

# Report to Council



**Date:** April 11 2022  
**To:** Council  
**From:** City Manager  
**Subject:** Purchasing Workshop  
**Department:** Purchasing

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## **Recommendation:**

THAT Council receive for information, the Report from the Purchasing Manager, dated April 11, 2022, regarding the Purchasing Workshop Presentation

## **Purpose:**

To provide Council with information on the City's procurement principles, function and processes.

## **Background:**

### Public Procurement Principals

There are four primary pillars of public procurement and they are;

- non-discriminatory, providing no preferential treatment to any potential supplier,
- open access, bidding opportunities are open and accessible to any capable supplier,
- transparency, clear and concise rules and process for bidding opportunities, and
- effective management of public resources, ensuring value for money

### Governance

Procurement is delegated to the Purchasing Branch that centrally controls the procurement methods and strategies used for goods, services, and construction at the City. This delegation protects council from conflicts of interest by keeping Council at 'arm's length' from supplier selections and business transactions.

### Procuring Well

Staff use professional expertise and proven public procurement standards and practices to produce best value supplier contracts. Staff keep current by reviewing emerging regulation and case law to ensure the City remains compliant with legislation.

### Legislation and Regulation Compliance

Purchasing activity must be compliant with all applicable legislation and regulations. This legislation includes Canadian Administrative Law, multiple national and international trade agreements, and the

Community Charter. All these regulations help inform the basis for the City's Purchasing Bylaw, administrative Policy, and Guidelines.

#### Council Priorities in Action

The establishment of Council Priorities provides staff with the direction needed to pursue actions to fulfill the desired results. Purchasing branch uses technology to support the Financial Management improvement Priority by increasing efficiency and collecting data to allow for analysis of progress.

#### Council Allocates Budgets

While not all Priorities require enabling budgets, some will. Council empowers staff to be more impactful in achieving progress when approved budgets support the vision and direction set.

#### Emerging Topics

Several procurement topics are evolving and require a high degree of Staff expertise and new strategies to achieve superior results.

- Global and local markets are experiencing several pressures that will require even more diligence on the part of City staff to ensure continued affordability and project success.
- Consumer Inflation is at a 30 year high, how do we lessen cost impacts?
- The Circular Economy has grown in prominence in recent years, and it effects the procurement strategies used to promote Sustainability and Community Benefits.

#### Sustainable Procurement

Includes the pillars of,

- Environmental,
- Social,
- Indigenous, and
- Ethical.

Most of an organization's social and environmental impacts occur in the supply chain. Sustainable procurement is one of the most powerful mechanisms to drive corporate priorities and innovation. It is also good business. Sustainable purchasing generates smaller footprints, financial savings, stronger brands and leadership on social purpose, going zero waste or carbon neutral, safeguarding against poor labour practices, or applying green and circular economy principles, procurement helps advance these all when done well and with planned purpose.

#### Benefit Driven Procurement

Through Benefit Driven Procurement the purchase of goods and services can still take place through a competitive and transparent bidding process. The process is designed to create extra benefits for our community but does not increase the cost of procurement or decrease the quality of what we receive.

#### **Conclusion:**

Staff use subject matter expertise, technology, public procurement principals, regulations, Purchasing Bylaw and related policies to make decisions that advance Council priorities all while considering value for money. Council priorities are further promoted when enabling budgets are approved to advance any initiatives and outcomes, like sustainability or other benefit driven procurements.

**Internal Circulation:**

- Infrastructure Delivery
- Airport Development
- Information Services
- Building services

**Existing Policy:**

[Purchasing Bylaw No. 11477](#)

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**Approved for inclusion:**



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cc: Kevin Hughes, Financial Planning Manager