# Procuring with Strategic Intent

Leading during times of change

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### **Consumer Dilemmas**

 As individual consumers we exert our preferences through our spending decisions

 Buying coffee expresses our personal values from environmental to equity issues in the supply chain, all balanced by affordability















# **Public Sustainability Challenges**

Public sector has established socio-economic, climate and environmental priorities and outcomes to guide decisions.

Sample Peel
Region desired
outcomes linked
to Sustainable
Procurement

#### **Public Works**

- Waste Reduction and Resource Recovery Strategy
- Roadmap to a Circular Economy
- Waste Management policies in Region's Official Plan
- Sustainable Transportation Strategy

#### **Human Services**

- Peel Poverty Reduction Strategy (2018-2028)
- Housing Master Plan

#### **Corporate Services**

- Climate Change Master Plan
- Diversity Equity and Inclusion Strategy

#### **Digital and Information Services**

Support for energy efficient and environmental performance criteria and circular disposal options

#### 2015-2035 Strategic Plan

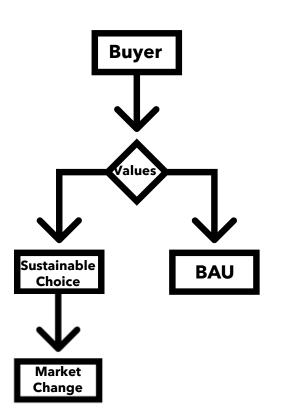
Term of Council Priorities and 20-year outcomes focused on areas:

- Living- People's lives are improved in their time of need
- Thriving- Communities are integrated, safe and complete
- Leading- Government is future-oriented and accountable

#### **Health Services**

- 2023-2027 Declaration on Climate Change and Air Quality
- 2020 2029 Strategic Plan

# Leading during times of change



- Public sector recognizes and communicates sustainability values
- Procurement can directly engage vendors on these established values
- Changing the way we do business is cascaded throughout the supply chain driving systemic changes

# Sustainable Outcome vs. Sustainable Procurement

• Peel Region has adopted a Net Zero Emissions Standard, but is it sustainable procurement?

Sustainable building



Sustainable procurement



#### Region of Peel

NET ZERO EMISSIONS BUILDING STANDARD FOR NEW CONSTRUCTION

# Sustainable Outcome vs. Sustainable Procurement







Procurement of construction services

Tender specifies netzero GHG standard Awarded & contracted to supplier based primarily on price and quality

Sustainable outcome based on standard

# Sustainable Outcome vs. Sustainable Procurement







Procurement of construction services

Tender specifies netzero GHG standard &

- Paid training for equity seeking groups
- Building materials sourced from circular economy sources

Awarded & contracted to supplier based on

best-value for communities

Sustainable outcome based on how it was delivered as well as how it operates

Procurement By-Law

Sustainable Procurement Policy

Program Framework

Stakeholder Engagement

Provides authority to incorporate sustainability into procurement

Positions procurement as a strategic lever to enact the systemic changes

Flexible
Framework
provides
roadmap for
implementing

Empower purchasers and vendors to make procurement strategic

Procurement By-Law

Provides authority to incorporate sustainability into procurement

Sustainability is one of the five guiding principles:

"to integrate Sustainability considerations into the procurement decision-making process that achieve the desired outcomes of Peel."

# THE REGIONAL MUNICIPALITY OF PEEL BY-LAW NUMBER 45-2023 A by-law to govern the procurement and disposal of goods and services and to repeal By-law 30-2018, as amended. WHEREAS subsection 270(1)(3) of the Municipal Act. 2001, S.O. 2001, c.25, as amended, requires a municipality to adopt policies with respect to its procurement of goods and services. AND WHEREAS, the Council of The Regional Municipality of Peel has deemed it desirable to set out its policies with respect to its procurement of goods and services. AND WHEREAS, this By-law establishes the authority and sets out the policies and methods by white goods and services with the procured and disposed of for the purposes of The Regional Municipality c Peel, subject to certain exceptions set out herein; NOW THEREFORE the Council of The Regional Municipality of Peel enacts as follows: PART I — PROCUREMENT GUIDING PRINCIPLES

In the interpretation and application of this By-law, regard shall be had to the following guiding

1.1 to maintain trust and confidence in the stewardship of public funds through objective, fair,

1.3 to promote procurement processes and decisions that are in compliance with applicable legislation and aligned with trade agreements that are binding upon Peel and that are

1.5 to integrate Sustainability considerations into the procurement decision-making process that

1.2 to promote effective use of funds allocated by Regional Council through procurement method:

transparent and efficient procurement processes:

achieve the desired outcomes of Real

Disposals and decisions that achieve best value for money:

consistent with the strategic objectives established for Peel;

1.4 to promote procurement practices that have regard for the accessibility of persons with

Sustainable Procurement Policy

Positions procurement as a strategic lever to enact the systemic changes

Supports sourcing of goods and services that meet requirements and deliver sustainability benefits



**Sustainable Procurement:** the integration of Sustainability considerations into procurement processes and decisions in support of the desired Sustainable outcomes of Peel Region, while obtaining the best value for Goods and Services.

Program Framework

Flexible
Framework
provides
roadmap for
implementing

Flexible Framework is a maturity measuring tool used by Scottish public sector organizations to implement sustainable procurement.



Stakeholder Engagement

Empower purchasers and vendors to make procurement strategic

For purchasers, embedding sustainability enhances the value Peel receives from the transaction.

For vendors it's a chance to showcase innovative practices.

For both employee satisfaction



### **Values Based Best Value**

- Focusing on price and quality, but not sustainability priorities can be seen as a form of organizational cognitive dissonance
- Public sector sustainable procurement intentionally leverages priorities to achieve best value
- Canada spent around \$350 billion in public procurement in 2021





Procuring is inevitable, let's intentionally use it with strategic intent to achieve our desired outcomes

#### **Dana Fountain**

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Thank you