Agenda – Executive Policy Committee – January 19, 2022

REPORTS

Item No. 5 Social and Sustainable Procurement Practices

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the Social Procurement Framework, attached, be approved.

2. That the Public Service report back in 180 days with a Sustainable Procurement Action Plan and how it will be resourced.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On December 8, 2021, the Executive Policy Committee laid the matter over for 30 days.

The following persons submitted a communication dated December 7, 2021, in support of the matter.

- Michael Barkman, Public Policy Coordinator, Canadian CED Network – Manitoba
- Tanya Palson, Director of Business Operations, Manitoba Building Trades
- Chris Lorenc, President, Manitoba Heavy Construction Association
- Darryl Harrison, Director of Stakeholder Engagement and Advocacy, Winnipeg Construction Association
- Jessica Floresco, General Manager, Mother Earth Recycling
- Sean Hogan, Executive Director, BUILD Inc.

COUNCIL DECISION:

On March 25, 2021, Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the Winnipeg Public Service establish a working group consisting of industry, community intermediaries, Indigenous business, Chambers of Commerce, and the social enterprise sector to advise on improving sustainability for the City's procurement of goods and services, and report back on the matter in 240 days.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: **SOCIAL AND SUSTAINABLE PROCUREMENT PRACTICES**

Critical Path: **Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
B. D'Avignon	C. Kloepfer	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

On March 25, 2021, Council adopted a motion requesting that the Winnipeg Public Service establish a working group consisting of industry, community intermediaries, Indigenous business, Chambers of Commerce, and the social enterprise sector to advise on improving sustainability for the City's procurement of goods and services, and report back on the matter in 240 days.

The Public Service established this working group and engaged a consultant to help assemble a Social Procurement Framework.

The purpose of this report is to provide Council with an overview of what the Public Service has accomplished to date and the plans for the future in order to successfully incorporate social and Indigenous procurement practices into our Sustainable Procurement Program.

The Sustainable Procurement Program will ensure follow-through for various strategies, plans and policies throughout the organization as they relate to procurement of goods and services.

The Social Procurement Framework is attached as Appendix 1**.**

RECOMMENDATIONS

1. That the Social Procurement Framework, attached, be approved.

2. That the Public Service report back in 180 days with a Sustainable Procurement Action Plan and how it will be resourced.

3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The Public Service was directed to report back to Council within 240 days on improving sustainability for the City's procurement of goods and services.

IMPLICATIONS OF THE RECOMMENDATIONS

Approval of this report will provide the Public Service with authorization to move forward and develop the Sustainable Procurement Action Plan.

HISTORY/DISCUSSION

On March 17, 2021, Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That the Winnipeg Public Service establish a working group consisting of industry, community intermediaries, Indigenous business, Chambers of Commerce, and the social enterprise sector to advise on improving sustainability for the City's procurement of goods and services, and report back on the matter in 240 days.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

On March 25, 2021, Council concurred with the recommendation of the Executive Policy Committee and adopted the above.

The purpose of this report is to provide Council with an overview of what the Public Service has accomplished to date and the plans for the future in order to successfully incorporate social and indigenous procurement practices into Winnipeg's Sustainable Procurement Program.

Winnipeg's Sustainable Procurement Program to date has focused on environmental and ethical risks and opportunities such as purchasing greener goods and ensuring fair labour practices.

Social and Sustainable Working Group

The Social and Sustainable Working Group (SSWG) was created and had its first meeting on May 6, 2021. This group is made up of social enterprises, Indigenous organizations, Chambers of Commerce and Industry organizations. The SSWG had a total of six (6) meetings with discussions on vision, goals, objectives and next steps. The members of the working group are listed in Appendix 2.

The purpose of the Social Procurement Framework (Framework) is to activate the social and Indigenous components of Winnipeg's Sustainable Procurement Program. The Framework aligns with the goals and priorities articulated in Winnipeg's Indigenous Accord, OurWinnipeg 2045 (subject to Council third reading), Winnipeg's Climate Action Plan, Winnipeg's Poverty Reduction Strategy (pending approval), Universal Design Policy, Equity, Diversity and Inclusion Policy and the Newcomer Welcome and Inclusion Policy.

The Framework is an important component of the City's Sustainable Procurement Program. To date, the Program has focussed primarily on environmental and ethical risks. The purpose of the Framework is to accelerate progress on the social and Indigenous pillars. The Framework outlines the proposed long-term vision and goals of the City of Winnipeg for positive social and Indigenous impacts throughout the supply chain. The Framework defines what is meant by social procurement and identifies the benefits it brings, what it looks like in practice and how it can be incorporated into existing procurement methods.

Procurement using the social procurement mechanisms stated in the Framework will benefit social enterprises, Indigenous and diverse businesses and provide workforce development opportunities through jobs and training for equity groups and other people who have been marginalized.

The Sustainable Procurement Action Plan (SPAP) is currently under development and review. The SPAP will be a three (3)-year plan, to be updated annually, detailing next steps and implementation plans aligned to the long-term vision and goals for a Sustainable Procurement Program that addresses the four pillars of sustainability.

The Office of Sustainability is responsible for policy work on the Winnipeg's Climate Action Plan (WCAP) and providing support and advice to other departments (as resources allow) as they implement the intent of the WCAP. The Office of Sustainability gathers information from departments implementing the plan and tracks and reports on the climate impacts of those actions.

The Office of Sustainability can provide advice and direction on alignment with the WCAP or other relative policies, advise on program development, and can incorporate sustainable procurement in all future climate action and climate resiliency planning.

FINANCIAL IMPACT

Financial Impact Statement Date: November 29, 2021

Project Name: SOCIAL AND SUSTAINABLE PROCUREMENT PRACTICES

COMMENTS:

There are no financial implications to the recommendations of this report.

The City of Winnipeg regularly conducts Economic Impact Assessments of capital spending on the Manitoba economy. Each assessment requires categorization of the expenditure in order to align with the appropriate multipliers, as well as an expenditure figure that has had certain items removed, such as taxation. Annually the City of Winnipeg expends approximately $400 Million on procurement of an array of goods and services. The economic impact of these expenditures is dependent upon a detailed breakdown of the items/service procured and this is not readily available.

"electronically approved by J. Peters"
Jocelyn Peters, CPA, CGA

CONSULTATION

This Report has been prepared in consultation with:

All City departments

OURWINNIPEG POLICY ALIGNMENT

02-1 Sustainability - Incorporate sustainable practices into internal civic operations and programs and services
02-2 Environment - Reduce the environmental impact of our activities, through strategies such as planning for sustainable energy use and greenhouse gas reduction.

03-1 Opportunity - Work with community partners to foster an inclusive and equitable community.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Strategic Opportunity 1 is about Corporate Leadership and actions to help create a culture of sustainability within the City. It includes the short-term direction to “Integrate Sustainability and Climate Action into Procurement standards which can demonstrate increasing impact from year to year” (1.1).

6.2: Advance Winnipeg’s circular economy to support waste reduction
Action: Work with local stakeholders and regional partners to support “circular economy” initiatives that minimize waste production.
Action: Work with key federal, provincial and regional stakeholders to advance Extended Producer Responsibility Programs to target plastics, mattresses, cardboard and other designated materials.

SUBMITTED BY

Department: Corporate Finance
Division: Materials Management
Prepared by: Corinne Evason
File No.
Date: November 29, 2021

Attachments:

Appendix 1: Social Procurement Framework
Appendix 2: External Working Group Members