calendonia Fire Protection	<p>Desired and Weighted Criteria was used: Sustainability 10 The City of Nanaimo's core vision is to be a livable, sustainable City. To attain that vision the City has enacted a Strategic Action Plan, where a range of environmental, social, and ethical objectives have been identified and prioritized. The City further recognizes the key role of Procurement and Supply Chain activities in the furtherance of sustainability goals. The City must ensure that Nanaimo's procurements are made with meaningful consideration of how the organization can make tangible improvements on our environmental, social, ethical and economic objectives. Ultimately, the City desires a diverse, inclusive, and fairly paid local and international supplier base and wants to be a catalyst for social and environmental innovation in the marketplace. The following questions are designed to assess the Proponent's ability to align with the City's sustainability priorities. Please refer to Appendix E – City of Nanaimo Sustainability Priorities for a summary of the City's Environmental, Social, and Ethical Priorities.</p> <p>Environmental a. Describe the systems, policies and/or practices you use to reduce, reuse, and recycle waste, associated with by-products of production and other operational activities, and to work towards a circular economy through the repurposing of materials/waste. Describe how you manage and reduce your energy consumption.</p> <p>Social b. Describe the policies and/or practices your organization has in place to promote diversity and inclusion in your workplace, including efforts to diversify your workforce with respect to representation of equity seeking groups. Provide a copy of relevant policies for Inclusive Hiring and/or Diversity and Inclusion. c. Describe systems, policies or practices you will use to engage with indigenous persons to provide socio-economic opportunities such as subcontracting, employment, or skills training. The City requires information on this initiative and whether the engagement has been successful or not. Please explain how the Proponent intends to report the results to the City, successful or not. For example, reporting information may include the number or percentage (%) of individuals engaged to participate and the number or percentage (%) of individuals who gained an opportunity.</p> <p>Ethical d. Describe the systems, policies and/or practices you use to ensure compliance with minimum labour standards within your supply chain.</p>	Nothing reported
2022 Oct 26	3225	Supply and Installation of NetApp Storage Array	\$ 151,756.35	Long View Systems	<p>Desired and Weighted Criteria was used: Sustainability 10 a. Nanaimo aims to reduce our waste footprint. Tell us how your organization has addressed waste minimization/diversion of waste from landfill in product design and its associated production, delivery, use, and disposal. Include mandates or policies around sustainability. b. Describe the systems, policies and/or practices you use to promote wellness, active living, and/or work-life balance programs for all employees including strategies to manage physical safety and mental/emotional wellness. c. Please tell us about employment training, skills training, career mentoring, and/or apprenticeship opportunities you can provide within the provision of the service you are offering for Nanaimo.</p>	Nothing reported
2022 Nov 1	3093	Printed Business Cards, Envelopes, Forms, Letterhead, Note Pads, Tax Brochures	Estimated 1 year value: \$25,000.00	E. Madill Office Company (2001) Ltd.	<p>Desired and Weighted Criteria was used: Sustainability 5 Proponents are to provide their Proposal response in bids&tenders 'Specifications' section, Sustainability form. Proponents who have a Sustainability Policy may upload this policy in the 'Document' section of bids&tenders. Sustainability may include, but not be limited to: 1. Packing of Print Material for delivery. Reduction of waste. 2. FSC certification. If so, include proof of FSC certification, including the certification expiry date or in the case of an equivalent certification, name the certifying body as well as certification number. Provide the date that the certification was acquired. Proof of Certification can be uploaded in the 'Document' section of bids&tenders. 3. Describe any environmental (green) initiatives that your company has undertaken in production processes, materials, equipment. 4. Describe any environmental conscious procedures. 5. Provide details of any environmental certifications held by your company. 6. Identify any Energy Star equipment used in the performance of the Work. 7. Identify any paper stock, envelope stock used in the production certified. Indicate percentage of recycled content. 8. Describe any green house gas reduction initiatives. 9. Describe any employment training, skills training, career mentoring and or apprenticeship opportunities you provide within your company. 10. Tell us how you contribute to the local economy.</p>	Nothing reported
2022 Nov 8	3173	Graffiti Removal	Estimated 1 year value: \$40,000.00	Advance Pressure Washing Ltd.	<p>Desired and Weighted Criteria was used: Sustainability 10 a. Describe the systems, policies and/or practices you use to promote wellness, active living, and/or work-life balance programs for all employees including strategies to manage physical safety and mental/emotional wellness. b. Nanaimo aims to reduce toxins and hazardous substances where possible, to safeguard employee, community and ecosystem health. Tell us what steps you have taken to reduce toxic and hazardous substances in your products. c. Nanaimo actively works to conserve natural resources, including water. Tell us how the design and use of your service will contribute to the reduction of potable water consumption.</p>	Nothing reported

Award Date	File #	Project Name	Award Amount	Awarded Vendor	Original Evaluation Criteria	Sustainable Outcome Summary
2022 Dec 7	3153	Supply and Deliver Janitorial and Cleaning Products	Estimated 1 year value: \$185,951.55	Corporate Express Canada, Inc., operating as Staples Advantage Canada	Desired and Weighted Criteria was used: Sustainability 10 a. The City of Nanaimo is committed to procuring goods from companies who have sustainable policies, practices, and products. Include your company's sustainability policies and organization-level ecolabels, and information on the sustainable practices that will be applied to this agreement. b. The dispensers should be made of 100% recycled material and be 100% recyclable. Provide an explanation of how the products and your company meets this requirement.	Nothing reported
2022 Dec 12	3206	Parks Amenities	Estimated 1 year value: \$261,084.00	Habitat Systems Inc.	Desired and Weighted Criteria was used: Sustainability 10 a. Waste Reduction: Nanaimo aims to reduce our waste footprint. We strive to reduce packaging associated with acquiring various products. Increasingly vendors are introducing innovative programs to reduce packaging. Tell us how the design and use of your product will contribute to our packaging reduction efforts. b. Workforce Development: Please tell us about employment training, skills training, career mentoring, and/or apprenticeship opportunities you can provide within the provision of the service you are offering for the City of Nanaimo.	Nothing reported
2023 Jan 13	3178	Painting Services	Estimated 3 year value: \$375,000.00	Garco Coating System Ltd.	Desired and Weighted Criteria was used: Sustainability 10 Describe the systems, policies and/or practices you use to promote wellness, active living, and/or work-life balance programs for all employees including strategies to manage physical safety and mental/emotional wellness. b. Nanaimo aims to reduce toxins and hazardous substances where possible, to safeguard employee, community and ecosystem health. Tell us what steps you have taken to reduce toxic and hazardous substances in your products. c. Describe systems, policies or practices you will use to engage with indigenous persons to provide socio-economic opportunities such as subcontracting, employment, or skills training. The City requires information on this initiative and whether the engagement has been successful or not. Please explain how the Proponent intends to report the results to the City, successful or not. For example, reporting information may include the number or percentage (%) of individuals engaged to participate and the number or percentage (%) of individuals who gained an opportunity.	Nothing reported
2023 Feb 17	3231	Cemetery Landscape Maintenance	\$ 104,952.75	Acer Landscaping Ltd.	Desired and Weighted Criteria was used: Sustainability 10 1. State if your company has a sustainability policy. 2. Describe what your company is doing to reduce Greenhouse Gas (GHG) emissions. 3. How does your company contribute to the local community? Examples: sub-contracting and purchasing from local suppliers; partnerships with local organizations; in-kind community contributions. 4. Describe any systems, policies or practices you will use to engage with indigenous persons to provide socio-economic opportunities such as subcontracting, employment, or skills training. 5. Does your company have a code of conduct that recognizes minimum labour standards and promotes fair employment practices? 6. Describe if you have a Workplace Health and Safety policy or procedures in place to ensure to ensure compliance with any relevant laws and regulations which includes WorkSafe BC.	Nothing reported
2023 Feb 23	3265	Printing and Mailing Services – Property Tax Notice Packages	\$ 16,028.57	International Direct Response Services	Desired and Weighted Criteria was used: Sustainability 10 1. Proponents should identify if your firm has any sustainability policies. 2. Describe any environmental (green) initiatives that your company has undertaken in production processes, materials, paper stock equipment, certifications, packaging (reduction of waste) or any other initiatives. 3. Describe any employment training, skills training, career mentoring and or apprenticeship opportunities you provide within your company. 4. Tell us how you contribute to the local economy.	Nothing reported

City of Nanaimo

Asset Recovery Summary July 1, 2023 to June 30, 2024

Month	Number of Items Repurposed	Number of Items Sold	Selling Price
2023-Jul	2	31	\$ 2,352.11
2023-Aug	0	26	\$ 7,198.53
2023-Sep	4	18	\$ 3,496.30
2023-Oct	0	16	\$ 22,488.04
2023-Nov	0	0	\$ -
2023-Dec	0	26	\$ 33,406.99
2024-Jan	0	9	\$ 4,817.48
2024-Feb	1	5	\$ 146.01
2024-Mar	0	2	\$ 9,066.11
2024-Apr	4	12	\$ 34,253.31
2024-May	0	6	\$ 31,526.30
2024-Jun	14	3	\$ 1,229.55
TOTAL	25	154	\$ 149,980.73

Assets include end of life Fleet vehicles and equipment, other end of life City assets, and RCMP unclaimed exhibits