

DATE OF MEETING OCTOBER 18, 2023

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**SUBJECT BRITISH COLUMBIA SOCIAL PROCUREMENT INITIATIVE**

## **OVERVIEW**

### **Purpose of Report**

To provide the Finance and Audit Committee with information regarding the BC Social Procurement initiative.

### **Recommendation**

That the Finance and Audit Committee recommend that the Mayor, on behalf of Council, sign the British Columbia Social Procurement Initiative letter to be sent to the Province of BC in support of grant funding.

## **BACKGROUND**

Every purchase has a social, economic, and environmental impact. Social procurement is about using existing purchasing to capture those impacts to achieve overarching social, economic and environmental goals. Social procurement is a growing best practice that aligns procurement spend to provide added value and community benefits.

In 2019, the City of Nanaimo became a member of the Coastal Communities Social Procurement Initiative (CCSPI). The aim of the CCSPI was to develop a cohesive approach to social procurement across the region while enabling individual communities to create their own strategic focus regarding community benefits. The City of Victoria was responsible for the administration of the project and a two-year commitment (2019 & 2020) was given.

In 2021, the Ministry of Municipal Affairs provided a one-time grant of \$500,000 and the program was successfully expanded from a Vancouver Island based pilot project to a province wide initiative. The initiative was renamed the British Columbia Social Procurement Initiative (BCSPI) and the City has continued its membership in BCSPI up to and including 2023.

The BCSPI is a collaborative program that supports local governments and other public purchasers across British Columbia by providing the capacity building, training, tools, and expertise required to integrate social procurement best practices into existing purchasing processes. BCSPI aims to take this best practice thinking and approach, and help build a more resilient and more inclusive Province.

The mission of BCSPI is:

*We work with local governments and institutions in British Columbia to build capacity through training, consulting, resources and support to implement purchasing that achieves community goals.*

## **DISCUSSION**

In February 2021, Council approved the City's Sustainable Procurement Policy (COU-210) with an effective date of 2021-JUL-01. This policy 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 priorities.

The City uses both BCSPI and the Canadian Collaboration for Sustainable Procurement (CCSP) for training of staff to advance their subject matter knowledge in sustainable procurement. Staff take advantage of training, webinars and peer exchange opportunities that are available through both of these organizations.

On 2023-SEP-12, the BCSPI reached out to the City asking for its support in their current request to the BC Government for funding to continue the BCSPI for the next 3-5 years. A previous request to the Province in February 2023 asking for grant funding was unsuccessful.

The BCSPI is asking that a member of Council add their name, on behalf of the City, to the letter that will be sent to the Province. Attachment A includes a draft version of the letter. If the BCSPI is unsuccessful in acquiring funding from the Province, it will likely no longer continue to operate.

Identified benefits to a BCSPI membership are:

- No limit to the number of participating staff
- Professional development & training
- Expert coaching & consultation support
- Templates, guides, tools and resources
- Online knowledge hub and webinar library
- Community of practice Supplier engagement tools and templates
- Impact measurement tools and template

Membership fees are calculated on a sliding scale fee structure that ensures membership remains accessible to communities of all sizes, particularly small, rural municipalities that could not otherwise afford to access the training, resources, and support to implement social and sustainable procurement best practices. As the City of Nanaimo is one of the larger municipal members, the membership fee is significant. Attachment B lists current BCSPI members.

## **FINANCIAL IMPLICATIONS**

Starting in 2020, the cost of the BCSPI membership has been included in the annual operating budget of the City and is funded through taxation. If the BCSPI continued operations, the only impact on the budget are membership increases.

Membership cost summary:

Year	Membership Fee
2019	\$ 7,956
2020	\$ 7,956
2021	\$ 9,365
2022	\$ 9,892
2023	\$ 10,581

## **OPTIONS**

1. That the Finance and Audit Committee recommend that the Mayor, on behalf of Council, sign the British Columbia Social Procurement Initiative letter to be sent to the Province of BC in support of grant funding.
  - The advantages of this option: The City would continue to benefit from the tools and knowledge accessed through BCSPI if grant funding was received from the Province.
  - The disadvantages of this option: None
  - Financial Implications: The membership fee is currently included in the Finance operating budget, no additional impact is anticipated if the organization continued for another 3-5 years.
  
2. That the Finance and Audit Committee recommend that Council deny signing the British Columbia Social Procurement Initiative letter to be sent to the Province of BC in support of grant funding
  - The advantages of this option: None
  - The disadvantages of this option: The BCSPI may not show enough member support and be declined the grant funding needed to continue operations.
  - Financial Implications: If the BCSPI ceased operations, the membership fee would be removed from the budget.

### **SUMMARY POINTS**

- The City of Nanaimo has been a member of BCSPi (formerly CCSPi) since 2019.
- BCSPi supports local government and institutions to implement social procurement best practices to build community well-being and resilience.
- BCSPi is looking for Council support in an attempt to obtain grant funding from the Province of BC.

### **ATTACHMENTS:**

Attachment A: BCSPi September 2023 request package

Attachment B: BCSPi member organizations ]

**Submitted by:** ]

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Director, Finance ]