



October 16, 2023

Buy & Sell with Impact

Introduction to Social Procurement and
Supportive Employment

About



**Social
Procurement
Leaders**



**Charlotte Lewthwaite
Manager of
Community Benefits &
Partnerships**

Table of Contents

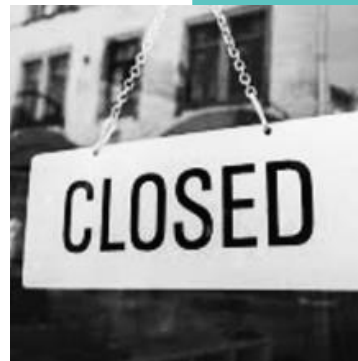
- 1** **Intro to Social Procurement**
- 2** **Social Procurement & Supportive Employment**
- 3** **Case Study: CleanStart Property Services**
- 4** **Questions & Discussion**



Intro to Social Procurement

Our communities face multiple complex challenges

- Social
- Economic
- Environmental
- Employment challenges
- Skills gaps
- Historic and systemic racism
- Local economic disruption
- Youth disengagement
- Social isolation

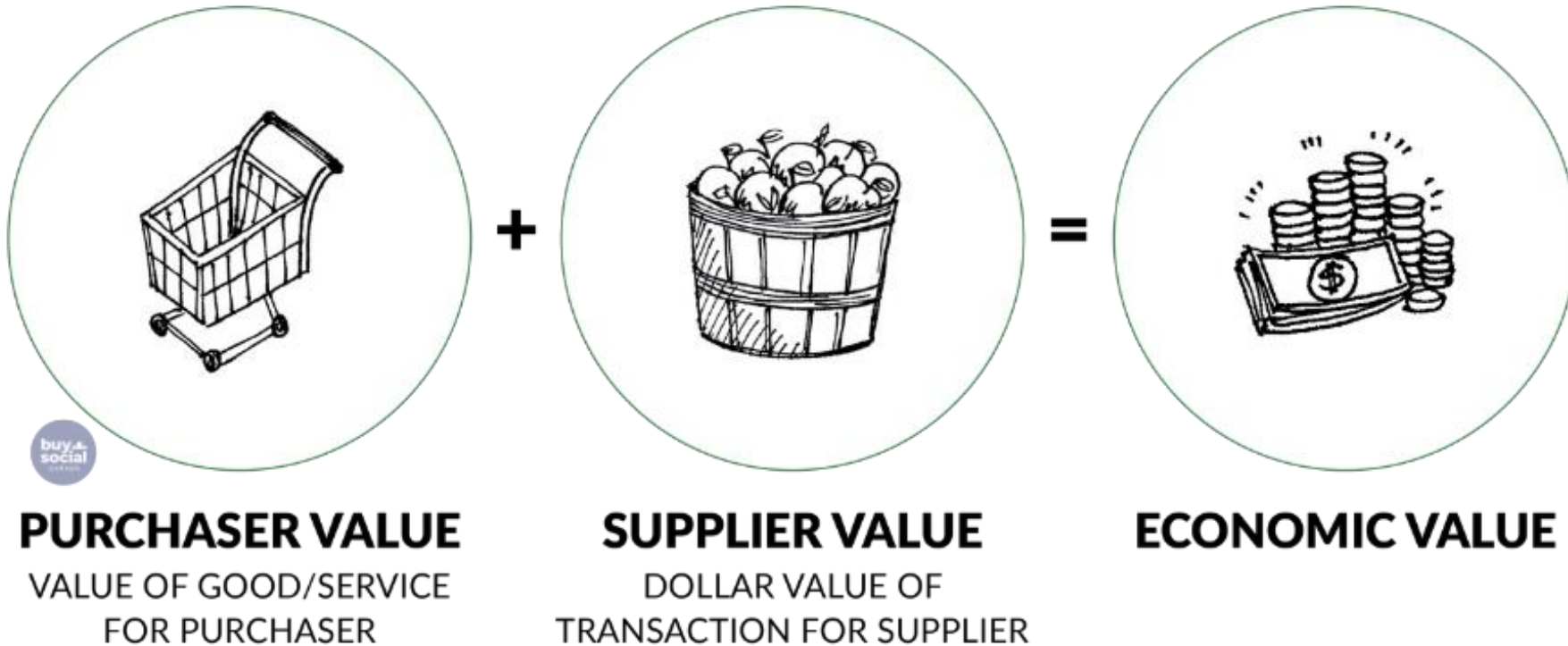




Canada's Federal Government Purchases

- **\$20 Billion in goods and services annually**
 - Building Maintenance and Cleaning
 - Professional Services
 - Food Services
 - Translation
 - Office Supplies
 - Repairs & Construction
 - Landscaping Etc.
- **\$180 Billion over the next twelve years in infrastructure**

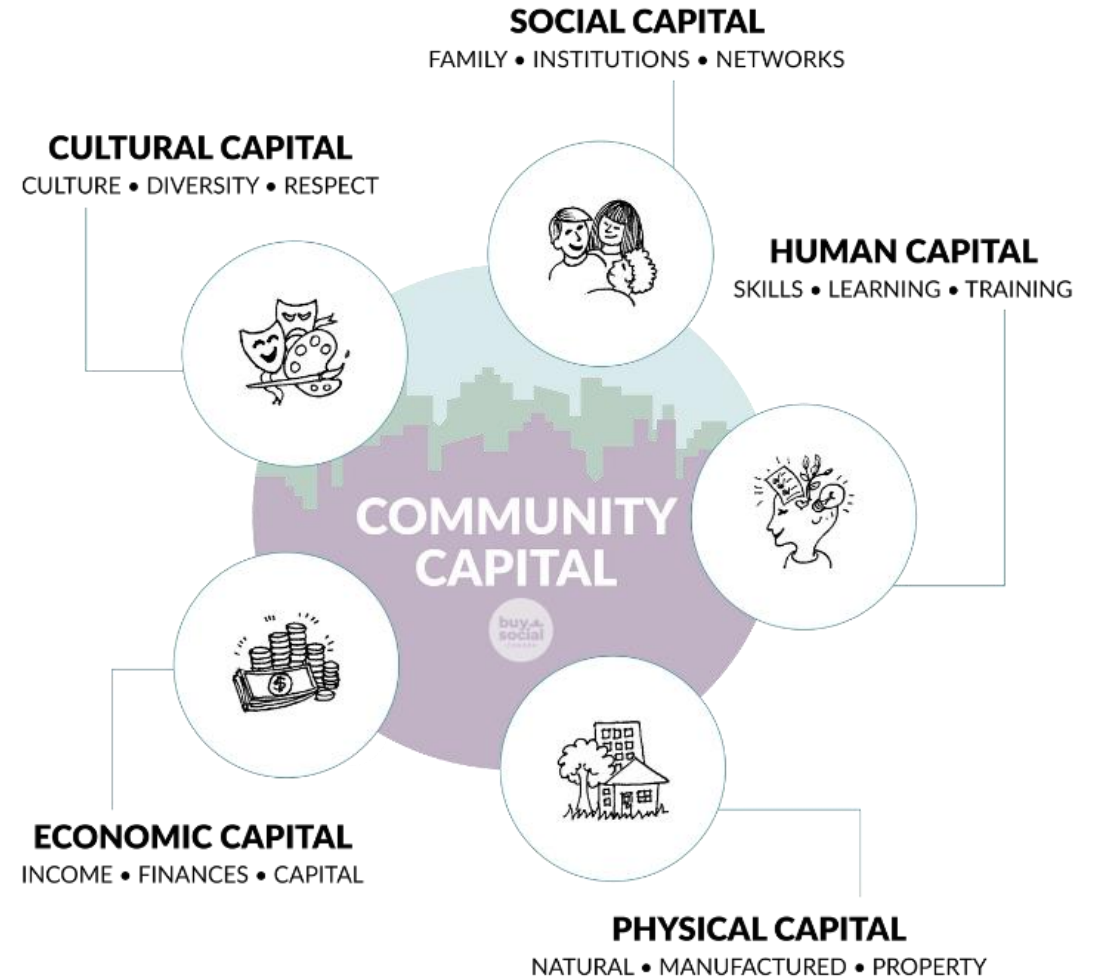
What is Procurement?



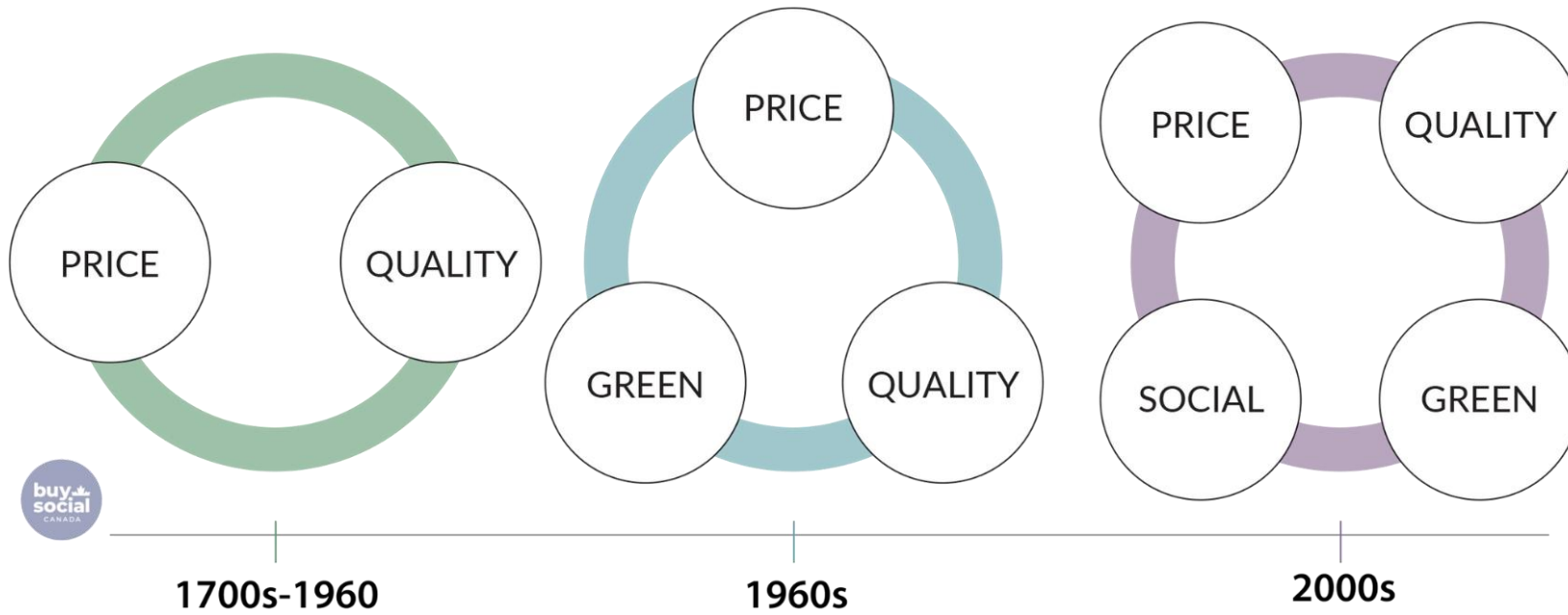
Social Procurement adds Social Value



**‘Best value for money’
considers more than
economic transactions,
it creates Community
Capital.**



Evolution of Procurement





Social procurement leverages a social value from existing procurement.



Social Procurement Seeks Best Value

- Every purchase has an economic, environmental, cultural and social impact.
- When we focus on 'best value for money' procurement is much more than a financial transaction;
- Procurement becomes a tool for building healthy communities.

*Photo: EcoEquitable, Certified Social Enterprise

What is possible?

Economic impact of local suppliers

The economic multiplier effect

For every **\$100** spent with a “local” independent office supply business, **\$63** is reinvested locally

For every **\$100** spent with an “MNC” (big box), only **\$14** is reinvested locally

Source: 2019 LOCO BC Study; ‘The Economic Impact of Local Businesses’

What is possible?

**Community social
and economic
development**

For every dollar spent with a target group, the social return on investment is ~\$4.13

Source: Atira Property
Management,
2017 Ernst and Young

Myth

The quality is less with social procurement

Fact

There is no evidence to support that claim

The weighting factors and percentages in an RFX are determined based on the needs of the buyer for the goods or services.

- **Quality/Technical**
- **Price**
- **Environment**
- **Social**

Social Enterprise Maximizes Community Capital

A social enterprise is a business

It generates most of its revenue through the sale of goods and services

It has a defined social, cultural or environmental goal

Embedded in its operation

Most profits are re-invested in the social objective

With no, or less than 50%, distribution to shareholders and owners



Social Procurement & Supportive Employment

Sell with Impact: Stories and Research from the Canadian Social Enterprise Sector



**Social
Procurement
Leaders**

Sell with Impact

Stories and Research from the Canadian
Social Enterprise Sector



Buy Social Canada

September 2023



Survey Snapshot

This data represents 132 Certified Social Enterprises, from 88 survey responses.



\$237.2 Million

Gross revenue in 2022

\$185 Million

Gross sales income in 2022

\$3.9 Billion

GreenShield Canada
(one social enterprise)
reported revenue in
2022

70%

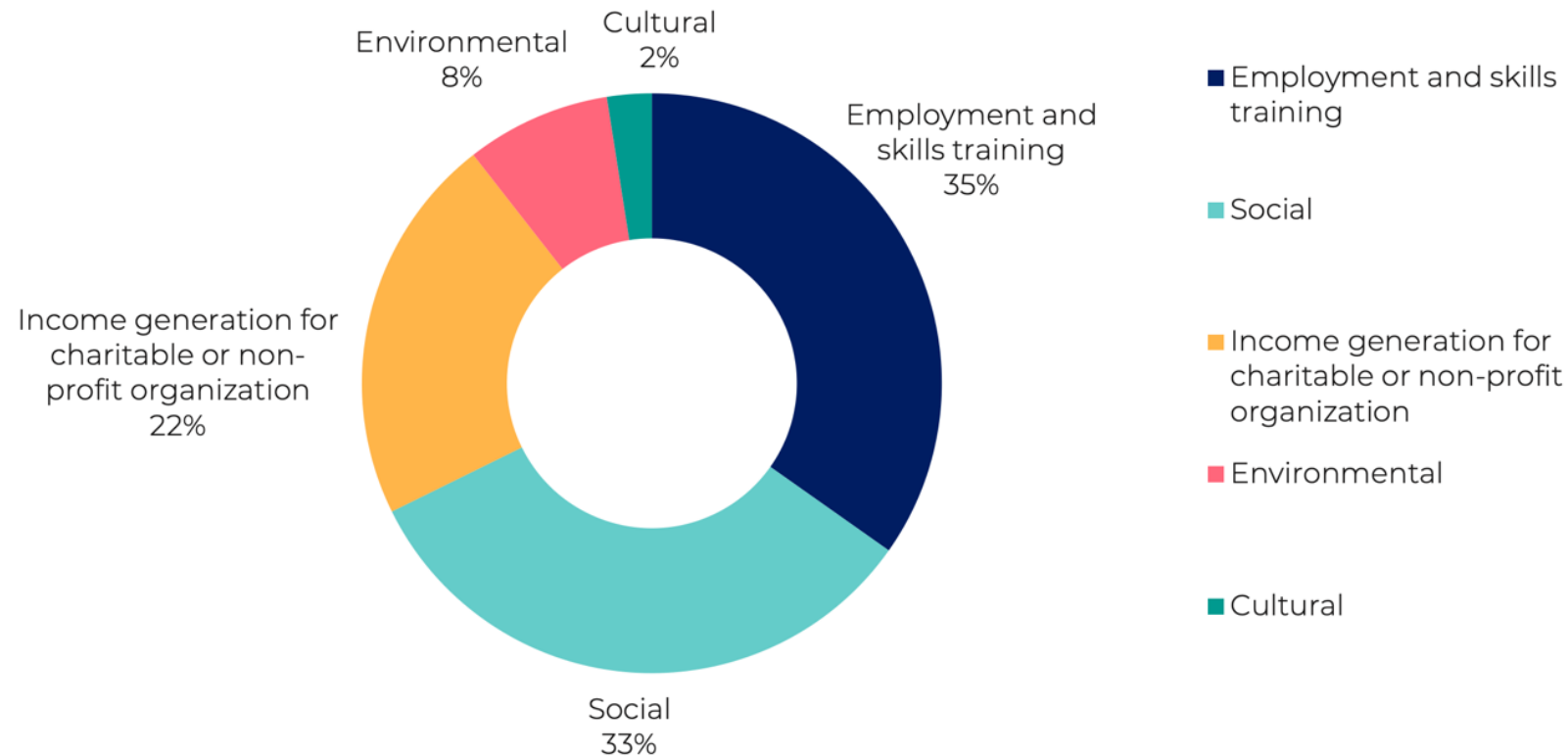
Say financial
health is breaking
even or better

85%

Intentionally provide
wraparound
supports to staff

Putting purpose over profit

Primary Purpose as a Social Enterprise (n=88)

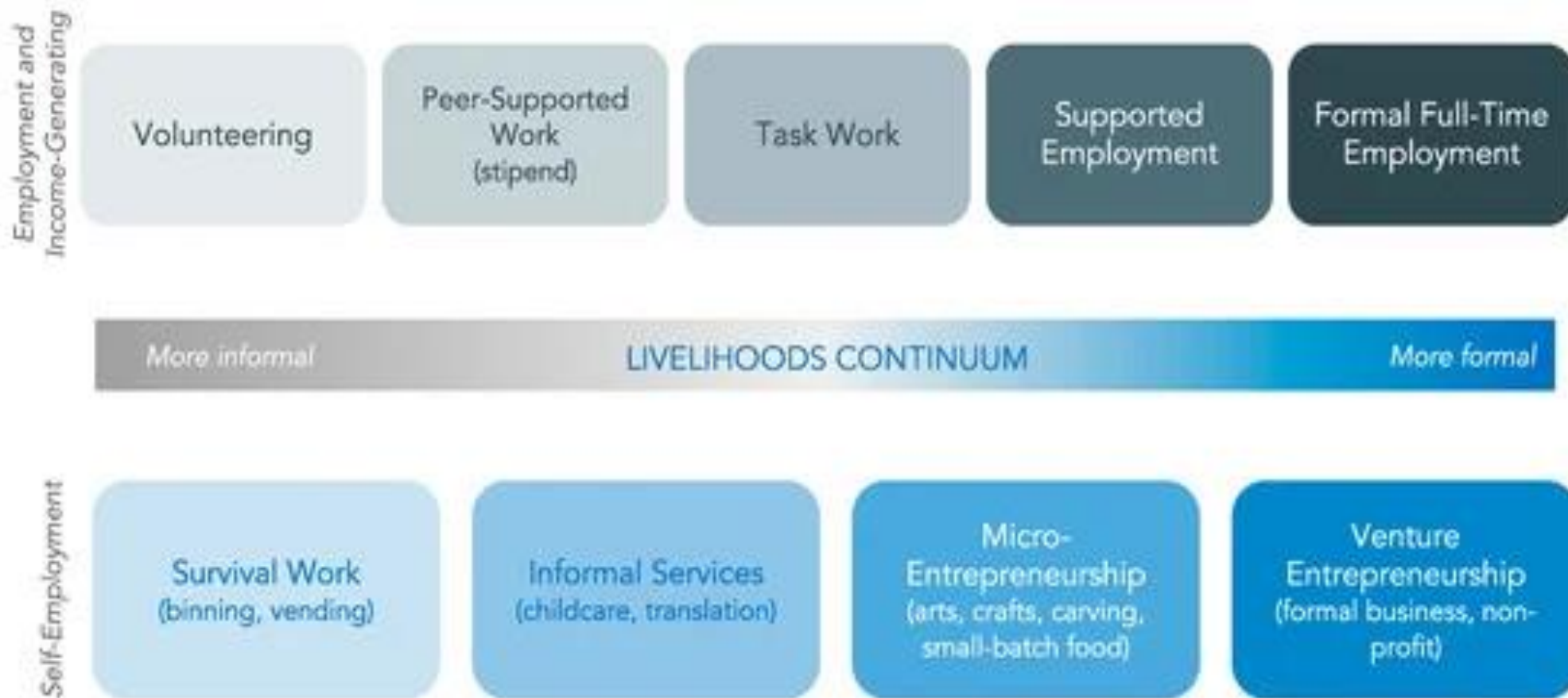


85% of social enterprises provide wraparound supports

Some examples of wraparound supports include:

- Free transportation, e.g. bus passes
- Free training & mentorship
- In-house counsellor
- Financial Coach
- Extensive peer support
- Flexible work schedules
- Subsidized Union Fees

Why should we create an inclusive economy?





CleanStart Property Services

A Successful Social Procurement Case Study

History



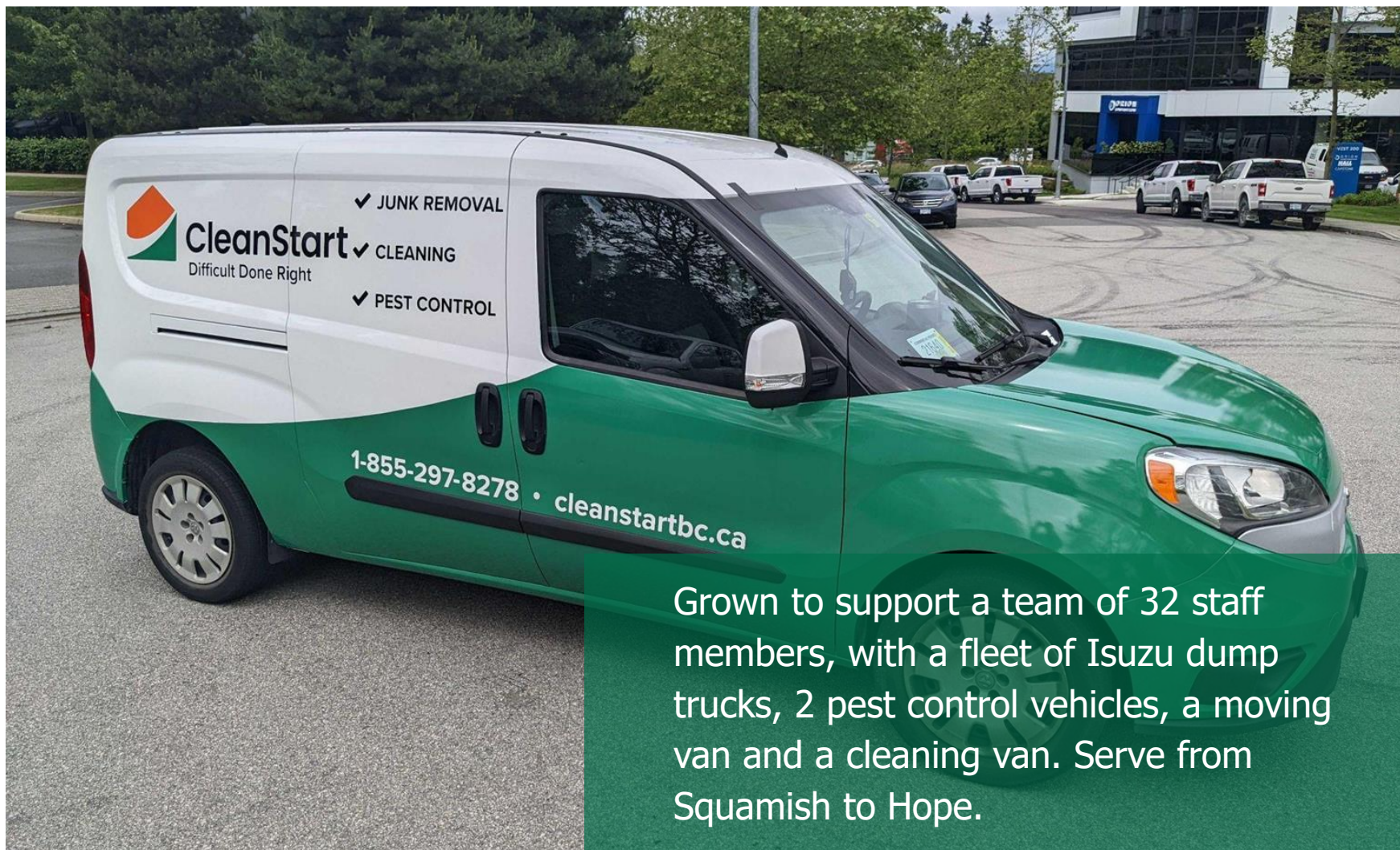
THEN



March of 2010 in the
Downtown Eastside: Dylan
Goggs had two employees
and one white pick-up truck.



NOW



Grown to support a team of 32 staff members, with a fleet of Isuzu dump trucks, 2 pest control vehicles, a moving van and a cleaning van. Serve from Squamish to Hope.



Business Incorporation and Model

Community Contribution Company (C3)

- **Taxable business that *acts* like a charity**
- **40%+ of profits must be donated or reinvested in the company**
- **Cannot issue official donation receipts**

For-Profit Social Enterprise

- **Does not receive charitable donations or government funding**
- **Operates on the open market like a traditional for-profit business**
- **Motivated by the impact that profits may fund**

For-profit v. charitable social enterprise

**What are the benefits of the model that
CleanStart Property Services chose?**

Mission, Vision & Values



Mission

To provide professional services for the most difficult jobs while staffing a team facing barriers to traditional employment.



Vision

To create an inclusive economy in which businesses with social mandates can prosper and provide career opportunities for all.



Values

Everyone in our community deserves the right to meaningful work in an environment that is compassionate, respectful and equitable.



Services



JUNK REMOVAL

Non-Profit, Commercial, & Residential

This Includes:

- Outdoor bin maintenance
- Illegal dumping monitoring
- Junk room/storage room clear-outs
- Pest-infested item removal
- Suite clear-outs
- Construction debris removal & 'live loads'





HOARDING





HOARDING



HOARDING



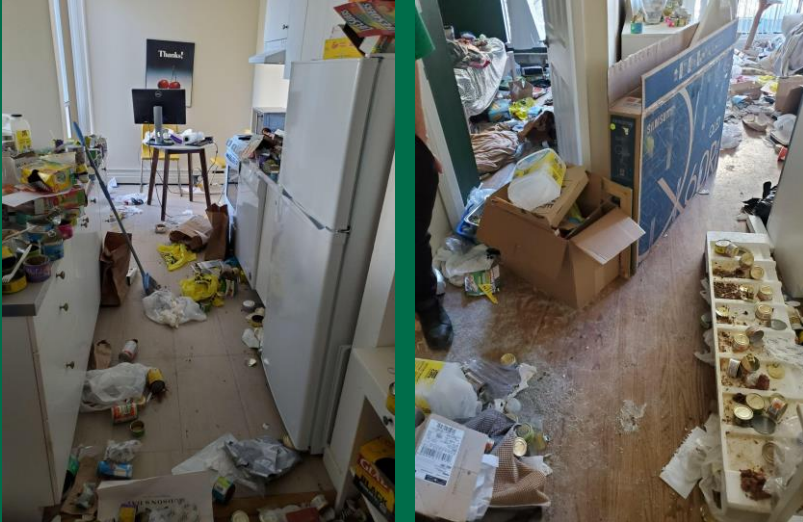
PEST CONTROL PROGRAM



Extreme, Sanitization & Janitorial Cleaning Services

This Includes:

- Cleaning of extreme situations, i.e. biohazard & infestations
- Electrostatic fogging & high-touch sanitization
- Wall-steaming
- Pest control preparation
- Covid-19 response cleaning



Non-Profit and Refuge Moving Services

We have been involved in:

- Oppenheimer Park
Encampment/Refuge
- Strathcona Park
Encampment/Refuge
- Hastings Encampment/Refuge





LIVING WAGE EMPLOYER

We are certified living wage employer by the Living Wages for Families BC Campaign.



COMMUNITY CONTRIBUTION COMPANY

40% of profits are mandated for social good.



HEALTH BENEFITS & SUPPORT

All staff are offered extended health benefits, flexible schedules & other employment supports.



SUPPORT WITH HOUSING

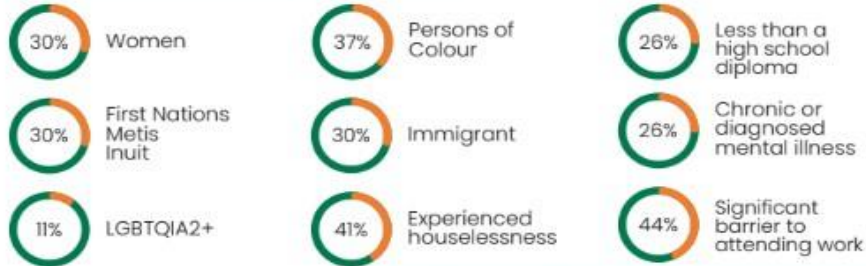
55% of staff have self-reported that CleanStart has greatly improved their housing situation.

SUPPORTIVE EMPLOYMENT



A large orange shape with a rounded top-left corner and a straight bottom-right edge, positioned on the left side of the slide.

**How do you
communicate
supportive employment
that goes beyond
quantitative metrics?**

Self Identified Staff Demographics*


OF EMPLOYEES REPORTED THAT
CLEANSTART HAS SIGNIFICANTLY
IMPROVED THEIR HOUSING
SITUATION

Employee Updates**

- **Daniel**
The journey to recovery can sometimes mean multiple stays at rehab or a detox clinic. We ensured that Daniel always had a job to return to following treatment.
- **Kevin**
Due to unexpected expenses, Kevin was unable to afford back to school supplies for his son. Management arranged a donation from KidSafe and issued Kevin an interest-free loan.
- **Sarah**
Sarah was not going to be able to make rent this month and faced eviction. We issued her a pay advance so she can remain housed.

2,310

Total Supportive
Employment Hours
Provided***



\$102,751

Estimated Social
Return on
Employment****



*All participation in company surveys are voluntary and confidential

**All names have been altered to protect the employees' identities

***Based on 50% of staff being considered moderately to severely barriered to traditional employment

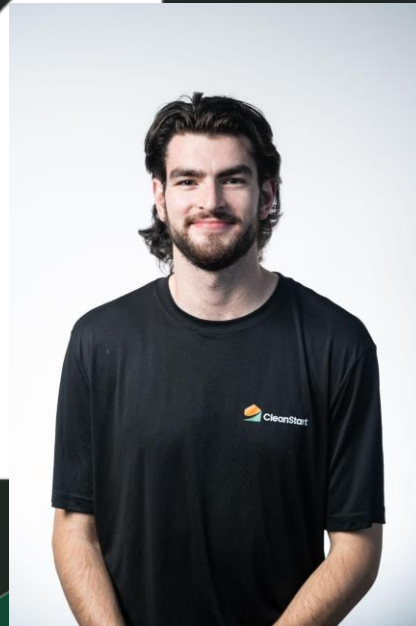
****Based on the Social Return multiplier of \$3.27 developed by Ernst & Young (2017)

Monthly Social Impact Report

The Difficult Realities of Supportive Employment

- **Managing a staff that has been unable to be managed elsewhere**
- **Chronic attendance issues**
- **Substance use**
- **Increased personal and family emergencies**
- **It is very difficult to build trusting relationships**
- **Very easy to unknowingly exploit staff**
- **Difficult to, if ever, reach a point of stability**
- **Firing marginalized individuals**





**What I have
learned**

**Monetary Cost of
Goods & Services**



**Social Return
on Investment**



**True Value
to Purchaser**

**Revolutionizing Traditional
Economic Markets**

**Adjusting how
we define
*'experts'***

**Supportive employment is
management-heavy and
emotionally taxing.**

However...



**...when you meet
people where they
are at you facilitate
purpose and
community.**

Connect With Us

Have some questions or need information on how you can be involved or how our services can support your social enterprise or social procurement efforts?

Charlotte Lewthwaite

Manager of Community Benefits & Partnerships

charlotte@buysocialcanada.com

