Winnipeg | Corporate Finance
Finances générales

Update to Executive Policy Committee

Social and Sustainable Procurement Practices
January 12, 2022

BACKGROUND

The Public Service submitted an Administrative Report with recommendations regarding Social and Sustainable Procurement with two delegations appearing in support of this Agenda item #4 at the Executive Policy Committee (EPC) meeting of December 8, 2021. EPC laid this matter over for 30 days allowing the Public Service time to address items raised at that meeting.

SUMMARY OF ITEMS RAISED BY DELEGATIONS:

- find the resources internally to do this the right way
- encourage the City of Winnipeg to adopt a co-creation approach with the existing External Working Group
- ensure the proper questions are addressed, that the unanswered questions in the framework are addressed such as when/how to use community benefit agreements, and to complete the framework and action plan in an informed manner.
- missing information on training of existing staff, training for the industry on how to facilitate and use a social procurement policy, and details on how social procurement points for City contract bids would be determined.
- an RFP was requested to be issued to obtain subject matter expertise to ensure there are adequate and appropriate resources to complete the framework and action plan

Amendments proposed in a written submission:

1. The Social Procurement Framework document presented to EPC on December 8, 2021 be received as a work-in-progress and as information.
2. Administration be authorized to proceed with and fund the outcome of an RFP to engage a third-party consultant to work with the Social Procurement Working Group to complete development of the Social Procurement Framework document and an Action Plan.
3. A complete Social Procurement Framework document and Action Plan, as endorsed by the Social Procurement Working Group, be brought back to EPC for its consideration within 180 days.

SUBSEQUENT ACTION TAKEN BY THE PUBLIC SERVICE

Pursuant to the direction from EPC, the Public Service invited members of the working group to meet on December 14, 2021. Working group members were asked to identify gaps in the Social Procurement Framework (the Framework) and to provide their views on how to address those gaps.

In response, working group members identified the following:

- **Resourcing** – working group members were anxious about supporting the Framework in the absence of a financial commitment from the City to support the Framework's ongoing implementation. Working group members were concerned that if the Framework was adopted in isolation of a financial commitment that implementation would either not materialize or would lag unnecessarily.
- **External Consultant** – working group members cited a need for a consultant on two fronts: (i) facilitating and enhancing the process used for current and future working groups; and (ii) providing knowledge & expertise.
- **Sustainable Procurement Action Plan** – working group members were concerned that more time is required to review, understand, and have input on the Sustainable Procurement Action Plan.

No substantive material changes to the Framework were unanimously supported by working group members. Several working group members suggested that the Framework was essentially 95% complete. For some working group members, lingering concerns or unease with the Framework itself were deemed inconsequential if they could be provided greater assurances their main concerns about resourcing, process, an external consultant, and the Sustainable Procurement Action Plan would be addressed.

Working group members noted, moving forward, how significant the change management process is going to be for both the City of Winnipeg as well as industry participants. In the context of large/complex change management initiatives, it can be expected that different viewpoints will exist and that perfect consensus on all matters is not always an achievable outcome. Different views certainly exist across working group members. Concerns about these differences becoming "polarized" were expressed by some working group members. The Public Service recognizes these concerns, and remains committed to working collaboratively to achieve the greatest degree of consensus possible.

Therefore the Public Service has the following recommendations to achieve the desired outcome of putting in place a suitable Sustainable Procurement Action plan for the City of Winnipeg to achieve stated objectives in the Social Procurement Framework. These recommendations are based on the above meeting outcomes and subsequent conversations with working group members to address the three areas of concern noted above.

RECOMMENDATIONS:

It is recommended that Executive Policy Committee adopt the following revised Recommendations:

1. That the Social Procurement Framework, attached, be approved as the guiding framework from which the Sustainable Procurement Action Plan will be developed.
2. That the Public Service procure external consultant services, through a competitive bid process, funded from within the existing Corporate Finance 2022 budget, to:
    a. Undertake additional review of the Sustainable Procurement Action Plan with the external working group and its sub-working groups;

   b. Facilitate such future working group meetings;
   c. Provide the specific expertise and knowledge related to social and sustainable procurement, with demonstrated experience and success in facilitating development of social procurement policies with public sector entities, to complete the Sustainable Procurement Action Plan; and
   d. If necessary, propose amendments to the Social Procurement Framework based on items 2. a., 2. b., and 2. c.
3. That the Sustainable Procurement Action Plan:
   a. Reflect the ongoing, multiyear supporting resources required for implementation; and
   b. Consider any existing internal resources that could be prioritized and reallocated to support this effort.
4. That the Public Service Report back in 180 days with a Sustainable Procurement Action Plan.
5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Respectfully submitted,

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Chief Financial Officer