



Social Procurement

Lessons from Parkdale Neighbourhood Land Trust



November 2025

Written by Celia Wandio



+ Neighbourhood Land Trust



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Introduction

Social procurement is a method of contracting services and goods that takes into account social, economic, and environmental impact. Social procurement is pursued by many community land trusts (CLTs) because CLTs often aim to deliver community benefits beyond the stewardship of land for affordable housing. As landowners and asset managers, CLTs have purchasing power that can be strategically channeled to increase their impact.

Parkdale Neighbourhood Land Trust's (PNLT) purpose is to build a just, healthy, and inclusive neighbourhood; their work towards that goal includes the provision of affordable housing as well as other community benefits. As they put it in their [Social Procurement and Sustainability Action Framework](#), "the Land Trust's goal to preserve safe, secure and adequate affordable housing should be considered together with the broader collective aim of supporting economic democracy, racial and climate justice." For organizations intending to accomplish positive social outcomes, social procurement is a way of accomplishing a "multiple bottom line" - that is, procuring services that deliver social, economic, and environmental outcomes in addition to the practical and financial goals of a given project.

Background: NLT & Social Procurement

In 2022, the Neighbourhood Land Trust (NLT), the charitable arm of PNLNT, acquired a portfolio of 81 single family homes and small buildings from Toronto Community Housing Corporation. These properties were in need of extensive capital renewal, budgeted at more than \$22M. In addition, NLT had further capital projects planned for the other properties in its portfolio, which includes a 15-unit rooming house and a 36-unit apartment building. These projects represented a unique opportunity to define the principles and goals that would underpin NLT's social procurement and sustainability practices.

NLT partnered with the Toronto Environmental Alliance to develop their Social Procurement and Sustainability Action Framework ("the Framework"), published in 2022. This report provides an overview of best practices in social procurement and retrofit works, analyzes the possibilities and challenges present in NLT's portfolio, and summarizes feedback received from community engagement. The Framework identifies four impact areas that NLT aims to address through their social procurement and sustainability work, which are:

- **Community economic development:** Inclusive economic opportunities for local community members, businesses and social enterprises;

- **Decent work:** Low-barrier income generating employment opportunities for community members;
- **Environmentally responsible buildings:** A sustainable approach to the construction, renovation, repair and management of properties;
- **Community climate resilience:** Communities are safe and protected from extreme weather and other climate impacts, and benefit from climate solutions.

For each impact area, the Framework identifies strategies, data/metrics to measure progress, quantifiable targets, and longer term outcomes. The Framework includes a target that 30% of contracts (by dollar value) go to social contractors.

After finalizing the Framework, NLT developed a Procurement Policy (“the Policy”) that includes high-level guidance for evaluating vendors as well as processes for tendering and developing a preferred vendors list. The Policy expands on the impact areas outlined in the Framework, outlining five key criteria for vendors to ensure that NLT’s procurement meets their social goals:

- Promotion of NLT’s mission and values
- Ownership by, and hiring of, equity-deserving groups & local residents
- Provision of training and supportive work placements for equity deserving groups
- Classification as a Decent Work or living wage employer
- Provision of environmentally sustainable products/services or delivery of services in an environmentally sustainable manner

To accompany this policy, NLT created a Vendor Social Procurement Form that they used to assess vendors’ alignment with the key criteria. When vendors bid on a particular piece of work, they were asked to fill out this form so that NLT could determine whether or not they qualified as a social vendor. NLT maintained a list of social vendors to refer to for future work.

In 2022, NLT entered into a social employment partnership with Building Up, retaining them as a preferred General Contractor for certain interior renovations as part of NLT’s capital improvement plan. Building Up (BU) is a non-profit contractor and pre-apprenticeship training provider that uses renovation projects to create jobs and personal development opportunities for individuals experiencing barriers to employment. The option to enter into such partnerships - termed Innovative Partnerships - is outlined in the Procurement Policy.

NLT and BU formalized their partnership through a Social Employment Partnership Agreement. Through this partnership, NLT and BU set a shared intention for NLT to provide \$1-2M in contract work annually to BU. They also set targets for the

partnership in relation to paid training provided and recruitment of Parkdale residents working on NLT sites.

While NLT's social procurement work has led to positive outcomes to date, NLT found there was a need to review its processes, particularly to improve the partnership with BU and to clarify the evaluation of social vendors. This resource summarizes lessons learned through NLT's experiences with social procurement so far and suggests promising approaches for other CLTs.

Lessons for CLTs

Having clear goals & an actionable policy is key

Social procurement is a broad term that can mean a lot of different things to different organizations. CLTs looking to do social procurement should begin with a process to determine the positive outcomes that they hope to achieve. This could entail an intensive process resulting in a report, like NLT's Framework, or a simpler engagement and research process resulting in a short document outlining desired outcomes and their rationale.

These desired outcomes should be in line with the CLT's existing guiding principles and strategies (mission, vision, values, strategic plan, etc.) and should be developed in close collaboration with the community. CLTs may choose to prioritize certain types of outcomes over others; the rationale for these choices should be spelled out and connected to each CLT's community context and strategic goals.

Once these broad outcomes are pinned down, your CLT should create a policy that outlines how social procurement will occur in practice. The policy itself does not need to be overly detailed in terms of execution, but it should make a connection between the desired outcomes and the steps the CLT's board of directors and staff will need to take to work towards those outcomes when procuring services and/or goods.

Like any other policy, your social procurement policy should specify the circumstances under which decision-making authority is delegated to staff as well as decisions that need to be brought to the board for approval. This clarification is crucial because it will give staff the guidance they need to develop detailed internal processes in line with the board's directions, without over-burdening your board.

Your social procurement policy will not typically contain forms or metrics used to evaluate and score social vendors. These documents represent how you will operationalize your social procurement policy and are therefore very important, as

discussed below. However, keeping them separate from your policy can provide the flexibility to adjust working processes without requiring board approval for detailed operational documents.

Evaluating social vendors is more challenging in practice than on paper

Social, economic, and environmental outcomes can be difficult to quantify. Similarly, vendors' alignment with these goals is challenging to assess. NLT's original Vendor Social Procurement Form included broad open-ended prompts taken directly from the five key criteria outlined in the Social Procurement Policy. For example, the form included prompts that asked vendors to explain "the extent to which the vendor promotes the mission and values of NLT" and "the extent to which the vendor is owned or led by residents."

In addition to the open-ended nature of the questions, key terms were not explicitly defined - either for vendors or staff - making it difficult to assess alignment with a given criteria. Terms that NLT later determined needed to be explicitly defined included:

- **Ownership by equity-deserving groups** - The equity-deserving groups were not originally listed; NLT also found they needed to specify what level of ownership stake would qualify (determined to be 50%, based on other organizations' social procurement practices).
- **Residents/local** - When prioritizing local vendors, the geographic boundaries should be specified, and the goals clarified; in reviewing their process, NLT has decided that simply being owned by someone who lives locally is not sufficient to qualify a vendor as a social vendor because unless the vendor is owned by or employing equity-deserving community members, it is difficult to make a direct link to community economic development. Local vendors remain a priority, but are not considered social vendors if that is the only criterion they meet.
- **Decent work** - The elements and practices that create the conditions for decent work should be defined for vendors, ideally with reference to an existing accepted definition. NLT has been working on meeting the [ONN's Decent Work Charter](#) themselves and have therefore decided to apply this definition for social vendors.

NLT also faced challenges in scoring vendor responses. NLT staff and bid review committee members were required to provide a score out of 10 for each vendor, but there were no clear criteria or scoring scale provided, leading to inconsistent scoring. This was amplified by the fact that social vendor information was solicited and reviewed only when vendors bid on a given project, which led to evaluation being

done at different points in time and by different members of staff. These scores were not recorded in a list for future reference.

NLT has updated their social vendor evaluation approach in response to the lessons outlined above. The improved process will seek to establish a vendor's status at the qualification stage, prior to bidding on a project, and will include a series of yes/no questions related to the specific evaluation criteria identified by the policy; when the vendor selects "yes," they will be prompted to provide detail, where applicable linking to evidence (i.e., a policy or report). There will be a clear scoring matrix for staff to use to qualify vendors as social vendors and assign a score for each social vendor that can be included in bid evaluations. These new processes are still in the piloting stage.

Long-term partnerships are challenging but can achieve greater outcomes

NLT's innovative partnership with Building Up has been productive and instructive for both parties. The purpose behind the partnership was to deliver greater social outcomes than might be delivered by intermittently working with a given social vendor, or with typical construction-sector contractors. BU's non-profit status and its core goal of providing training for individuals facing barriers to employment made it a great choice for NLT. Both organizations have strong alignment in their vision, values, and theory of change.

To date, the NLT-BU partnership has achieved significant positive outcomes. Overall, the partnership has been meeting or exceeding recruitment and training targets, leading to positive outcomes in workforce development and local economic opportunities. A recent evaluation report found that in 2023, 110 weeks of paid training had been provided through the partnership and 8 Parkdale residents had been onboarded by BU. Through the NLT-BU partnership, both partners have been building project planning and management capacity by working together to improve processes and share knowledge. In addition, creating long-term agreements with a preferred partner can be more efficient, saving money and time that would otherwise go towards the tendering and contracting process.

However, the partnership has also faced challenges. The Partnership Agreement set a goal of \$1-2M in interior contracts awarded annually, but just under \$900,000 in contracts had been awarded from March 2022 (the partnership start date) to December 2023. NLT and BU are projected to reach the minimum annual target for 2024, but more work will be needed to catch up to the aggregate target.

Beyond the quantifiable targets, both partners have had challenges operationalizing their agreement. Some of these challenges relate to the expected inefficiencies that

come with working with trainees. For example, projects have often taken longer than planned, due in part to trainee skills and speed. There have also been more deficiencies identified in completed works compared to works completed by other contractors; as a result, additional staff capacity and time from both NLT and BU has been required to ensure quality control. Additional challenges have been experienced in project scoping and ensuring a common understanding of project expectations, accurately estimating project costs and schedules, ensuring adequate trainee oversight, and recruiting trainees from the Parkdale area.

The long-term partnership between NLT and BU enables challenges to be channeled into learning opportunities for both organizations. After evaluating progress to date, new approaches are being piloted, such as: more detailed project scopes and schedules, clear specifications, greater documentation of project issues and expected solutions, and improved on-site communication processes.

Overall, the NLT-BU partnership demonstrates the challenges and opportunities at the heart of social procurement. In the short-term, some efficiencies may be sacrificed for the sake of important social, economic, and environmental outcomes. However, long-term partnerships are an opportunity for capacity-building and shared learning that can increase both the quality of work completed and the magnitude of social outcomes delivered.

Social procurement processes should be monitored & adapted as needed

Your CLT's social procurement process should be monitored regularly and updated as challenges arise and circumstances change. Processes for monitoring and evaluating success should be set up from the beginning; in NLT's case, measurable metrics and targets were identified in the original Framework and in their partnership agreement with Building Up. Resources required to effectively monitor and review social procurement processes and partnerships should be built into project budgets and grant applications to make sure these reviews are adequately resourced.

When setting targets for social procurement, it is important to identify what is and is not measurable. Social procurement typically has broad and relatively intangible outcomes as its ultimate goals - for example, improving social inclusion, supporting the local economy, and improving climate resilience. Metrics should be set based on what is within the CLT's control to carry out and what is within its capacity to monitor and measure.

Potential metrics can include:

- The percentage of work contracted to social vendors
- The amount of money committed to contracts with social vendors

- The number of social vendors added to a prequalified list
- The number of people in a target community receiving training, mentorship, or employment through a social vendor contract
- Tenant/staff satisfaction with social vendors' work (evaluated and measured through a survey)

As your CLT's social procurement work progresses, you should review your process to ensure it is operationalizing the core outcomes of your policy as intended. For example, NLT's review of their social vendor evaluation process showed that the evaluation form and scoring process were not specific enough to enable consistent identification and ranking of social vendors. After reviewing work to date and researching alternatives, NLT is piloting a revised social vendor evaluation process that is expected to more effectively deliver the desired outcomes of their Framework.

Similarly, long-term partnerships with social vendors should also be monitored and adjusted. NLT and BU's partnership agreement contains evaluation metrics as well as annual reporting requirements for both partners. To supplement these metrics, NLT annually surveys NLT and BU staff and holds evaluation workshops to celebrate successes, identify strengths, articulate challenges, and develop ideas for adjustments. This partnership evaluation process ultimately enables both organizations to work more efficiently, increase mutual satisfaction, and deliver the desired social outcomes more effectively.

Further Resources

- Neighbourhood Land Trust - [Social Procurement and Sustainability Action Framework](#)
- Neighbourhood Land Trust - [Vendor Social Procurement Form 2024](#)
- Buy Social Canada - [A Guide to Social Procurement](#)
- Ontario Nonprofit Network - [Community Wealth Building: Information and Resources](#)
- Building Up - [About](#)