

### **Sustainable Procurement - Tools and Procedures**

Administration is implementing a range of tools and procedures to integrate social, ethical, environmental and Indigenous considerations into the procurement process.

### **Diversity Spend Reporting Framework**

Completed: November 2024

This framework was completed in November 2024 and will identify how the City will track the diversity of City suppliers against the social value consideration outcomes in the Sustainable Procurement policy. It will describe the current efforts underway to support diversity spend at the City, and recommendations for future activities to support and increase diversity spend.

### **Work Completed to Date:**

A vendor set-up process has been implemented where applicable City suppliers may now self-identify as one of the following:

- Social enterprise
- Social purpose organization
- Indigenous-owned business
- Women-owned business
- Business owned members of a visible minority
- Business owned by persons with disabilities
- Veteran-owned business
- Business owned by 2SLGBTQIA+
- Youth-owned business
- Immigrant or refugee-owned business

### **Upcoming Work:**

Increase Diverse Spend through efforts under the framework, such as:

- Advance low value spend to diverse and Indigenous businesses.
- Continue to offer "Selling to the City" training sessions to diverse and Indigenous businesses.
- Address challenges with bidding opportunities experienced by diverse and Indigenous businesses.
- Increase visibility of competitive procurements that include sustainable menu criteria to diverse, Indigenous and other applicable businesses.

### **Indigenous Set Aside Approach**

Completed: February 2025

The City of Edmonton, through the City's Indigenous Procurement Framework<sup>1</sup>, has set a goal to increase direct and subcontracting spend with Indigenous businesses. This is being achieved through development of an Indigenous Set Aside Approach and other processes that support Indigenous procurement.

An Indigenous Set Aside is a process for certain City purchases to be sourced from Indigenous businesses directly.

#### **Work Completed to Date:**

A formal Indigenous Set Aside Approach has been drafted.

#### **Upcoming Work:**

- External engagement with the Indigenous community on the drafted approach.
- Develop procurement procedures to implement Set Asides.
- Promotion, communication and training to internal staff and external interested parties regarding the Set Aside Approach.

### **Community Benefit Agreement Framework**

Target: Fall 2025

Administration is implementing a Community Benefit Agreement framework for eligible infrastructure projects to legally enforce specific social value outcomes such as hiring, training or procurement on construction, infrastructure and developmental projects. This will help ensure projects enhance social, cultural, environmental and economic opportunities.

The City's Valley Line West and Metro Line LRT projects include Community Employment Benefit requirements, associated with the established federal requirements. For the Ambleside Integrated Site project, the general contractor proposed and included the Community Benefit Agreement. The City is looking to include these concepts on other large infrastructure projects.

#### **Work Completed to Date:**

A Preliminary Community Benefit Framework has been designed and internal engagement with City subject matter experts and interested parties is currently underway.

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<sup>1</sup>[edmonton.ca/sites/default/files/public-files/IndigenousProcurementFramework.pdf?cb=1711644121](https://edmonton.ca/sites/default/files/public-files/IndigenousProcurementFramework.pdf?cb=1711644121)

### **Upcoming Work:**

- Once internal engagement has been completed, final design of the framework will be drafted.
- The City will seek feedback from external interested parties, such as industry associations based on the drafted framework.
- Once the framework is finalized, it will be rolled out through information sessions with internal City staff.

### **Measurement and Reporting Framework**

Completed: November 2024

The City will use an outcomes-based measurement and reporting process aligned with existing City of Edmonton policy, programs and strategies. A major task of the implementation process is to develop appropriate goals, measurement criteria and a reporting methodology.

### **Work Completed to Date:**

The measurement and reporting framework has been completed. Detailed reporting is available in Attachment 5.

### **Upcoming Work:**

- Review current internal systems that can be used for implementation of the framework.
- Develop procedures that align with the framework to address measurement and reporting outcomes that advance sustainable procurement.
- Provide training as required.

### **Sustainable Procurement Communication Plan**

Target: Ongoing

To promote the Sustainable Procurement framework and make sustainability a regular part of City procurements. This communication plan will be used for internal and external outreach.

### **Work Completed to Date:**

Communication has been widespread since the conception of sustainable procurement at the City.

In 2024, the City maintained engagement with industry and community members and kept City partners informed as new initiatives developed under the Sustainable Procurement policy. To enhance engagement and communication, the City formed a Sustainable Procurement Advisory Committee, which includes representatives from industry, community members and City staff. The City continued to attend conferences, seminars, interviews or roundtable discussions to promote sustainable

procurement initiatives. The City also supported individual businesses in navigating the City's procurement processes.

In 2024, the "Selling to the City" sessions were expanded, with seven sessions taking place throughout the year. These sessions provide businesses an opportunity to learn how the City considers bids, speak with City buyers and ask questions about the buying process.

The City hosted its first Purchase with Purpose event on June 6, 2024, bringing together City departments and other public sector purchasers with Indigenous and diverse businesses, social enterprises and suppliers who are looking to subcontract work to diverse and social value suppliers. The event had over 200 attendees.

### **Upcoming Work:**

- Administration is planning the second annual social procurement networking event: "Purchase with Purpose: Opportunities for Indigenous, diverse and social businesses to sell to the public sector".
  - The half day event is for current and potential social value suppliers to meet and connect with the City and other public purchasers in the area.
  - Other major suppliers who are looking to subcontract work to social value suppliers will also be invited to come to the event to make connections and build relationships.
  - At the event, Administration will provide an update to attendees on sustainable procurement tools and procedures, and purchasers will host booths.
- Formal planning for communication, training and/or engagement requirements will be designed as needed for new procedures or tools. Communication will be ongoing as the City's Sustainable Procurement Program continues to progress and develop.
- Two Sustainable Procurement Menu training sessions presented by Buy Social Canada were held in October 2024. Internal City interested parties impacted by Sustainable Procurement attended these sessions.

### **Sustainable Procurement Advisory Committee**

Target: Ongoing; first meeting held on December 9, 2024

Implementation: Ongoing

The Sustainable Procurement Advisory Committee will advise Administration on the implementation, improvements and outcomes of the City of Edmonton's Sustainable Procurement policy. This committee is composed of internal and external interested parties who can speak on behalf of industries and

community groups that will be affected by the City of Edmonton's Sustainable Procurement policy.

### **Work Completed to Date:**

- A Terms of Reference has been established and committee affiliates have been identified.
- A committee kick-off meeting was held on December 9, 2024. The second meeting is scheduled for April 28, 2025.

### **Upcoming Work:**

- Engage Committee in regards to the Indigenous Set Aside process.
- Engage Committee for promotion of Purchase with Purpose event in June 2025.

### **Sustainable Procurement Internal Implementation Plan**

Implemented.

Implementation: Ongoing

### **Work Completed to Date:**

In collaboration with BuySocial Canada, Administration has finalized a detailed plan, key focus areas and project approach to complete the initiatives required to develop the City's Sustainable and Indigenous Procurement Program. Administration is also in the process of developing a strategy to build and leverage relationships with internal and external partners and interested parties.

### **Sustainable Low Value Purchasing Guideline**

**Guideline Introduced:** July 2023

**Implementation:** Ongoing

### **Work Completed to Date:**

The Sustainable Low Value Purchase Guideline was introduced in July 2023. This guideline provides instructions to City staff on when and how to include Social/ Indigenous or Sustainable considerations for Low Value (under \$75,000) procurement decisions, and when and how to source low value procurements directly from social enterprises, Indigenous businesses and diverse-owned businesses. One of the guideline's key features is that it lists a range of third-party directories of diverse companies for low-value purchases.

### **Upcoming Work:**

- Refine the guideline for better useability and increased efficiency.
- Develop a plan for additional training.

- Work on building connections between local, diverse and Indigenous businesses and City departments.

### **Procurement and Contractual Requirements (Sustainable Procurement Menu)**

**Menu Introduced:** August 2023

**Implementation:** Ongoing

#### **Work Completed to Date:**

In August 2023, Administration introduced a menu of sustainable procurement evaluation criteria and contractual requirements. Contractual requirements include hiring Indigenous or equity-deserving employees, hiring apprentices, purchasing from Indigenous businesses, diverse-owned businesses or social enterprises and environmental considerations. There are options for scored and/or mandatory submission requirements to be included in City of Edmonton procurements, allowing the City to assess suppliers' compliance with the requirements upfront and include the appropriate contractual requirements. The City has made upgrades to the procurement system (Ariba) to capture requirements.

#### **Upcoming Work:**

- Measurement and reporting of outcomes from the application of the Menu is being developed.
- Address additional training requirements.
- Refine the menu to improve useability as well to add new criteria and requirements.
- Enhance promotion and socialization to increase the inclusion of sustainable requirements in City contracts.
- Continue to engage with internal staff and industry to find high-impact opportunities where sustainable criteria will cause positive outcomes.

### **Sustainable Procurement Training**

**Implementation:** Ongoing

#### **Work Completed to Date:**

Administration implemented the following training activities:

- Internal "Train the Trainer" Sessions: These sessions are directed towards contracting business units at the City, including an overview of sustainable procurement and contract requirements. Thirty-four staff have been formally trained to use the Sustainable Procurement Criteria.

- Internal Low Value Purchase/New Tools Training Video: This video outlines the City of Edmonton's low value purchases and how they can be used to support sustainable procurement.
- External Training Video: This video helps current and potential vendors (such as small, diverse and social enterprise suppliers) respond to the sustainable procurement goals of the City. It includes information about voluntary disclosure of business ownership, sustainable evaluation criteria and contract requirements and the Supplier Code of Conduct.
- Buy Social Sustainable Procurement Menu training was held in October 2024.

### **Upcoming Work:**

- Training will be ongoing as requirements for refreshers of existing procedures and tools arise, such as for the Sustainable Procurement Menu or Sustainable Low Value Purchase Guideline.
- Training will also be required for when new sustainable tools or procedures such as the Indigenous Set Aside Approach, Community Benefit Framework, and Measurement and Reporting Framework are implemented.

### **Request for Information for Sustainable Procurement Tracking and Verification Solutions**

Implementation: Complete

### **Work Completed to Date:**

- The City issued a Request for Information in fall 2024 to understand available services and solutions that could support tracking, verification and monitoring of suppliers' compliance with Sustainable Procurement policy requirements, such as employment and subcontracting targets, training and skill development, social value considerations in supply chain, community development and provision of a living wage.
- The City received six submissions, demonstrating that there are available solutions to further develop tracking, verification and reporting methods.
- The costs of the various services and solutions varied greatly.
- Administration is considering the next steps to enhance Sustainable Procurement reporting and will provide updates as the program progresses.