

**City Council****Notice of Motion**

<b>MM27.5</b>	<b>ACTION</b>			Ward: All
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**Coordinating Procurement to Find Value-for-Money Opportunities - by Councillor Michael Ford, seconded by Councillor Stephen Holyday**

*\* Notice of this Motion has been given.  
\* This Motion is subject to referral to the General Government and Licensing Committee. A two-thirds vote is required to waive referral.*

**Recommendations**

Councillor Michael Ford, seconded by Councillor Stephen Holyday, recommends that:

1. City Council request the City Manager, the Chief Financial Officer and Treasurer, and the Chief Procurement Officer to enter into discussions with the Province of Ontario to explore the feasibility of coordinating procurement processes and to report back with the results of those conversations, including potential cost savings, to the General Government and Licensing Committee in 2021.

**Summary**

Last month, as part of the Provincial Government's drive to find more value for taxpayer dollars and secure critical Personal Protective Equipment, the Province created a new centralized procurement agency, Supply Ontario. This centralized agency will leverage the Province's buying power to deliver the best value for money, secure access to critical goods, drive innovation and connect small businesses to entrepreneurs and government.

The Government of Ontario spends \$29 billion on goods and services every year and it is estimated that by centralizing the government's procurement processes, they could save an estimated \$1 billion.

The City of Toronto spends \$2.5 billion on goods and services every year. Procurement at the City of Toronto is done through the Purchasing and Materials Management Division, which partners with all City divisions and designated agencies and corporations to coordinate the procurement of goods and services.

Given the current financial burden on the City's budget, there has been a renewed focus on finding cost-savings and efficiencies within our municipal government. Addressing the financial impacts of COVID-19 is one of the main themes in the Toronto Office of Recovery and Rebuild Report, COVID-19: Impacts and Opportunities, which speaks to adopting new models of procurement to drive greater value, leverage additional monies and realize opportunities to support social and community infrastructure.

Recently, the City of Toronto partnered with the Province's supply chain arm, Mohawk Medbuy. This effort was driven and supported by the City Manager and the Chief Financial Officer and Treasurer to purchase critical Personal Protective Equipment and take advantage of coordinated procurement efforts.

This Motion would build on these types of intergovernmental partnerships by directing the City Manager, the Chief Financial Officer and Treasurer, and the Chief Procurement Officer to communicate with the Province of Ontario to explore opportunities to coordinate procurement efforts through the new centralized agency, Supply Ontario.

At a time when the City's finances are under immense pressure due to COVID-19, exploring value for money opportunities is essential now more than ever.

### **Background Information (City Council)**

Member Motion MM27.5