

Toronto Community Housing Corporation
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Briefing Note: For Information

To: Board of Directors (the "Board")

From: Lily Chen, Chief Financial Officer & Treasurer

Date: February 5, 2024

Re: Board of Directors Meeting of December 6, 2023 – BIFAC Chair's Report (Public Action Item #6 re: Development of TCHC's Social Procurement Policy)

ACTION ITEMS SUMMARY:

At the December 6, 2023 Board of Directors meeting, management was requested to provide an update on the development of TCHC's social procurement policy.

SUMMARY:

The establishment of a social procurement program allows TCHC to leverage existing procurement activities to achieve positive social value outcome. The program aims to ensure fairness and equity by balancing public procurement standards with corporate priorities related to equity, diversity and inclusion, anti-Black racism, and aligning to the City of Toronto's social and economic development goals.

PROGRAM GOALS:

1. Increase the diversity of TCHC's supply chain by providing diverse suppliers with equitable access to competitive TCHC procurement processes, tenants and tenant entrepreneurs, local suppliers, social enterprises and equity-deserving groups.
2. Increase the number of employment, apprenticeship and training opportunities leveraged for people experiencing economic disadvantage, including those from equity-seeking communities.

PROGRAM COMPONENTS:**1. Enabling social procurement policy to drive supply chain diversity:**

TCHC has retained external legal counsel, McMillan LLP (“McMillan”) to review TCHC’s procurement policies and procedures, including recommendations related to the development of a social procurement policy as part of that review.

The teams will be working on defining the minimum number of quotations based on dollar threshold to invite diverse suppliers to compete and provide them with an equal opportunity to do business with TCHC. It is anticipated that the outcome of McMillan’s review will be brought to the Board of Directors in Q3 2024.

2. Tools, guides and support systems:

- Work with supplier diversity certification organizations to acquire lists of diverse suppliers.
- Develop specification templates, contract language and evaluation guidelines to be used in competitive procurement processes.
- Implement data collection systems to track the amount of procurement directed to diverse suppliers and the number of individuals engaged in workforce development programs.
- Conduct ongoing monitoring of social procurement spend.

3. Internal staff support:

- Establish interdivisional team, co-led by Strategic Procurement and Programs and Partnerships, with the goal of advancing a formal social procurement policy for the organization.
- Hire dedicated staff resource to coordinate social procurement activities.
 - A Community Economic Development/Social Procurement Manager, reporting to the Director of Programs and Partnerships, started in January 2023. Where social procurement is concerned, the role is responsible for working closely with Strategic Procurement to develop and facilitate strategies, procedures and standards to ensure the implementation of a social procurement program across the organization.
- Support from the Centre for the Advancing the Interests of Black People (the “Centre”) in the development of a social procurement

program, and participation in the social procurement working committee.

NEXT STEPS:

TCHC plans to undertake several key activities in 2024. These include a thorough review and creation of the social procurement policy, including engaging with both tenants and vendors, developing a comprehensive evaluation plan including outcome measurement metrics, and initiating dialogue with key external stakeholders, particularly targeting agencies and firms that will provide resources supporting tenants and tenant entrepreneurs

SIGNATURE:

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