

SELL YOUR SOCIAL VALUE

INFORMATION ON SOCIAL PROCUREMENT FOR BUSINESSES

WHAT IS SOCIAL PROCUREMENT?

Every purchase has a social, economic, cultural, and environmental impact. Social procurement is about buying goods, services, and construction to capture those impacts and help shape inclusive, vibrant and healthy communities. Local governments and public institutions want to buy from businesses who are aligned with their values and can contribute to community well-being and resiliency.

This guide helps your business respond to purchasing opportunities that include social and environmental criteria.

WHAT DO YOU NEED TO KNOW ABOUT LOCAL GOVERNMENT AND INSTITUTIONAL PURCHASING?

Local governments and institutional purchasers spend billions of dollars annually. They purchase everything from:

- Arts and culture
- Cleaning services
- Consulting
- Construction
- Corporate gifts
- Equipment
- Food services
- IT equipment & services
- Landscaping services
- Office supplies
- General maintenance
- Property management services
- Security services
- Vehicles and maintenance
- and lots more...

Local governments and institutions purchase things in two main ways: **under threshold** and **over threshold** purchasing. The threshold is the amount that dictates when a purchase has to be made using a formal process. Thresholds are legally set by trade agreements, but can also be set at a lower level by the purchaser themselves. Some organizations, such as non-profits, are exempt from trade agreement thresholds.

Under Threshold	Over Threshold
Are smaller purchases that can be made directly by staff (for day to day purchases) or by asking for a quote (called a direct award).	Are purchases that go through a formal process and must be posted publicly for anyone to bid on. Requests for proposals or tenders can be found on the purchaser's website or on CivicInfo BC and/or BC Bid.

WHAT ARE THE BENEFITS TO YOU?

- **Competitive edge** to respond to social and environmental value criteria in bids
- **Strengthen your workforce** by creating a strong social value culture with purpose and action that increases employee engagement, recruitment and retention
- **Diversify your supply chain** to strengthen resiliency and access a broader base of quality suppliers of goods and services
- **Boost your brand** and reputation by creating social and environmental value
- **Showcase your values** with the work you do to contribute towards community wealth and well-being
- **Build community** by contributing to the needs of the region
- **Respond to growing demand** from purchasers for social and environmental value
- **Be a steward for the environment** through your business activities

If you're a local business:

Your work is in step with your local community and governments' goals. You have the ability to respond strongly to the social and environmental value buyers are looking for.

FREQUENTLY ASKED QUESTIONS:

What is the difference between social and sustainable procurement?

- Each purchaser uses their own language and definitions. Social can focus on impacts on people and communities, and sustainable can focus on the environment. However, communities, people, and the environment are intrinsically linked. It is helpful to review the purchaser's objectives (often found in the bid details or the purchasing policy) to understand the focus areas they are looking for.

Why social procurement when there is too much red tape in government procurement processes?

- Public purchasers need to spend taxpayer money responsibly, but focusing on the lowest price can sometimes lead to negative impacts. Social procurement is intended to make it easier to prioritize businesses that contribute to the purchaser's social and environmental goals and objectives for their community.

What are purchasers looking for when evaluating our social procurement proposal?

- Meaningful responses, that show clear outcomes (not just policies and procedures). Make sure you respond to the criteria as clearly and directly as possible.

How do you ensure that the social and environmental responses are verified?

- Bid documents will request evidence (e.g. relevant policies, third-party certifications, historical outcomes etc.) to support your responses. Purchasers will also follow up as required to verify the information you submit.

Is social procurement intended to offer preference to local vendors?

- For over threshold purchases, because of the trade agreements, there is no preference allowed for local vendors. This means that anyone can compete and demonstrate how their business activities contribute to the purchasers' social and environmental objectives.

Social and sustainable requirements will be included in the bid documents and as part of the evaluation criteria. The table below outlines social/sustainable requirements, what purchasers are looking for and information you may want to include in your bid response.

Area of Interest	Information Requested and Example Question	Information to Include in Bid Response
Employment	<p>Inclusive employment opportunities; living and fair wages; health and wellness programs</p> <p><i>Example: Does your organization currently have strategies or policies around inclusive employment practices to ensure you are providing employment opportunities for equity-deserving groups or persons facing barriers to employment?</i></p>	<p>Inclusive hiring and employment policies; flexible employment strategies; support to employees from equity-deserving groups; partnerships with employment agencies; employee turnover rates; fair or living wage ranges; benefits provided; health and safety policies and programs</p>
Skills and Training	<p>Job training, including apprenticeships; achievement of certifications; staff professional development; provision of work experience</p> <p><i>Example: Do you currently have an apprenticeship, paid internship, or paid work experience program?</i></p>	<p>Experience with apprenticeships and certifications; professional development opportunities and staff training; provision of work experience opportunities; outcomes connected to contract</p>
Social Value in the Supply Chain	<p>Supply chain and purchasing policies; ethical supply chains; local supply chains; diverse suppliers</p> <p><i>Example: Do you have a 3rd party certification that shows you are a diverse-owned business or socially inclusive business?</i></p> <p><i>Example: How do you engage local and diverse suppliers?</i></p>	<p>Relevant certifications; contracts with diverse and local suppliers; social procurement policy; tracking of social value contract spend</p>
Environment	<p>Waste reduction, emissions reduction</p> <p><i>Example: Do you have a plan to measure and report on increased use of renewable energy sources and/or reduce the company's overall energy usage?</i></p>	<p>Waste management, emissions reductions programs and policies; measurement strategies; certifications</p>
Community Benefits	<p>Activities and programs that support and foster healthy communities</p> <p><i>Example: In the last three years, what has your organization done to support your community?</i></p>	<p>Look at community goals and desired outcomes (often found in strategic plans and official community plans) and share what else you do to provide community benefits</p>

DEFINITIONS

Bid - Requests for purchase information (for example, proposals or quotes) that local governments use to select suppliers.

Equity / deserving groups - Groups who have historically been denied equal access to employment, education, and other opportunities.

Social Enterprise - A business that sells goods or services, embeds a social, cultural or environmental purpose into the business, and reinvests most profits into its social mission.

Social Procurement - Using existing purchasing to capture social, environmental and cultural impacts to achieve overarching institutional, governmental, or individual goals that help shape inclusive, vibrant and healthy communities.

Social Value Supplier - A business that contracts or bids to contract with local government and public institutions and contributes to the social value objectives defined by the bid process through its business practices or contract design.

Sustainable Procurement - Can encompass environmental and/or social considerations in procurement.

NEXT STEPS

- ✓ Explore the purchasing page of your local government or institution to find out how to engage
- ✓ Sign up for your local vendor portal and set up bid alerts
- ✓ Read the [Supplier Guide to Social Procurement](#)
- ✓ Become certified as a diverse supplier or [social enterprise](#)
- ✓ Look for supplier lists to join like [LocoBC](#), [Buy Social Canada](#), [CAMSC](#), [BBABC](#) and [Island Good](#)