



BCSPI ANNUAL IMPACT REPORT 2021/2022

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IMPACT SNAPSHOT



33

BCSPI MEMBERS

21

SURVEY RESPONDENTS

\$369,194,577.00

TOTAL SPEND BY SURVEY RESPONDENTS

\$77,704,573.28*

SOCIAL PROCUREMENT SPEND

33%

CONTRACTS AWARDED TO
LOCAL SUPPLIERS

189*

SOCIAL PROCUREMENT
CONTRACTS

52%

BCSPI MEMBERS WITH SOCIAL
PROCUREMENT POLICIES

10-15%

AVERAGE SOCIAL PROCUREMENT
CRITERIA WEIGHTING

826

PARTICIPANTS TRAINED

4.75/5

TRAINING SATISFACTION

AREAS FOR GROWTH



WHOLE
ORGANIZATION
TRAINING



ONGOING
IMPLEMENTATION



CONTRACT
MONITORING



REPORTING

*These numbers represent the minimum

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INTRODUCTION

BCSPI represents what is possible when local governments see a shared challenge and work together to find a creative and impactful solution. BCSPI members are demonstrating that social procurement respects value for money while returning social and environmental benefits to the community. Member communities are already seeing these benefits, but more is becoming possible as membership expands across the province. As more local governments and public sector institutions join BCSPI, the opportunity for thinking big and learning together will help achieve even greater impact.

We are only limited by our ability to imagine how far the dollars we spend can go to improve our communities' social and environmental resiliency. Other communities across the world have embraced social and sustainable procurement to create big wins like fossil fuel-free construction of large municipal infrastructure. We too can partner with the public or private sector on larger projects to employ equity-seeking members of our community at a living wage, support young people seeking apprenticeship opportunities closer to home, or work with Indigenous businesses to support economic reconciliation. BCSPI's first impact measurement report only touches on what this initiative can achieve. Just wait until there are even more of us across the province participating in BCSPI. We can't wait to see what our members will do next.

CO-CHAIRS



KAREN ELLIOTT

Mayor of Squamish



COLLEEN EVANS

Campbell River City Councillor

BRITISH COLUMBIA SOCIAL PROCUREMENT INITIATIVE (BCSPI)



**PURCHASING THAT BENEFITS PEOPLE,
PLANET, AND COMMUNITY.**

The British Columbia Social Procurement Initiative (BCSPI) is a public sector initiative that fosters positive social, environmental, cultural and economic impact across British Columbia. BCSPI works with local governments and institutions across British Columbia to build capacity through training, consulting, resources and support to implement purchasing that achieves community goals.

BACKGROUND

In 2016, a group of local government leaders formed a working group to look at the billions of dollars spent across Vancouver Island and the Coast and asked, "are these dollars gaining the best value and outcomes for our communities?" They saw an opportunity for local governments and institutions to explore the potential for their existing spending to support local social and environmental benefits. For smaller communities and those in economic transition, local government spending can be a significant lever to generate positive community impacts. Two years of development later, nine local governments joined together to launch the Coastal Communities Social Procurement Initiative (CCSPI) as a two-year pilot for governments and institutional purchasers in the Vancouver Island and coastal region.

PURPOSE

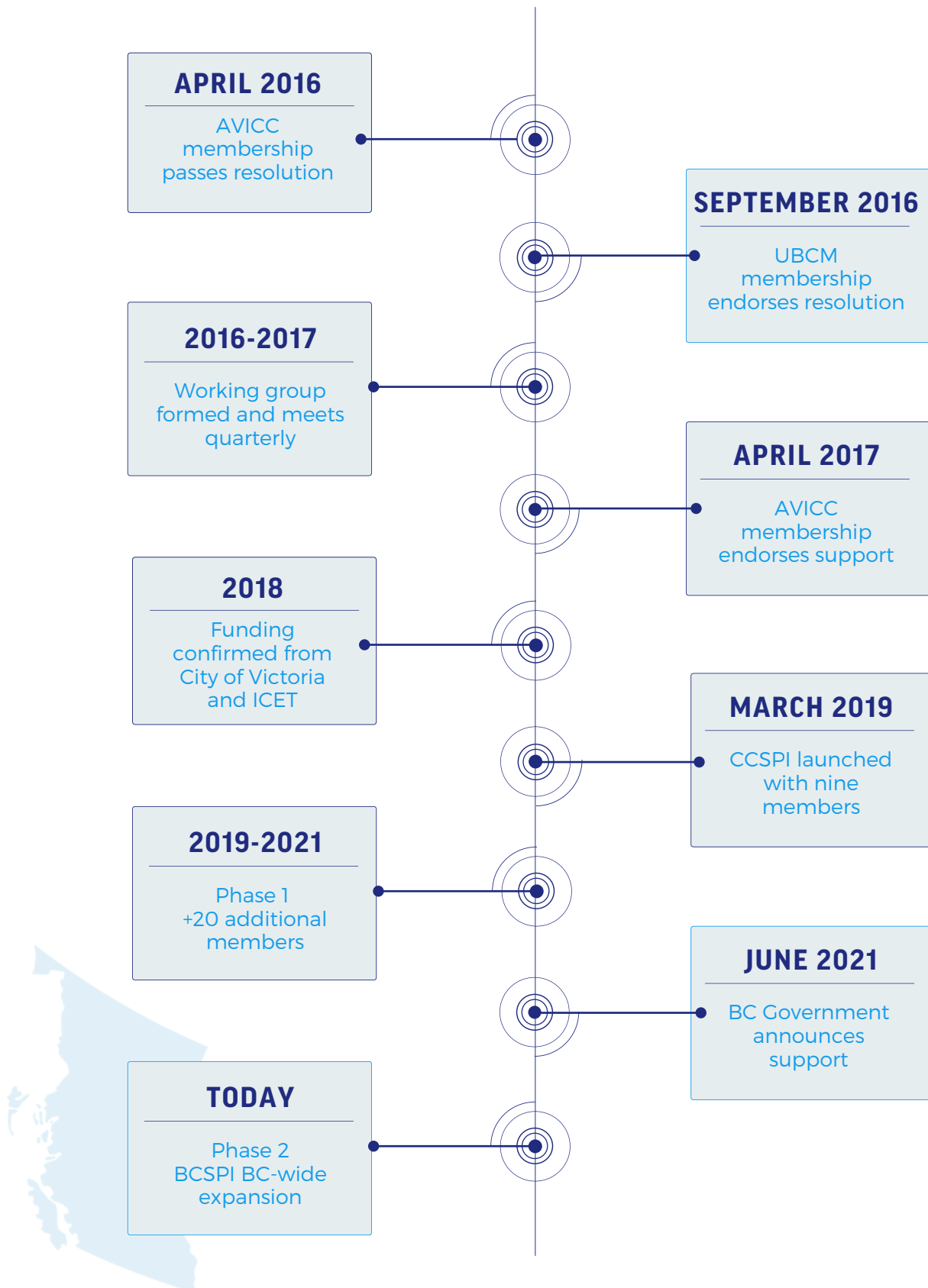
To support local governments and institutions to implement social procurement best practices to build community well-being and resilience.

VISION

To improve the health of our communities and the strength of our economies by changing the culture of public sector procurement.

CCSPI grew from 2019-2021, with more members joining from Vancouver Island and the Coast. In June 2021, the Initiative received funding from the BC Government and expanded to make social procurement training, resources, and support available to local governments and institutional purchasers across the province. As of June 30, 2022, BCSPI has over 30 members, including municipal governments, regional districts, institutional purchasers, and Crown Corporations.

BCSPI PROJECT TIMELINE





THE MEMBER JOURNEY

The BCSPi member journey helps map each organization's steps towards social procurement implementation. The process begins with staff onboarding and access to resources and training, followed by a meeting with the BCSPi team to establish social procurement objectives and plan the next steps towards implementation. Each member's journey is uniquely customized to match their existing resource capacity and objectives.

Some members first integrate social procurement into their policies, whereas others test social value criteria in pilot projects before moving to policy development. Throughout each step of their journey, members are supported by expert coaching, best practice examples, fully customizable templates and peer learning through the BCSPi community of practice.

Members also have access to supplier engagement resources and impact measurement tools to ensure that the demand and supply side is connected and that social value and impact outcomes are measured and reported.

By mobilizing their existing spending to create additional social, environmental and cultural value, BCSPi members are unlocking the doors to stronger and more resilient local economies by changing the culture of public sector procurement.



*Some member's journeys may differ, but overall implementation, measurement and engagement goals remain the same.

BCSPI MEMBER BENEFITS



BCSPI membership makes social procurement implementation manageable and achievable by adding capacity with access to training, coaching, templates, examples and other resources.

BCSPI member benefits include:



PROFESSIONAL DEVELOPMENT AND TRAINING:

Core, on-demand and customizable training on social procurement concepts, policies and practices for staff, senior team, council and board members.



SOCIAL PROCUREMENT KNOWLEDGE HUB:

A selection of bite-sized learning videos on topics such as "Social Procurement and the Law" "What is Social Procurement?" and "RFx Language".



TEMPLATES AND GUIDES:

Templates and guides created by social procurement experts to assist members with implementing social value criteria and developing social procurement policy language.



CONSULTATION AND COACHING:

Access to a team of social procurement and supply chain experts on a project-by-project basis to assist with initial project review and scope, draft bid document review, identification of social procurement objectives and outcomes, social value language and weighting considerations, and post-award check-in.



BEST PRACTICE EXAMPLES:

Robust selection of annotated best practice policy and tender documents and In-depth case studies that demonstrate how social procurement can be implemented in various purchasing scenarios.



WEBINAR LIBRARY:

Over 25 learning webinars on topics including policy development, social value inclusion in bid documents, integration of Community Employment Benefits, legal considerations of social procurement, corporate purchasing card spending and more.



ONLINE RESOURCE LIBRARY:

Access to hundreds of examples of social procurement policies and bid documents collected from BCSPI members and other sources.



IMPACT MEASUREMENT:

Regional Impact Measurement Framework, technical assistance, data collection templates and accompanying guides.



SUPPLIER OUTREACH:

Templates, resources and guides to engage with and enhance relationships with social procurement suppliers.



COMMUNITY OF PRACTICE:

Bi-monthly community of practice calls for member staff to engage in discussion and shared learning with peers and experts.



COMMUNICATIONS RESOURCES:

Tools and resources that outline key messaging and support storytelling to help build a common awareness of the benefits of social procurement with various audiences.

BCSPI IS DELIVERED IN PARTNERSHIP BY:



SCALE COLLABORATIVE

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

Services delivered:

- Project Management
- Outreach and Engagement
- Marketing and Communications
- Impact Measurement



BUY SOCIAL CANADA

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

Services delivered:

- Training and Education Lead
- Resource Development Lead
- Coaching and Consulting



PRESENTATIONS PLUS TRAINING & CONSULTING INC.

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

Services delivered:

- Training and Education
- Resource Development
- Coaching and Consulting



VANCOUVER ISLAND CONSTRUCTION ASSOCIATION (VICA)

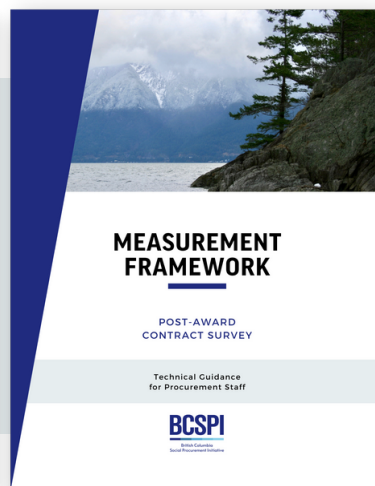
Vancouver Island Construction Association (VICA) serves the construction community on Vancouver Island, the Gulf Islands, and other coastal areas of British Columbia.

Services delivered:

- Training and Education
- Coaching and Consulting
- Impact Measurement

MEASURING IMPACT

Impact measurement matters. It helps to set an organization's direction and vision and determine the outcomes that result from actions. It is also more than that; measurement helps to create a culture of learning, shared experiences and the invitation to work towards a common goal, in this case, community, regional and global goals. BCSPi is piloting a common Impact Measurement Framework to help members understand and measure the social and sustainable impact of their purchasing.



The Impact Measurement Framework consists of an overarching framework, captured in the Measuring What Matters guide and accompanying technical guidance for each measurement tool. The framework is intended to provide BCSPi members with the ability to measure and connect social procurement outcomes to strategic objectives, community priorities, and the United Nations Sustainable Development Goals (SDGs). By using a standard measurement framework, impact measurement is a way for BCSPi members to measure impact, assess outcomes, share learning and develop best practices. Common impact measurement also helps build the knowledge and capacity of social value vendors and suppliers and reduces the uncertainty associated with diverse measurement requirements.

The vision of the BCSPi Impact Measurement Framework is to:

1. Provide a transparent minimum standard that all members can use;
2. Measure the dollar amount of social value created;
3. Monitor and measure longer-term regional impacts and unintended negative impacts;
4. Learn what is needed to improve social procurement practices and guide decision-making, and;
5. Quantify contributions to the United Nations Sustainable Development Goals (SDGs).

IMPACT MEASUREMENT FRAMEWORK GUIDING PRINCIPLES

1

Relevant and proportionate: The Impact Measurement Framework helps identify measurements that are relevant to the project and proportional to the procurement contract's size. The aim is to capture data that can inform decision-making.

2

Community of practice: The goal is to create the Impact Measurement Framework through engagement with BCSPi members and other subject matter experts and build a community of practice around it. A living framework requires continuous engagement, input and improvement over time. Impact measurement is a journey that requires ongoing adjustment to reflect changes in context and strategy.

3

Mutually beneficial: The Impact Measurement Framework reflects the outcomes social value suppliers and vendors are being asked to measure and report to their funders, investors and other stakeholders. Suppliers will benefit from a consistent approach to communicating the outcomes.

4

Aligned with the United Nations Sustainable Development Goals (SDGs): Many organizations, including universities, public institutions, local governments, suppliers, and investors, are moving in this direction. Aligning impact measurement outcomes to the SDGs is valuable because they provide a shared language and framework to coordinate regional efforts.

5

Builds on what others are doing: The Impact Measurement Framework leverages existing data management capabilities and external data where possible.

6

Standardized but flexible approach: The goal is to provide enough structure to compare apples to apples across members and share learning while also giving the flexibility to capture differences in approaches and context.

FRAMEWORK DEVELOPMENT

The BCSPi Impact Measurement Framework has been in development since 2020. Royal Roads University conducted an initial literature review, surveys and interviews to develop a draft framework. The framework was presented to members and suppliers through virtual webinars and information sessions, with feedback solicited and integrated.

BCSPi convened a working group of members and partners to further develop the draft framework and create tools to capture information, meeting regularly over a six-month time frame. Working group members included representatives from:

- City of Victoria
- District of Squamish
- Town of Qualicum Beach
- Vancouver Island Construction Association

A pilot of the Impact Measurement Framework was launched in May 2022, with a data collection and analysis period conducted between May and August 2022. The timeframe measured varies, depending on the available data, but is primarily focused on January 1, 2021, to June 30, 2022. For the impact measurement pilot, the intent is to test the survey tools, establish a baseline and identify areas for advancement and growth.

METHODOLOGY

Annual Survey

Data Collection:

The pilot Impact Measurement Framework incorporates a phased approach to building the evidence base needed to assess the outcomes and impacts of social procurement across BCSPI membership. It consists of three data collection tools outlined in the table below. This initial framework aims to provide a template for collecting information and identifying where to build out more resources and guidance to support the work of BCSPI members and their social value suppliers and vendors to measure the outcomes and impacts of social procurement.

Measurement Tool	Collection Method	When?	By Whom?
Annual Survey	Online Survey	May 15 - June 30	CFO / Lead Procurement Manager
Post-Award Contract Survey	Online Survey	Ongoing: After a contract has been awarded	Procurement Staff / Buyer
Supplier Key Performance Indicators	Multiple Collection Options	Ongoing: At the start of the contracting period	Contractor / Supplier

In early May 2022, BCSPI members were sent a request to identify the best person to complete the Annual Survey. Identified individuals were then provided with a link to the survey and technical guidance on completing it. A learning webinar outlining the process was also held, and all documents were made available in the BCSPI member portal. The survey was open between May 15 and June 30, 2022. The BCSPI research team worked with identified individuals to provide support with completing the Annual Survey. As results came in, they were reviewed, and additional requests for information or clarification were sent as required. By June 30, 2022, 21 BCSPI members had completed the survey.

Analysis

The surveys were downloaded in Microsoft Excel format and reviewed by the research team to develop comparisons, identify themes and aggregate data. Individual responses were examined to better understand each member's experience and outcomes. For incomplete or unclear answers, the research team requested additional information or clarification.

Economic Data

Data Collection:

The BCSPi research team reviewed the Statements of Financial Information (SOFI) for nine municipalities and districts across BC. This data was initially gathered by five students participating in the Venture for Canada program. Data from 2019 and 2020 about goods and services spending and information about suppliers and vendors by location, industry and size of enterprise by the employee was populated in Microsoft Excel format. Any explicit social or environmental impact from suppliers and vendors was also recorded.

Analysis

The subsequent analysis excluded required spending such as payments to BC Hydro or government remittance costs to quantify "influenceable spend." Once the influenceable spend was isolated, pivot tables were created to understand better the types of businesses working with local governments, the sectors of industry activity and how much procurement activity is taking place at the local, regional, provincial and broader levels.

Policy and Practice

Data Collection:

The BCSPi research team collected existing social procurement policies from members to assess social value criteria, priorities and objectives. These policies were placed within a grid to visualize the range of social procurement priorities across the membership.

The BCSPi research team requested members' existing bid documents that included social value criteria and was able to collect 188 examples from 11 members.

Analysis

The BCSPi research team identified themes in the social procurement objectives across the member policies. Member bid documents were analyzed according to member, type of project, budget and social value criteria. This data augments the annual survey, and representative bar graphs offer a visualization.

BCSPi Activities Analysis

The impact report reflects the activities conducted to build the capacity and best practices around social procurement. The impact report includes BCSPi training registrations and evaluations, community engagement and reflections and observations from the BCSPi team.

Storytelling

Because social procurement is relatively new, storytelling is essential to sharing information and experiences that are not easily extracted from survey data. For this reason, this report includes social procurement examples from BCSPi members.

IMPACT FINDINGS

MEMBERS

As of June 30, 2022, BCSPi has 33 participating member organizations. The membership includes municipal governments, institutional purchasers and Crown Corporations. The British Columbia Provincial Government and Public Services and Procurement Canada participate as observers.



RAISING AWARENESS

BCSPI undertakes significant public outreach and education to increase awareness of social procurement practices across British Columbia. Activities include presentations delivered to municipal councils, regional boards, purchasing groups, community economic development groups and at key conferences. BCSPI also engages with a wider audience using its digital communication tools (website, newsletter and social media channels).

TRAINING

Professional development and training are key to building the knowledge base, capacity and culture change required for social procurement implementation. Between January 1, 2021, and June 30, 2022, BCSPI hosted 14 member training sessions and workshops, five Purchasing Power webinars and 15 public educational webinars. This content was delivered to a total of 826 participants.

BCSPI core training workshops include the Introduction to Social Procurement (SP101), Social Procurement Implementation (SP201) and Social Procurement in Construction (SP301). Three member communities participated in customized training sessions that tailored core training elements specifically to their social procurement objectives and resource capacity.

BCSPI collected anonymous training evaluations to gather participant feedback and identify next steps. Based on post-workshop evaluations, the average rating was 4.74 out of 5 for the overall quality of each training. Participants reported a 30% average increase in their social procurement awareness after completing a session.



"I've been looking at local government budgeting processes, purchasing policy and public engagement with a critical lens... and the pieces are starting to fall into place. We have... awesome staff that are dedicated to making our community a sustainable and wonderful place to be. Overarching goals like social procurement give us a framework on which to build that trust in a real, authentic, meaningful way while also meeting strategic priorities like infrastructure renewal, affordable housing and economic development. Thank you so much for opening my eyes!"

-Training Participant

The areas and tools that BCSPI training participants found the most interesting and useful include:

- Working through procurement scenarios as a group
- The inclusion of a variety of social procurement examples
- Request for Qualifications (RFQ) template
- Access to templates and examples that other purchasers have already used
- Identifying the four key social procurement opportunity areas with examples
- Social Value Questionnaire Design Guide
- Sample Social Value Questionnaire
- RACI Model example
- Buy Social Canada Social Value Menu
- KPIs and Supplier Performance Framework



"[I will be] borrowing policies and success stories from others to help drive culture change in my organization."

-Training Participant

Training evaluations indicated that participants gained clarity on social procurement concepts and identified next steps, including:

- Reviewing current procurement policies
- Putting learning into practice to develop social procurement processes
- Engaging communities, suppliers and vendors on the benefits of social procurement
- Considering opportunities to unbundle larger projects
- Identifying and pre-qualifying social value suppliers and vendors
- Discussing the potential of joint purchasing with local or regional purchasing groups
- Growing social value supplier and vendor capacity to respond to procurement opportunities
- Raising awareness across the organization and set organization-wide policy



"[I will] 1. Encourage senior management and HR to schedule training sessions with more staff 2. Make sure finance prioritizes policy creation and brings it forward for Council's support. 3. Advocate for local purchasing and push people to question if it's worth it to take the "easy way out" by buying online when we know council and the community is in support of boosting our local economy (policy would make this easier to justify)."

-Training Participant



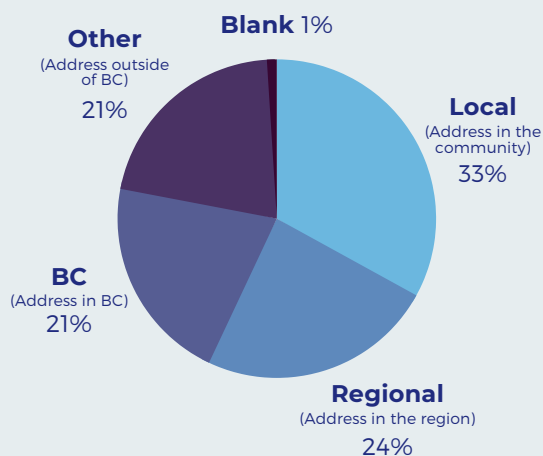
SURVEY RESULTS

Of the 33 members, 21 completed the Annual Survey (Appendix A). The data below reflects the information provided by respondents while recognizing where the data is under-reported or incomplete. The research team also collected and reviewed RFX bid documents released between January 2021 and June 2022 that included social value criteria. This information helped augment the survey data.

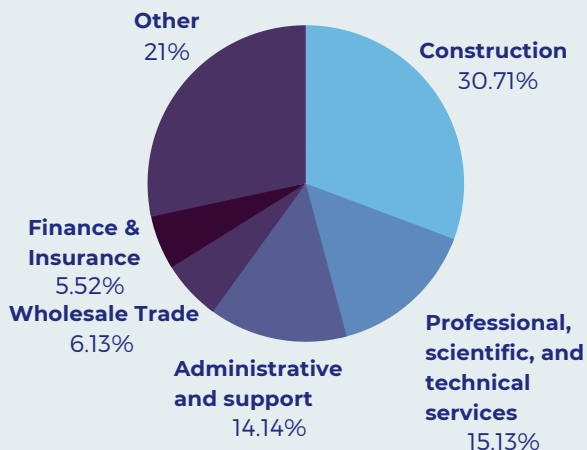
For the fiscal reporting period (2021), 20 reporting members purchased \$332,216,657 in goods and services, and 18 purchased \$36,977,920 in capital assets additions. The total spend of BCSPi members during this period is at least \$369,194,577. This amount does not include the spending data from the 13 members who did not submit survey responses.

Snapshot of BCSPi Member Spending

Spend by Business Location



Spend by Industry



The BCSPi research team analyzed nine Statements of Financial Information (SOFI) reports from BCSPi members from the years 2019 and 2020. The reviews included the following members: City of Campbell River, City of Courtenay, Cowichan Valley Regional District, Village of Cumberland, District of Port Hardy, City of Powell River, qathet Regional District, Town of Qualicum Beach, and District of Squamish.

For each municipality/district, influenceable spend was identified by excluding necessary government spending such as BC Hydro or government remittances. It was found that local governments ranged from 27% to 92% in influenceable spend, with an average of 57% influenceable spend. The influenceable spend is important as this represents the dollar amount able to integrate social value outcomes.

Additionally, the SOFI Analysis found that 33% of the spend was with suppliers with their head offices listed as being located within the purchasing organization's geographic boundaries.

Analyzed municipalities spent the most on construction (30.71% of all spend) and the least on educational services (0.10% of all spend).

It was difficult to ascertain the size of suppliers, either by the number of employees or annual revenues, as this data is not often publicly available. These are essential measures to be collected directly from suppliers.

Social Procurement Spend

Nine out of 21 members responded to the question: What was the total dollar value of contracts awarded containing social value criteria?

Respondents reported that they spent a combined total of \$77,704,573.28 on projects that included social or sustainable criteria and outcomes. Four respondents reported including social value criteria in projects from 2021 but did not report a total dollar amount. Eight respondents did not report their social procurement dollar amount nor did they communicate the inclusion of social value criteria in 2021 projects.

Weighting

Question 13 of the annual survey asked members: "Does your organization assign weighting in the evaluation criteria to social value criteria?" 11 members responded "yes" three responded "no," and seven responded "it depends."



"The City considers the environmental, social, and economic value of goods and services being procured by incorporating sustainable and social procurement foundational factors and priorities in its bid solicitations. They are tailored to the specific competition and may be a combination of social value and sustainability guidelines, value-added evaluation criteria, fair wage or living wage requirements, social value and sustainability components included as part of specifications and/or aligned with the City's Strategic Plan and priorities."

-Survey Respondent



Social value criteria weighting ranged from 5% to 30% of total points with an average of 10% to 15%. This was verified by analyzing the 108 RFx documents collected from BCSPi members. RFx's awarded between 5 and 30 points (out of 100) for environmental and social outcomes. Some respondents required suppliers to meet a minimum threshold of points to be awarded the contract.



"Usually 5-10 points, but it is dependent on the specific procurements and application of various social value criteria to the purchasing opportunities."

-Survey Respondent

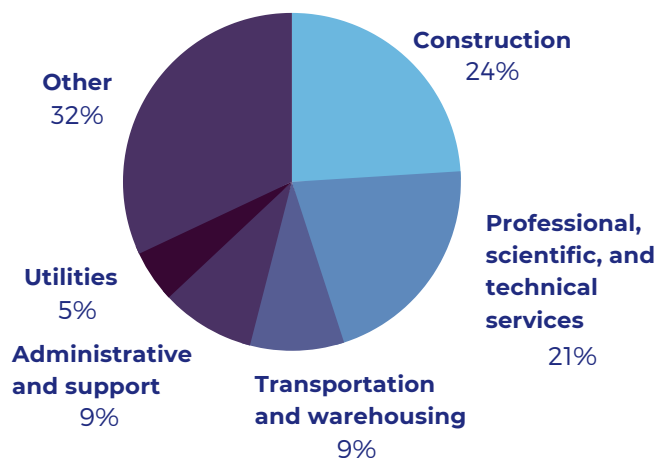


"The City's Social Procurement foundational factors and priorities are included in the Purchasing Policy. To strengthen the City's support for community involvement and to recognize a vendor's community involvement at the local, national or international level, value-added evaluation criteria might be added to RFPs. The criteria considerations (the items that would gain points when evaluating proposals) are descriptive rather than prescriptive. The value-added evaluation criteria used is tailored to the specific competition; however, the more community involvement can be demonstrated, the more points will be awarded."

-Survey Respondent

The RFx bid documents show a wide application of social procurement across many industries:

Top Industries by Rfx Analysis



The following are a few examples of bid documents that contained the most points for social value criteria:

DISTRICT OF SQUAMISH: RFP - FILM LIAISON SERVICES

Squamish awarded a maximum of 20 points for Proponent Environmental and Social impact in their RFP for Film Liaison Services.

The Film Liaison Service will provide an intermediary role between the community and film productions. It will be on-site during filming in cases where there is an anticipated medium to high impact as determined by the Manager of Arts and Culture. The Film Liaison will ensure compliance with permits, bylaws, and regulations to mitigate any adverse impacts of filming on the community and provide locations expertise to visiting film productions.

CITY OF VICTORIA: RFP - CONSULTING SERVICES - GOVERNANCE REVIEW

Victoria awarded a maximum of 20 points for Sustainability and Community Benefits in their RFP for Consulting Services - Governance Review.

The City of Victoria is seeking proposals from experienced Consultants/Consulting firms to review the City's governance processes and procedures. The review will provide the City with clear recommendations for changes to any key bylaws, policies, guidelines and practices required to support best practices for efficient, effective and inclusive governance.

This RFP asks proponents to describe their internal efforts that align with the City's social values and sustainability commitments, such as:

- *Advanced Health and Safety practices*
- *Employee Training and Apprenticeship programs*
- *Diverse employment policies*
- *Fair or Living Wages*
- *Advanced Environmental and Sustainability practices*

qATHET REGIONAL DISTRICT (qRD): RFT - GATHERING STRUCTURE CONSTRUCTION

quathet Regional District awarded a maximum of 20 points for Environmental and Social Commitment in their RFT for Gathering Structure Construction.

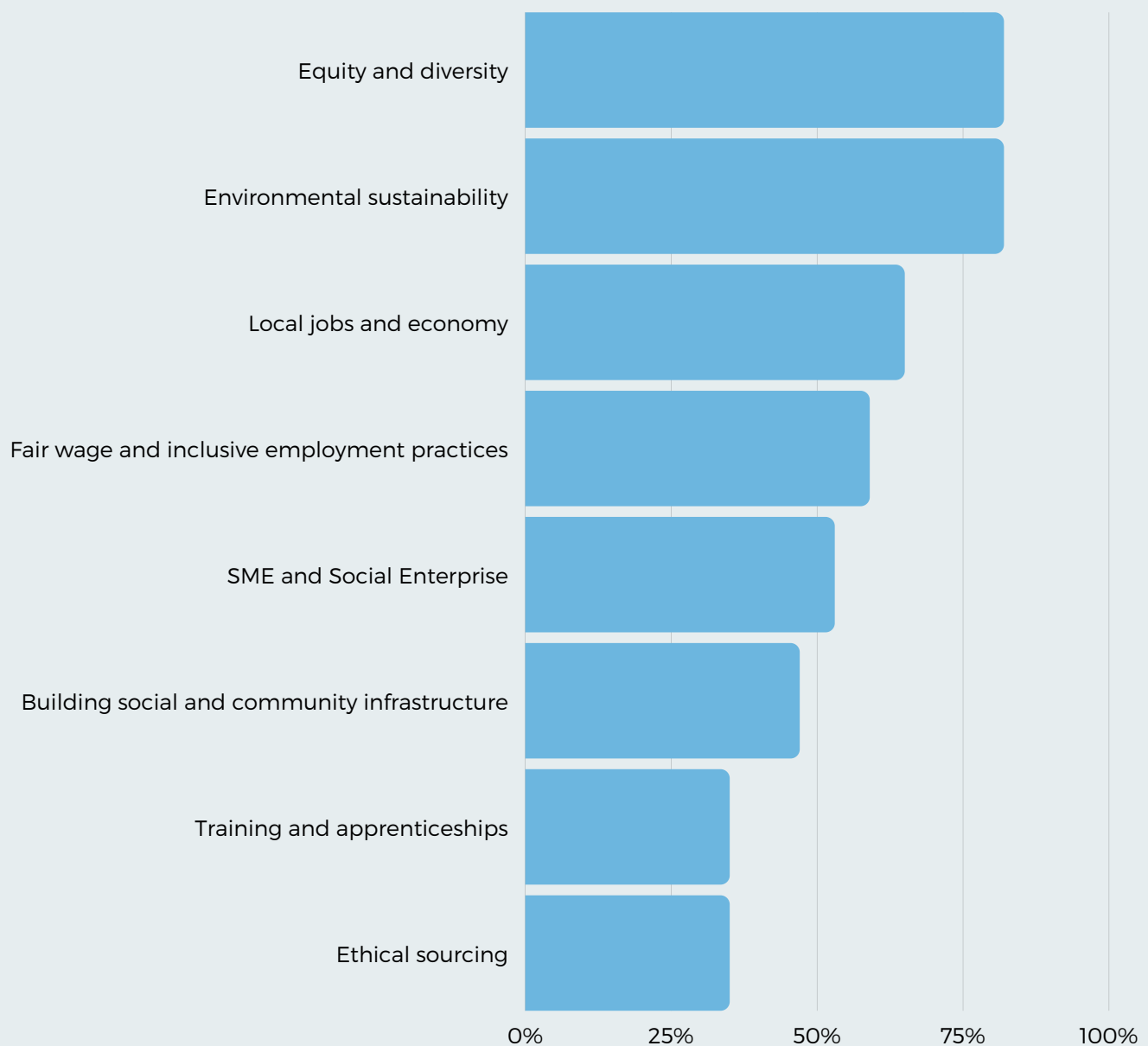
qathet Regional District (qRD) is requesting Tenders from qualified contractors to construct a gathering structure at Shelter Point Park, 4919 Shelter Point Road on Texada Island, in Electoral Area "D" of qRD. Engineered Construction Drawings for construction specifications are included in this Request for Tender (RFT) (Appendix H).

SOCIAL PROCUREMENT POLICIES:

17 out of 35 BCSPi members (or 52%) have social procurement considerations integrated into their purchasing policies. 12 of those 17 members developed their social procurement policies with the support of BCSPi.

The graph below provides an overview of the social procurement focus areas of these policies and the percentage of members whose policies include these focus areas:

SP Policy Analysis



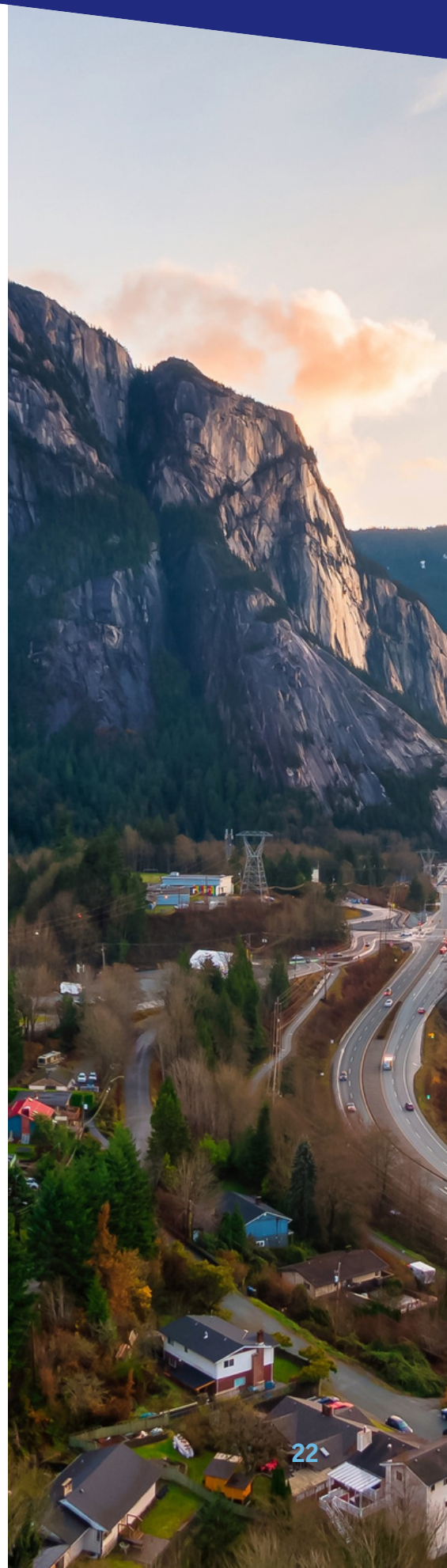
MEMBER EXAMPLE: DISTRICT OF SQUAMISH SOCIAL PROCUREMENT POLICY

The District will acquire goods, services and construction in a manner that is Open, Fair and Transparent. The District is committed to developing and maintaining a social procurement culture that leverages our procurement activities to deliver the best value and achieve social value objectives.

This policy directs staff to conduct procurement in a manner that contributes to the development and diversification of the supply chain in a way that makes positive contributions to the local economy and the overall vibrancy of the community, including and not limited to the principles identified below:

- *Ensures that Suppliers are contributing to the advancement of the community socially, economically, culturally, and environmentally;*
- *Values and supports supply chain partners who provide a Living Wage;*
- *Works with current and future Suppliers on reducing GHG emissions in the delivery of goods, services and construction;*
- *Encourages (or requires) the use of materials and products that have less embodied carbon;*
- *Maximizes employment, training and work-integrated learning opportunities among local, disadvantaged, equity-deserving or marginalized individuals and populations;*
- *Maximizes the diversification and social impact of the supply chain by including Social Enterprises, First Nations Suppliers and local small enterprises;*
- *Supports entrepreneurs in creating Social Value and new local employment opportunities within the District;*
- *Values Suppliers providing work experience and employment opportunities to local youth aged 15-29;*
- *Values Suppliers who demonstrate commitment to ethical sourcing and procurement practices through corporate social procurement policies or certifications, including but not limited to Fair Trade, Ocean Wise Seafood, CSA, Forest Stewardship Council, or organic certification;*
- *The District will seek opportunities via its procurement activities to partner and honour its relationship with the Nation;*
- *For procurements that do not meet Trade Agreement thresholds, the District will – all things being equal, give preference to social enterprises and local small businesses.*

– Survey Respondent



Two respondents shared social-related requirements being integrated into their wider procurement processes in addition to social procurement, primarily in supplier codes of conduct and living wage requirements.

Purchasing Policy

- 1 *To acquire the necessary quality and quantity of goods and services efficiently and cost-effectively, with the primary objective being to provide the best value to the taxpayer.*
- 2 *To act in a manner which provides potential suppliers equal opportunity to participate in the business of the City and to ensure open and transparent procedures that withstand public scrutiny at all times.*
- 3 *To ensure that the City maintains its reputation as a preferred customer by completing timely and accurate transactions within all aspects of the purchasing and contracting processes.*
- 4 *To meet or exceed all environmental standards and regulations.*
- 5 *To consider the total cost of ownership defined by the City in all contracts for goods and services.*
- 6 *To participate with other governmental entities in co-operative purchasing programs and Province of BC Corporate Supply Agreements where the best long-term interests of the City would be served.*
- 7 *To comply with all applicable domestic and international trade agreements.*
- 8 *To support social and sustainable procurement initiatives.*

- Survey Respondent

Code of Conduct

"Our Standard of Ethical Business Conduct embeds our core values of:

- Integrity: The games we offer and how we conduct business are fair, honest, transparent, and trustworthy.*
- Community: We create a positive impact on people and the planet.*
- Respect: We treat all people with dignity and value diverse perspectives."*

-Survey Respondent

REPORTING OUTCOMES

Five members currently report internally on social or sustainable outcomes. Reporting requirements range from providing quarterly updates to inclusion in annual reporting and customized reports to Council.

Annual report to Council to include but not limited to:

1. The extent to which the City is adopting social procurement practices
2. How much the City is engaging with suppliers on sustainability issues (within bid processes)
3. How sustainability is evaluated in the City's purchasing decisions
4. Knowledge and awareness of social procurement in the organization
5. How much of the City's expenditure is on materially more sustainable products and services

- Survey Respondent



CONTRACT MONITORING

Survey questions 17-21 asked members about their contract monitoring practices:

- 17 members responded that they did not have a system in place to monitor supplier compliance with their social procurement policies.
- Four members had practices in place that subjected all contracts to contract management and contract performance, using existing monitoring practices and processes to ensure supplier compliance with their social procurement policies.
- Two respondents were requesting that suppliers provide descriptive outcomes related to social procurement.
- There were few consequences for suppliers that do not meet social procurement requirements other than the potential impact on future procurement considerations. Nor were respondents currently providing incentives for achieving or exceeding social value outcomes.

STORIES OF IMPACT

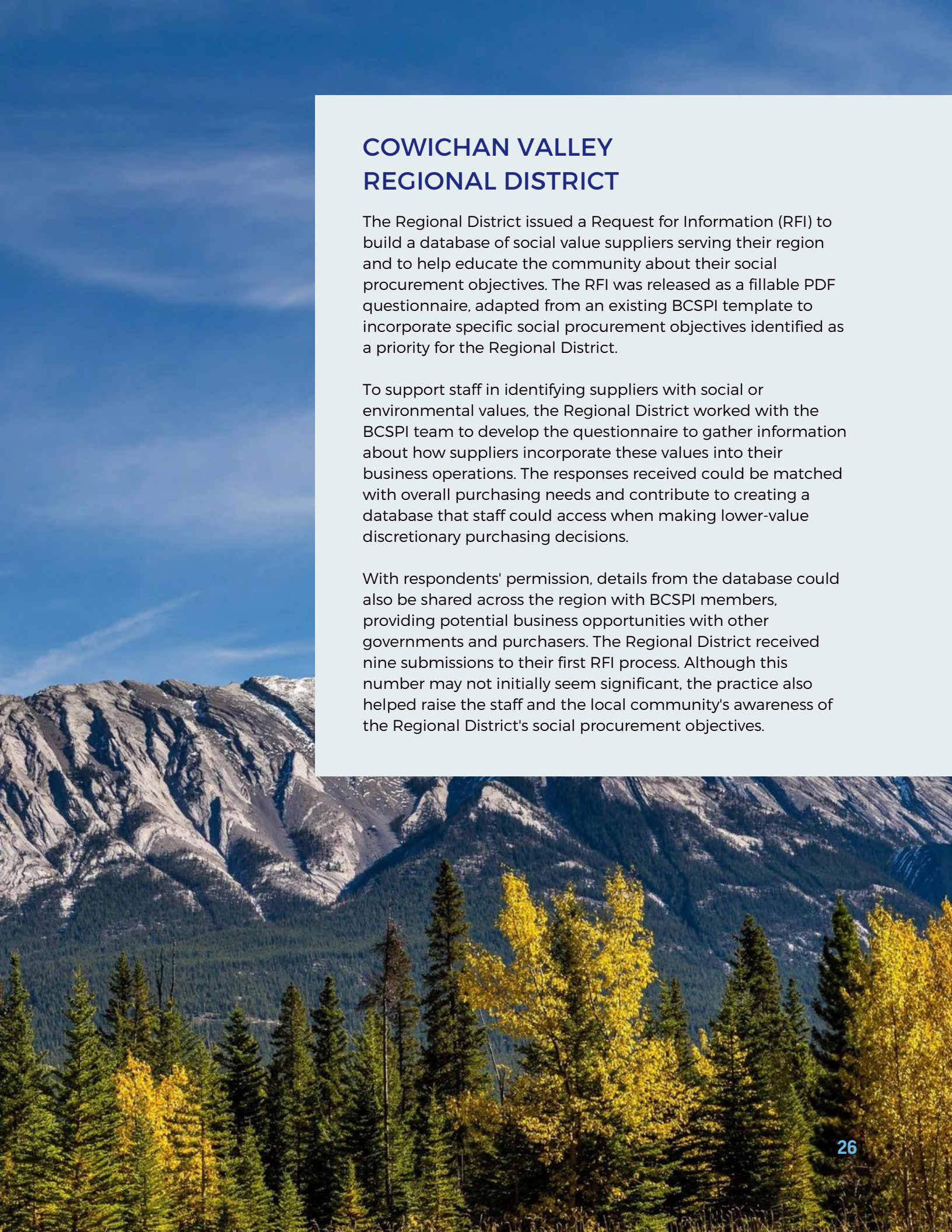
REGIONAL DISTRICT OF NANAIMO

Used mattresses are a bulky waste item that consume a large amount of landfill space and also require additional handling which increases operating and maintenance costs for solid waste facilities. In order to find a way to divert mattresses from the landfill, the Regional District contacted local recyclers to determine the recycling process, what level of diversion was possible and the cost per unit for each mattress recycled.

INEO Employment Services Inc, a local social enterprise providing opportunities for people facing barriers to traditional employment provided the lowest cost option while also demonstrating clear environmental and social value. The Regional District undertook a successful pilot project with INEO, creating an average diversion rate of 45% of mattresses away from solid waste facilities.

Following the pilot, the Regional District was able to award INEO with further contracts for mattress recycling services. This ongoing partnership continues to achieve best value for money while also contributing to the Regional District's Strategic Goals of Environmental Stewardship and Social Wellbeing.





COWICHAN VALLEY REGIONAL DISTRICT

The Regional District issued a Request for Information (RFI) to build a database of social value suppliers serving their region and to help educate the community about their social procurement objectives. The RFI was released as a fillable PDF questionnaire, adapted from an existing BCSPi template to incorporate specific social procurement objectives identified as a priority for the Regional District.

To support staff in identifying suppliers with social or environmental values, the Regional District worked with the BCSPi team to develop the questionnaire to gather information about how suppliers incorporate these values into their business operations. The responses received could be matched with overall purchasing needs and contribute to creating a database that staff could access when making lower-value discretionary purchasing decisions.

With respondents' permission, details from the database could also be shared across the region with BCSPi members, providing potential business opportunities with other governments and purchasers. The Regional District received nine submissions to their first RFI process. Although this number may not initially seem significant, the practice also helped raise the staff and the local community's awareness of the Regional District's social procurement objectives.

CITY OF VICTORIA SECURITY SERVICES

The City of Victoria included living wage criteria and other social value considerations in a Request for Proposals (RFP) for corporate security services, ensuring quality employment opportunities for a local security contractor. The City received a total of ten submissions. Following evaluation, the top two proponents were selected for an interview. During these interviews, the City asked additional questions to clarify aspects of each submission, including sustainability, social value and quality management.

The City awarded the contract to a local contractor. It was able to maximize the community benefit opportunities of the purchasing process by including Living Wage criteria, sustainability and social value criteria, and by placing a significant emphasis on quality management. This included aspects of the code of conduct, recruitment, training, staff motivation, resources and employee health and wellness.



AREAS OF GROWTH & LESSONS LEARNED

The data gathered identified lessons learned and areas for growth.



Annual targets

Question 10 asked survey respondents if they set annual targets for social procurement. To date, none of the members have set annual targets. Once members understand their starting point, there is an opportunity to establish spending and outcomes targets. This would provide goals and standards to report against. Establishing meaningful, simple indicators that rely on available data is a best practice. Targets should be "challenging but realistic and founded on baseline data. (Measuring What Matters)" The absence of baseline data is often why most purchasers have not integrated annual targets for their social procurement objectives. It is important to revisit targets regularly and ensure that they continue to reflect current priorities and are meaningful (i.e., ask for achievable results that extend beyond the status quo).



Monitoring and Reporting Outcomes

Another area for growth is monitoring and reporting on social value outcomes. A key condition for success is that purchasers adopt consistent reporting templates and frameworks for suppliers to understand what is required of them to deliver on social procurement objectives. The aim is to avoid creating vastly different reporting requirements across different purchasing organizations. Monitoring and reporting processes need to be nimble, measure what can be collected relatively easily and is valuable to both purchasers and suppliers and avoid adding a complex administrative burden.



Survey Design

Question 16 of the survey asked for the number of supplier organizations used during the reporting period that were selected using social and/or environmental criteria. This question proved not to be effective. Most respondents skipped the question and the three that did respond provided widely varied answers. This indicates that this was a difficult question to answer and that respondents had different levels of understanding about what was being asked. We have not included the responses from this question in the report and will re-phrase or discard this question moving forward.

REFLECTIONS & ADDITIONAL FINDINGS

The BCSPi research and service delivery teams came together to reflect on the challenges, opportunities and lessons learned over the past eighteen months, with recommendations:

- ✓ **Social procurement represents systems change, and this type of change takes time.** The systems are multi-level, from concepts about what "value for community" means, shifting from lowest price to best value purchasing, to navigating established procurement processes and systems that tend to be risk averse. It is bold to introduce new thinking and practices into an established system and takes curiosity, flexibility and a willingness to adapt. This kind of learning and innovation culture is present in organizations advancing social procurement. Our observation of BCSPi members demonstrates that integrating social procurement practices is an iterative process and represents an organizational culture change.

Recommendation: The whole organization benefits when representatives across the entire organization engage in training and strategy development so that the concepts of social procurement are widely understood and implementation is supported.

- ✓ **Champions are key.** The start of the social procurement journey is usually driven by a champion with decision-making abilities. Council and senior staff support opens the doors for purchasing staff to learn about and implement social procurement. We have also seen a number of procurement staff champions who are providing significant leadership. A supportive environment at all levels is key to successful implementation and adoption.

Recommendation: Identify champions but quickly move to a whole-organization approach where champions are supported, and implementation can take place.

- ✓ **Organizations are feeling overstretched, under-resourced and time-starved.** The past two years for local governments and purchasers have been overwhelming as communities have navigated COVID-19 impacts, climate emergencies and increased social challenges. Social procurement can either feel like an opportunity to bring in an additional resource capacity to help address these challenges or just another thing on the to-do list.

Recommendation: BCSPi provides the training, tools and support to take away the guesswork, save time and mobilize existing resources. Social procurement is best implemented on a "go slow to go fast" adage: take the time upfront to understand the baseline, develop clear goals, conduct organizational training and capacity building, test and pilot, and then integrate and implement. For some members, this can be a multi-year process and provides staff the time to work across departments and incorporate meaningful social/environmental value. Once social procurement is integrated into policies and practices, it becomes business as usual.

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"We struggled to move to our next steps of implementing social procurement (monitoring/reporting etc.) from the start, and then with the more recent resource challenges, the core social procurement program for us has also not had enough attention to it."

-Survey Respondent



- ☒ **Organizations are experiencing staff turnover and hiring challenges.** Sometimes, staff champions leave, and new employers benefit from their social procurement knowledge and growing experience. For other members, losing a key staff member or social procurement champion delays the social procurement implementation journey as new staff are hired and need to build their capacity.

Recommendation: Include social procurement in job postings and job descriptions, and make it part of someone's role. This helps to create continuity within a staff team and ensures that social procurement remains a responsibility. Including social procurement within job descriptions helps represent organizational values to applicants, which can attract people looking to make a tangible difference in their communities.

- ☒ **The policy is not the end goal.** Once social procurement is integrated into purchasing policy, it is important to continue to ensure that implementation is taking place. Implementation is supported by setting targets and requiring consistent reporting internally and from contractors and suppliers.

Recommendation: Set social procurement targets and request that staff and contractors report on processes and outcomes. BCSPI has developed several resources and tools to assist members with this.

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"We started by implementing a policy and are working backwards to putting the systems in place to be able to fully uphold the policy. We are early in our journey."

-Survey Respondent

NEXT STEPS

The annual survey and data collected to date help to inform the collective achievement of UN SDG 12: Responsible Consumption and Production.

Specifically, SDG 12.7 aims to "promote public procurement practices that are sustainable in accordance with national (community) policies and priorities." This SDG allows us to measure and evaluate the process of social procurement. It also helps to understand where members are currently on their social procurement journeys by asking whether the organization has a social or sustainable procurement policy. Is this policy translating into implementation? Is implementation becoming integrated into organizational systems? Are proponents who score highest on social value criteria winning contracts? Are suppliers being requested to track and measure outcomes? This impact report provides a baseline and demonstrates significant movement towards adopting sustainable procurement practices and the areas for improvement.

The next steps are to collectively gather and report on the quality of bid responses and the outcomes related to contract awards. This data collection will continue to inform SDG 12 and create the baseline and outcomes related to SDGs 1, 4 and 8. The tools and resources have been developed and are available for members to access in the BCSPi member portal.



REMEMBER:
"WHAT GETS MEASURED GETS DONE."

**LET'S KEEP WORKING
TOGETHER TO BRING SOCIAL
AND SUSTAINABLE VALUE TO
COMMUNITIES ACROSS BC.**

THANK YOU

TO THE FOLLOWING PEOPLE WHO MADE THIS REPORT POSSIBLE:

BCSPI Co-Chairs and Steering Committee

Royal Roads Research Team

in particular, Heather Hachigian, Assistant Professor

Impact Measurement Working Group:

Anthony Jeffery, Valeria Kandiral, Rory Kulmala, and Genelle Conn

Survey respondents:

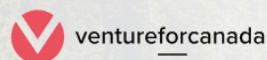
Alberni Clayoquot Regional District
BC Lottery Corporation
City of Campbell River
Comox Valley Regional District
City of Courtney
Cowichan Valley Regional District
Village of Cumberland
City of Duncan
Town of Gibsons
Town of Golden
City of Nanaimo
North Island College
City of Powell River
qathet Regional District
Regional District of Nanaimo
District of Sechelt
District of Sooke
District of Squamish
Strathcona Regional District
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City of Victoria

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APPENDIX

BCSPI ANNUAL IMPACT MEASUREMENT SURVEY AND GUIDANCE

Below is an overview of the Annual Impact Measurement Survey that presents each question, question format and guidance on how to answer the question.

Question	Question Format	Guidance/Rationale
Name of reporting organization	Comment box	To be able to contextualize information and conduct follow up as needed
Reporting period: • Fiscal 2020 • Fiscal 2021 • Fiscal 2022 • Other	Drop down	Report on the most recent fiscal where you have accurate data
What was the total \$ value of goods and services spending/contracts awarded during the reporting period?	Comment box	This question focuses on non-capital spending, that does not include your organization's internal operations (ie- no staff wages). You can find this number in materials and contracted services from your segmented disclosure note found in your financial statements.
What was the total \$ value of capital asset additions and capital purchases contracted during the reporting period?	Comment box	You can find this number in your financial statements.
Does your organization have a procurement policy? • Yes • No	Multiple choice	Not all BCSPI members have a procurement policy. This question helps establish a baseline.
Does your organization's written purchasing policy include social or sustainable objectives and outcomes? • Yes • No	Multiple choice	If your organization has written and published a formal, written social or sustainable procurement policy, please answer "yes" If your organization does not have a purchasing policy, please answer "no"

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		If your organization is piloting social or sustainable procurement but does not have a formal, written policy, please answer “no” If your organization is currently working on creating a social or sustainable procurement policy but has not yet formalized and publicized it, please answer “no”
If yes, please provide a LINK to or upload of the most recent policy (if you wish to upload a document, an area will be provided for you to do so in the next question).	Comment box	Your policy will be shared with other members of BCSPI within the 'resources section' and will contribute to an overall snapshot of how organizations are integrating social procurement into policies. This helps understand priorities and identify best practices. If you have already shared your current policy with BCSPI, you do not need to do so again.
Does your purchasing policy have other contractual requirements that contribute to social outcomes- ie- living wage requirements, equity and diversity, etc- that are not included in social or sustainable purchasing policies? Please describe.	Comment box	Some members integrate social or environmental outcomes into policy areas outside of 'social or sustainable' policies. This question provides an opportunity to share other ways that your procurement policy supports social, environmental or community priorities.
Does your organization set annual targets around social or sustainable procurement spend and outcomes? • Yes • No	Multiple choice	This question helps determine if social procurement targets and goals are being set and can be measured against.
Does your organization require internal reporting on social or sustainable reporting outcomes? • Yes • No	Multiple choice	This question determines if impact measurement is being requested by member organizations.
If yes, what are the reporting requirements?	Comment box	Please describe the format, how often and who receives this reporting.

Does your organization assign weighting in the RFx evaluation criteria to social criteria? • Yes • No • It depends	Multiple choice	If your organization requests social or sustainable outcomes, do you assign weighting to assess and compare the proponent responses? For 'It depends'- please share how you decide which projects to assign social evaluation criteria to.
If yes, what is the proportion of points that are typically assigned to social criteria in RFP evaluation criteria?	Comment box	Provide the percentage (ie- 30%) or amount (ie-30/100) of points allocated to social outcomes. If this is combined with environmental outcomes, provide the combined amount.
What was the total \$ value of contracts awarded with social criteria?	Comment box	Input the total dollar amount of procurement contracts awarded by your organization for the reporting period here that include sections where points are awarded to proponents who outline how they would contribute to social outcomes.
What was the % of supplier organizations used during the reporting period that were selected using social and/or environmental criteria?	Comment box	Add the total number of supplier organizations that were used during the reporting period, and add up the number of supplier organizations used during the reporting period that were selected using social and/or environmental criteria. Then, divide the number of supplier organizations used during the reporting period that were selected using social and/or environmental criteria by the total number of supplier organizations that were used during the reporting period. Then, multiply that number by 100 to calculate the percentage.
Does your organization have a system to monitor contractor compliance with your social procurement policy? • Yes • No • Other	Multiple choice	This question helps determine the current processes requirements related to social procurement for suppliers and contractors.

Continues on next page

Please provide a description of contract monitoring procedures (any measurement or reporting requirements) and link to supporting documents/evidence.	Comment box	Outline any contract monitoring related to social or sustainable procurement only.
Is there a specific individual or team who is responsible for contract monitoring?	Multiple choice	This question is to help determine if a role has been assigned to social procurement contract monitoring.
When social and/or environmental targets are not met by suppliers, are there consequences? Please explain.	Comment box	This question helps establish a baseline and track any changes over time related to social procurement practices.
Please share a story or example of a social procurement contract or outcome that met your social procurement objectives.	Comment box	Social procurement outcomes can often be best captured through storytelling. Stories shared may be followed by the research team for a more in-depth case study.
Is there anything else that you feel is important to note regarding where your organization is at on its social procurement journey?	Comment box	Share any additional and relevant information that was not captured above.