



COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	September 29, 2021
SUBJECT:	GTHA Regional Procurement Table (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Tina Iacoe Manager, Procurement Section, Financial Services and Taxation Division, Corporate Services Department
SIGNATURE:	

As highlighted in the City Manager 2020 – 2021 Review (CM21006) and the City’s Recovery Framework Report (CM21003), received by Council in July and September 2021 respectively, the Greater Toronto Hamilton Area (GTHA) CAOs/City Managers have been meeting to discuss common issues related to the pandemic emergency response and recovery. In response to the identification of shared regional municipal interests and a belief that benefits could be achieved by bringing related staff together to share data, expertise and ideas to inform new approaches and actions on key issues to advance recovery, staff teams have been meeting in the areas of affordable and supportive housing; digital infrastructure; procurement; and sustainable finance.

This communication update speaks to the GTHA Regional Procurement Table. Reports will continue to be brought forward to Council as this collective work advances.

GTHA Regional Procurement Table

Since April 2021, the City of Hamilton has been an active participant in the GTHA Regional Procurement Table (“Table”) along with the City of Brampton, Durham Region, Halton Region, City of Hamilton, City of Mississauga, City of Toronto and York Region. This Table was brought together with 2 goals in mind:

1. assess various options to promote regional collaboration on procurement and develop recommendations for considerations; and
2. analyze the procurement spending data provided by the participating municipalities to estimate potential cost efficiencies through broader collaboration.

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Early in the year, the City of Toronto was successful in an application to the Province's Audit and Accountability Fund to explore potential benefits from a collaborative approach to procurement and as a result, Ernst & Young (EY) was hired to assist the Table. Through workshops and the collection of spend data from each municipality, EY was able to identify key commodities that could result in significant savings, particularly within the Fuel/Vehicle and Technology sectors (both hardware and software), with a potential opportunity to achieve \$140M - \$280M in cost efficiencies for the region.

The achievement of a full range of savings is dependent on several factors (including alignment with trade agreements and change management approaches within the end-user department,) and will likely extend over a period of the next couple of years.

Even though EY's assignment is nearly complete, the Table has agreed to continue with this regional collaboration, each working towards developing policies and a governance structure for the group as well as implementing a cooperative procurement pilot in the near future. Once complete, the results of pilot will be shared with each municipality, the Province and Supply Ontario (Province's new centralized supply chain agency) to demonstrate successful collaboration of resources and savings on a regional level.

Although the City of Hamilton participates with other municipalities on various procurement initiatives and is also a member of the Grand River Cooperative Procurement Group, the City's participation on this Table will provide the City with another opportunity to collaborate and be vigilant with spending of taxpayers' dollars.

If you have any questions regarding this communication or the GTHA Regional Procurement Table, please contact Tina Iacoe, Manager of Procurement at ext. 2796 or by e-mail at tina.iacoe@hamilton.ca.

Thank you.

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